

9th July 2019

The Listing Department The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata-700 001 Scrip Code: 11591 & 10011591	General Manager Department of Corporate Service Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001 Scrip Code: 590122	Head- Listing & Compliance Metropolitan Stock Exchange of India Limited (MSEI) Vibgyor Towers, 4th Floor, Plot . C-62, Opp. Trident Hotel, Bandra Kurla Complex, Bandra Kurla (E), Mumbai- 400098 Symbol Name: ASHIKA
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Dear Sir/Ma'am,

Sub: Annual Report and Notice convening the 26th Annual General Meeting with Book Closure dates for the F.Y 2018-2019

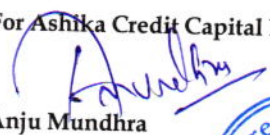
Pursuant to the provisions of Regulation 34(1) and Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof, please find enclosed herewith a copy of the Annual Report of the Company for the F.Y. 2018-2019 along with Notice of the *twenty-sixth* Annual General Meeting ("AGM") of the members of Ashika Credit Capital Limited ("the Company") scheduled to be held on Friday, the 9th day of August 2019 at Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 4th Floor, 36A, Shakespeare Sarani, Theatre Road, Kolkata - 700017 at 11.00 AM. The Annual Report & notice to the *twenty-sixth* AGM for the F.Y. 2018-2019 is also available on the website of the Company at www.ashikagroup.com.

Further, pursuant to provisions of Section 91 of Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and amendments thereof, the Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 3rd day of August, 2019 to Friday the 9th day of August, 2019 (both days inclusive) for the purpose of the *twenty-sixth* AGM and for payment of dividend to the shareholders/beneficial owners who will be entitled to receive dividend of Re. 1/- per Equity Share (i.e. 10%) on face value of Rs 10/- per share for F.Y. 2018-2019, if declared at the ensuing AGM. The aforesaid dividend, if declared at the ensuing AGM, will be paid on or after Friday, 16th August, 2019

This is for your information and record.

Thanking you,

For Ashika Credit Capital Limited


 Anju Mundhra
 Company Secretary
 FCS: 6686


Encl: As above

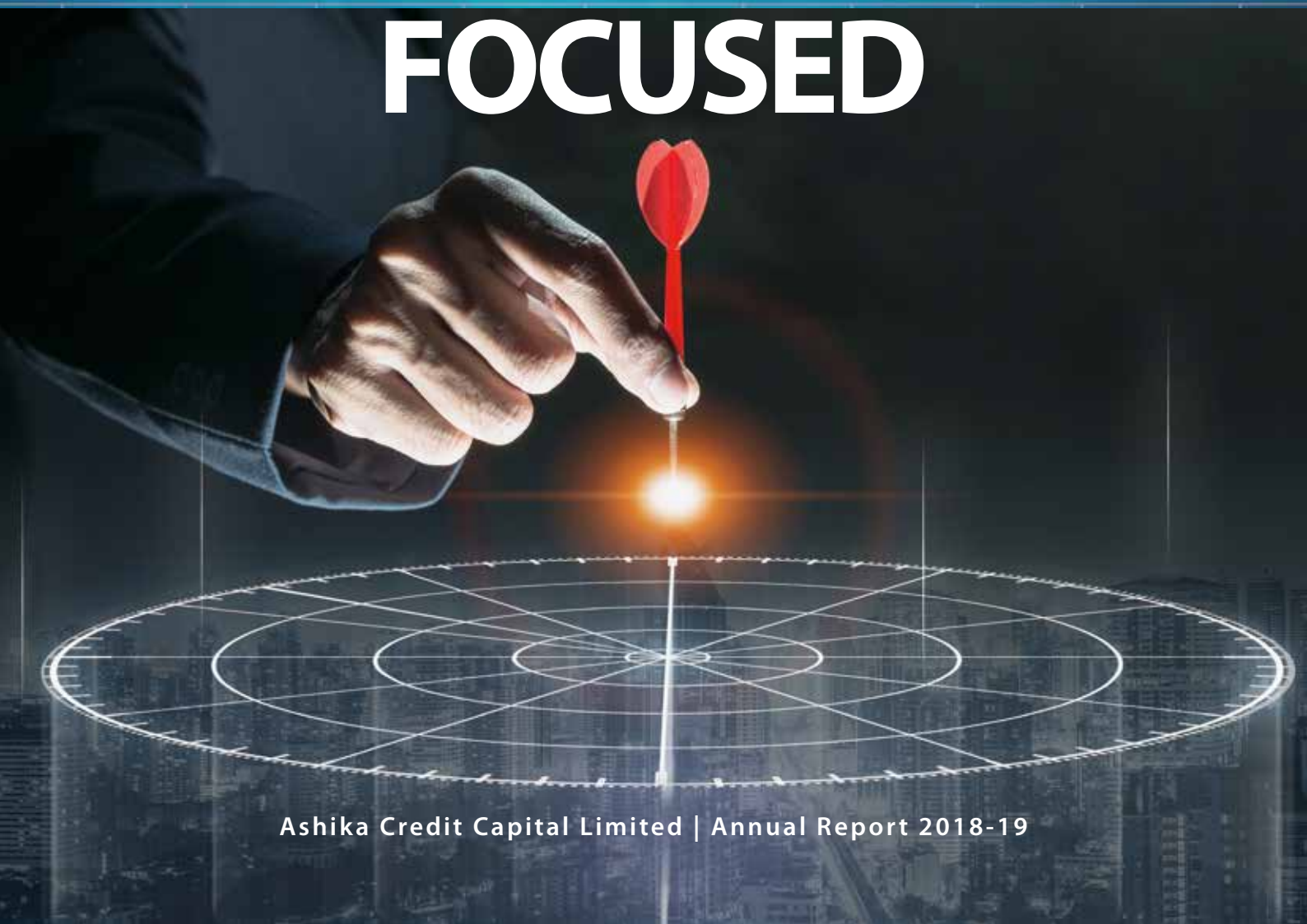
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FUTURE FOCUSED



Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Corporate Governance Report



17.77

Revenue (₹ cr)

6.78

EPS (₹)

57.30

Total amount lent (₹ cr)

7.56

Profit after tax (₹ cr)

7 THINGS TO KNOW ABOUT ASHIKA

01

Endurance

Over two decades, Ashika Credit Capital Limited has reinforced its position as a leading integrated financial services company in Eastern India, which is creditable in a sector marked by high mortality.

02

Presence

Ashika Credit Capital Limited enjoys a strong Eastern India network, making it possible for the Company to reach a growing number of customers.

03

Customer-friendly

Ashika Credit Capital Limited is respected for walking the extra mile while addressing growing customer needs.



MILESTONES

19
94

► Incorporated as a private limited company

19
96

► Converted into a public limited company

19
98

► Started taking NBFC non-deposits

04

Lending volumes

Ashika Credit Capital Limited's ability to satisfy its diverse client base is assessed from the fact that its lending volume grew from 15.25 cr in FY2015-16 to 57.30 cr in FY2018-19.

05

Services

The Company is engaged in fund-based activities like providing loans and advances, inter-corporate deposits, loans against securities and investments in shares and securities. ACCL provides services to individuals, corporate and financial institutions.

06

Compliance-driven

Ashika Credit Capital Limited is a compliance-driven organisation, keeping in step with evolving compliance requirements in the sector.

07

Listed

The Company is listed on the Calcutta Stock Exchange and Metropolitan Stock Exchange of India.

2000

► Listed on the Calcutta Stock Exchange

2011

► Received permission to trade securities on the Bombay Stock Exchange under the category of 'permitted securities'

2014

► Commenced trading on the Metropolitan Stock Exchange of India

2018

► Announced preferential allotment to domestic and foreign portfolio investors

ETHICAL PEDIGREE



Vision

To be a globally-recognised financial service provider, leveraging the best of technology, people and ideas.



Mission

To reach our vision with integrity, honesty and fairness to all stakeholders viz. clients, employees, business associates, regulatory authorities and the society.



Values

01 Trust and relationship

At the top of our business principles is fair dealing. We believe that the foundation of any fruitful business relation is mutual faith, and we strive to uphold it. We leave no stone unturned to build long-lasting relationships based on reliance and faith.

OUR PERFORMANCE DOWN THE YEARS

Revenues

(₹ cr)

2015-16	2.14
2016-17	3.65
2017-18	10.90
2018-19	17.77

Performance

The Company generated revenues of ₹17.77 cr in FY2018-19.

PAT

(₹ cr)

2015-16	5.98
2016-17	1.88
2017-18	2.78
2018-19	7.56

Performance

The Company generated a PAT of ₹7.56 cr in FY2018-19.



02 Transparency

We believe that the building block of a relationship of trust is transparency. We conduct all business in an open atmosphere to inspire confidence in our clients, associates and employees.



03 Compliance

We follow the law of the land strictly and undertake only legal enterprises to preserve the reputation of our organisation.



04 Innovation

To stay ahead in a competitive market, innovation is the need of the hour. We strive to fulfil this promise by constantly upgrading our processes, policies and services to fit to the demands of an evolving market.



05 Diversity and teamwork

Ashika Credit Capital has people from a vast spectrum of cultural background and training come together under one umbrella to deliver the best service to you. We also understand the importance of co-operation, collaboration and team work in the road to success. So our team of professionals and pan-India network is always at the customer's service. An efficient and united team also helps us keep one eye on risk management and another on reward to ensure that the customer's investment is secure.

Total interest on loans

(₹ cr)

2015-16	1.45
2016-17	1.58
2017-18	10.89
2018-19	17.77

Performance

The Company earned ₹17.77 cr as interest income in FY2018-19.

EPS

(₹)

2015-16	-8.69
2016-17	2.69
2017-18	3.94
2018-19	6.78

Performance

The Company's earnings per share stood at ₹6.78 in FY2018-19.

THE ROBUST INDIA LONG-TERM GROWTH STORY AND HOW WE ARE COMPETENTLY PLACED IN IT



Overview

India is possibly the most exciting long-term large economy story in the world.

The factors driving this excitement are real: it took India's GDP almost 60 years to reach its first US\$ trillion; it took the country only seven years to reach its second US\$ trillion; the country expects to achieve its successive US\$ trillions even quicker.

The big defining change within India over the next decade is going to be financial inclusion. Until now, much of India's growth was driven by its urban and semi-urban rich coupled with a large middle-class. The emerging game-changer is likely to be the large proportion of India's population that is rural or financially excluded who are likely to enter the mainstream over the next few years. This large population cluster – possibly the world's largest excluded and equivalent to the population of a number of countries aggregated – is likely to drive the next round of demand for consumption essentials.

The result is that India will be a combination of realities: a top-end consumption segment that is the equivalent of standalone countries, a large middle-end that represents the aggregated equivalent of a number of countries and a bottom-end seeking to graduate, the largest such single-country cluster anywhere in the world.

Headroom for debt

Interestingly, India's consumption-based growth is expected to be driven through a combination of per capita income growth and debt. Both these realities represent attractive prospects – per capita income growth is likely to be sustained on the back of general prosperity and the fact that India's debt AUM-GDP ratio at 8% is considerably low when compared with 21% for the world.

Even as this reality appears to be optimistic for the long-term, there is a growing recognition that there will be moments of intervening weakness. Such a weakness transpired during FY2018-19, when the Indian economy was marked by a liquidity paralysis. This paralysis was the combined outcome of a number of realities: significant diminution in the value of small-cap investments in India precipitated by significant divestments by foreign institutional investors and the unexpected short-term debt default by a large NBFC in India. The result was panic that translated into a credit squeeze in the economy and financial markets (debt and equity).

Challenging present

The situation on the external front provided little respite. The sustained buoyancy in the US markets, strong Dollar and sharp

rise in crude prices depressed equities across emerging markets including India. This increased margin requirements wherever shares had been provided as collateral against loans, threatening loan quality.

We believe that India's economy is headed for better days. The high cost of crude oil, the principal headwind that put a pressure on the Current Account Deficit, has turned into a tailwind as crude prices have moderately declined, easing the pressure on the trade deficit and exchange rate. The Goods & Services Tax has stabilised, collections improving virtually each successive month. The direct tax collection is consistently rising and the bottom line is that the country's fiscal deficit is likely to narrow in 2019 over the previous year.

India's real interest rate is the highest even as inflation is possibly the lowest in years. The country's Central Bank has begun moderating interest rates. With the latest industrial production number being negative, there is a case for a lowering interest rates further in 2019. Against the backdrop of 78% aggregate industrial capacity utilisation, any decline in the real rate of interest could potentially kick-start a virtuous private capex cycle.

Rebuilding our business

Your Company reported a challenging year under

review. Revenues increased 63% to ₹17.77 cr and profit after tax increased to ₹7.56 cr in FY2018-19 over the previous financial year. Given the challenge of the prevailing environment, the Company selected to consciously moderate its loan book from ₹113.66 cr in FY2017-18 to a loan book of ₹57.30 cr in FY2018-19.

There were a number of reasons for the decline. Given the erosion in equity values, the quantum of margin funding business declined as a number of shares that had been provided as collateral declined to a value equivalent to the loan size or lower. The Company moved this business to its Group stock broking company where lending and collateral norms were more relaxed.

Meanwhile, we responded with speed to the prevailing weakness and liquidity paralysis by moving a part of the Company's unsecured lending business to the MSME segment. We believe in the long-term robustness of this segment for a number of reasons: the MSME segment represents the bedrock of the country's economic foundation. The growth-hungry MSME segment has a growing appetite for easily accessible debt. These MSMEs are often willing to pay higher interest rates on lower loan sizes. Most MSME loans remain good for the need to maintain a clean credit record

that could translate into more loans and corporate growth in future.

We are pleased to report that this decision was validated during the last financial year. By and large, the MSME segment performed well and was not marked by any loan delinquency higher than the prevailing average. As a company committed to safe lending, we believe that our MSME lending business can progressively grow, generate superior returns and provide the Company with a large and liquid business.

Positive outlook

Where does the Company go from here?

We believe that we are attractively capitalised with a net worth of ₹49.45 cr. We possess a robust quality of our loan book. We are competently placed to borrow from financial institutions. We have not pledged any of our assets to lenders. We possess a strong distribution competence that makes it possible to source business. We are attractively placed to survive challenging market cycles through the virtue of low overheads.

At a strategic priority, we will remain a pure lending company engaged in the disbursement of small unsecured loans, addressing a widening market. We believe that by the virtue of our visible brand we will be able to enter new downstream financing segments in a growing

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economy, increasing our share of MSME financing where we are positioned to generate a superior rate on the one hand and lower default on the other, proactively protected by post-dated cheques and personal guarantees. From this point onwards, we expect to grow through a larger proportion of our business derived from funding loans to this MSME segment and providing loans against shares pledged by promoters.

Given our attractive net worth and a gearing of less than 1, we are competently placed to grow our loan book with the infusion of additional net worth. This should translate into sustainable growth prospects across the foreseeable future.

In view of this, we are suitably placed to emerge as a large and respected NBFC that addresses the need of all its stakeholders.

Pawan Jain
Chairman

OPERATIONAL REVIEW

Q

Was the management pleased with the Company's performance during FY2018-19?

A

The year was a challenging one for the Company owing to the significant decline in NBFC fortunes and market sentiment precipitated by a sluggish economy, stagnant equity markets and default by a large NBFC. Despite this, your Company's revenue increased by 63% over the previous year and profit after tax increased to ₹7.56 cr. The silver lining of this performance was the Company's ability to stay the course, re-strategise and create a foundation for better days.

Q

What challenges did the Company face during the year under review?

A

The sustained buoyancy in the US markets, a strong dollar and a sharp rise in crude prices affected growth across emerging markets, including India. The result was that investable funds moved to developed markets seeking safety. Besides, the increase in margin requirements in the futures and options markets compelled a number of participants to divest their mid-cap and small-cap holdings to supplement margins in the leveraged futures and options segment. This threatened the quality of equity collateral provided in loans against shares. Besides, the sluggishness in the Indian economy following the sustained impact of GST implementation and devaluation affected ground-level realities that affected the country's debt markets.

Q

What business-strengthening initiatives were undertaken by the Company?

A

Ashika Credit Capital focused on business-strengthening, the prevailing sluggishness notwithstanding, through the following interventions:

- We moved a part of our unsecured lending business to the MSME segment, which holds out excellent long-term growth potential
- We took a conscious decision to cautiously reduce our loan book from approximately ₹175 cr to ₹57.30 cr through FY2018-19 until markets recovered.
- We stopped the margin funding of shares before September 2018 following equity market volatility.

Q

What is the big message that the Company intends to communicate?

A

We will remain a lending company engaged in the disbursement of small unsecured loans addressing a growing market. We will seek adjacent business spaces without compromising the integrity of our loan book. We expect to increase our share of the MSME financing space marked by better rates, low ticket sizes and lower default.

We believe that quadrupling our net worth will make it possible to grow through the prudent additional mobilisation of debt. We also believe that India is headed for better days and this should increase the quantum of debt needing to be mobilised.

A respected institution like PWC indicates that India could emerge as a US\$ 8-10 trillion economy by 2030 from around \$ 2.50 trillion at this point. This indicates that what India has achieved across seven decades could now be compressed in half a decade. This could open a range of opportunities for Ashika Credit Capital Limited to grow profitably and sustainably across the foreseeable future.

STRENGTHS OF ASHIKA CREDIT CAPITAL LIMITED



Competence

The Company has developed a thorough market understanding that has translated into the ability to provide customised lending services



Competitive operations

The Company enjoys a relatively low cost funding-base, translating into competitive lending.



Cutting-edge

The Company aspires to be a platform-driven business, making it possible to scale growth without compromising business integrity.



Governance

The Company believes that in a business where trust can be hard to earn, a robust governance framework represents a credible foundation. The Company recruited key experienced professionals to drive its growth.



Transparency

The Company ensures complete transparency, enhancing integrity and confidence among clients, associates and employees.

OUR OPTIMISM IS DRAWN FROM A ROBUST NATIONAL REALITY

Our optimism revolving around the national numbers

7.20%

GDP growth rate in FY2017-18

6.60%

Estimated GDP growth rate in FY2018-19

Indicates reasonable growth, the fastest among major global economies

Low indebtedness

90%

India's debt-to-GDP ratio

292%

China's debt-to-GDP ratio

Indicates room for more debt to be mobilised

High savings rate

30%

Gross savings rate of India in FY2016-17

31.30%

Gross savings rate of India in FY2017-18

Indicates a high savings profile, well above developed nations

Non-performing assets

5.80%

NPAs of NBFCs in FY2017-18

11.60%

NPAs of commercial banks in FY2017-18

Indicates that NBFC robustness is better than banks

Retail loan growth

21.60%

Retail loan growth by NBFCs in FY2016-17

46.20%

Retail loan growth by NBFCs in FY2017-18

Retail loan growth indicates a robust economy

NBFC credit growth

10.50%

NBFC credit growth in 2017

19.60%

NBFC credit growth in 2018

NBFC credit grew faster than economic growth

Bank credit growth

8.20%

Bank credit growth in 2017

10.00%

Bank credit growth in 2018

Indicates modest credit growth in the Indian economy

NBFC growth

22

Size of NBFC sector (₹ trillion) in FY2017-18

26

Estimated size of NBFC (₹ trillion) sector in FY2018-19

Indicates robust market demand

OUR OPTIMISM IS DRAWN FROM A ROBUST NATIONAL REALITY

Public deposits

0.29

Public deposits of NBFCs (US, bn) in FY2009

4.95

Public deposits of NBFCs (US, bn) in FY2018

Increased role for NBFCs in the Indian economy

Turnaround time

18

NBFC turnaround time for loan processing in 2018 (days)

31

Public sector bank turnaround time for loan processing in 2018 (days)

29

Private sector bank turnaround time for loan processing in 2018 (days)

Private equity investments

24.30

PE investments in India, 2017 (US, bn)

33.10

PE investments in India, 2018 (US, bn)

PE investments grew despite financial sector uncertainty

Mobilisation through debt instruments

7.00

Raised from debt instruments in 2017 (₹, lakh cr)

5.10

Raised from debt instruments as on December, 2018 (₹, lakh cr)

There was a slowdown in debt mobilisation due a hesitant industrial climate

Growing role for NBFCs

9.60%

Share of NBFCs in MSME lending in 2017

11.30%

Share of NBFCs in MSME lending in 2018

The share of NBFCs in MSME lending increased

Growing support for MSMEs

20-21%

Estimated CAGR of NBFC credit to MSMEs, 2017-22

9-11%

Estimated CAGR of bank credit to MSMEs, 2017-22

Indicates headroom for NBFCs for future growth

Strengthening MSME eco-system

60-65

MSME units in India (million units)

1/3

Share of MSME in India's GDP

45

Estimated MSME demand for loans (₹ lakh cr)

22.80

Total outstanding credit to MSME, 2018 (₹ lakh cr)

40%+

Loans given by private banks and NBFCs to MSME sector, 2018

THE EMERGING TRENDS IN THE MARKETPLACE...



Rising incomes

India's FY2018-19 GDP growth has been projected at 6.60%

India's per capita income is set to grow 11% to ₹1,25,397 in FY2018-19 at current prices, faster than the 8.60% growth of FY2017-18

India's per capita income could grow more than 2x by 2027 from this level

India moved up one position to 126 in terms of GDP per capita in 2017



Growing population

India has the second-largest population in the world

India's population has grown 4x over the last century; China's has grown 1.50x

India's population is more than the aggregate population of ~80% countries

India is adding ~15 million people a year, the largest such quantum

India is likely to surpass China as the world's most populous country by 2024



Rural prosperity

99% of Indian rural households had a bank account in 2018

Total rural income in FY2017-18 stood at US\$ 413 billion (46% of India's total income) and pegged to reach US\$ 646 billion by FY2022

A total of 1.07 cr rural houses were completed under Pradhan Mantri Awas Yojana – Gramin (PMAY-G) in four years (2014-18).

The Government of India allocated an additional ₹6,084 cr to MGNREGA, increasing the allocation to a record ₹61,084 cr in FY2018-19



Policy support

As on December 2018, there were 3.29 cr loan accounts with a total sum of ₹1.74 lakh cr disbursed under the Pradhan Mantri Mudra Yojana

The Central Government launched a 59-minute loan platform, enabling easy access to credit upto ₹1 cr for MSMEs (out of 1.31 lakh such applications, 1.12 lakh were approved)

The Indian Government announced an interest subvention of 2% for all GST-registered MSMEs on fresh or incremental loans

The Indian Government started various flagship programmes like Stand-Up India to encourage participation of SC/ST and women entrepreneurs in the MSME segment

The Indian Government mandated that all PSUs procure 25% of their total purchase from MSMEs (instead of 20%); 3% was reserved for women entrepreneurs

 **MSME dominance**

<p>The Indian MSME sector contributes 7% to India's GDP while accounting for 45% of the total manufacturing output and 40% of the export value from India</p>	<p>The Indian MSME sector grew at a y-o-y rate of 15%</p>	<p>India has 6,339 cr MSMEs (6.30 cr micro, 3.30 lakh small, 5,000 medium units)</p>	<p>The Indian MSME sector provides employment to more than 117 million people</p>
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 **Increasing investments**

<p>Private equity investments in India reached US\$34 billion in 2018</p>	<p>Total number of deals in India reached 1,640 in 2018</p>	<p>The total value of mergers and acquisitions in the country reached US\$ 71.30 billion in 2018</p>	<p>Investment in start-ups increased 108% to US\$ 4.20 billion in 2018</p>	<p>India received the highest-ever foreign direct investment via 235 deals (US\$37.76 billion) in 2018</p>
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 **Industrial development**

<p>More than 1,200 start-ups came up in 2018, including eight unicorns, taking the total number to more than 7,200</p>	<p>India could become the third-largest construction market by 2022</p>	<p>India's real estate sector is estimated to grow to US\$ 650 billion by 2025 and US\$ 1 trillion by 2030</p>
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...AND HOW ASHIKA CREDIT CAPITAL INTENDS TO CAPITALISE ON THESE OPPORTUNITIES

Ashika Credit Capital is one of the leading financial institutions in India with an experience of over two decades. Looking ahead, the Company expects the industrial environment will be reinvigorated thanks to the advent of a vibrant MSME sector.

India's widening business scope has led to an increase in funds requirement. This has widened the market for debt, a segment the Company intends to address

The Company believes that Eastern India holds potential to widen lending operations, complementing its Mumbai operations.

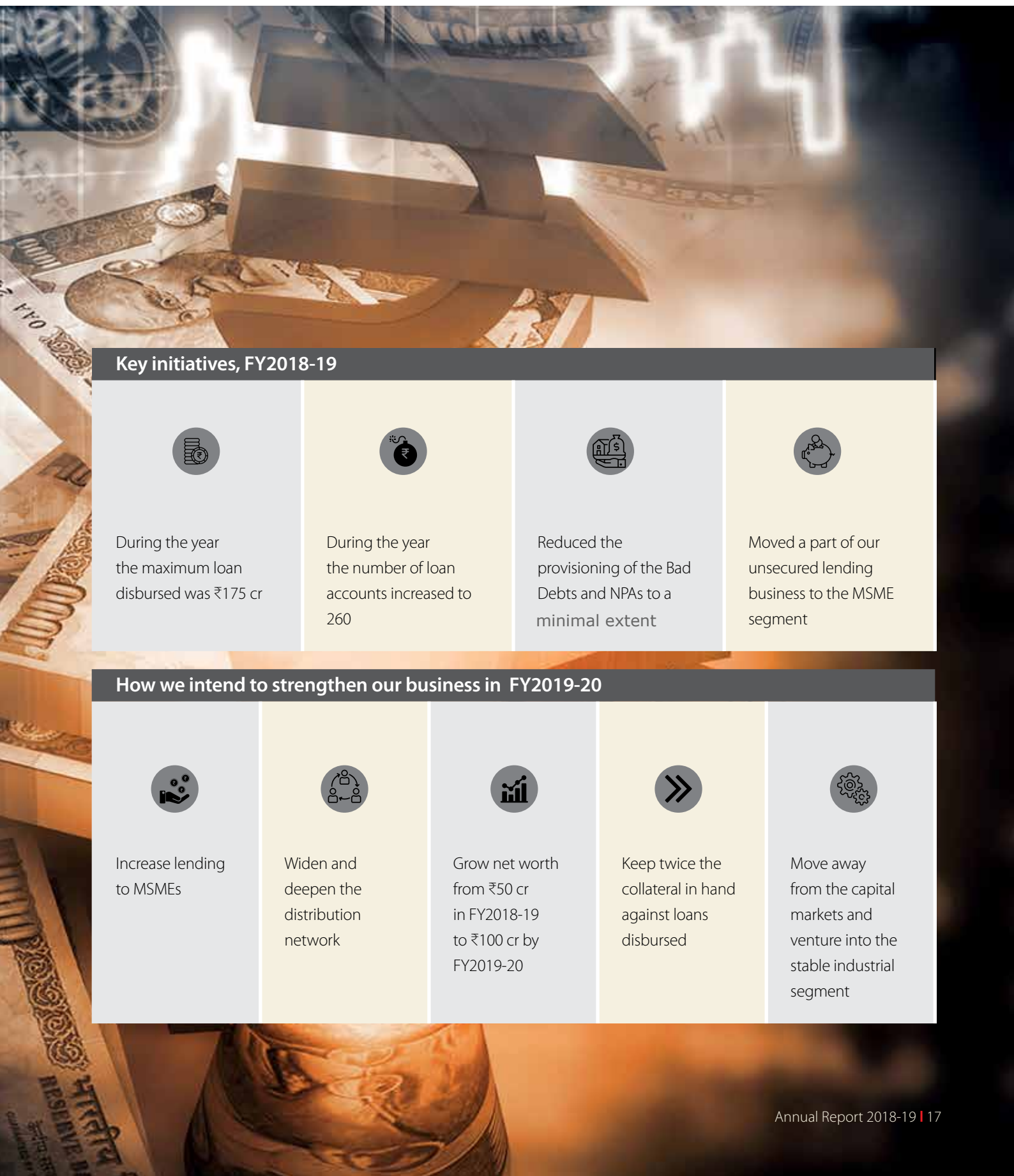
The Company intends to address loan needs for working capital, asset acquisition or re-financing.

The Company will streamline its business through a stronger emphasis on sectors like infrastructure, renewable energy, real estate and BFSI.

The Company helps clients evaluate market opportunities as a precursor to loan disbursement.

The Company intends to address the MSME segment, marked by attractive rates and low loan ticket sizes. Loans are sanctioned after a thorough credit understanding and evaluation.

Over the decades, the Company's recalls have comprised: accessible (proximate presence), friendly (round-the-clock engagement) and dependable (robust systems).



Key initiatives, FY2018-19



During the year the maximum loan disbursed was ₹175 cr



During the year the number of loan accounts increased to 260



Reduced the provisioning of the Bad Debts and NPAs to a minimal extent



Moved a part of our unsecured lending business to the MSME segment

How we intend to strengthen our business in FY2019-20



Increase lending to MSMEs



Widen and deepen the distribution network



Grow net worth from ₹50 cr in FY2018-19 to ₹100 cr by FY2019-20



Keep twice the collateral in hand against loans disbursed



Move away from the capital markets and venture into the stable industrial segment

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic overview

Following a robust growth of 3.80% in 2017 and the first half of 2018, the global economy slowed significantly in the second half of 2018, reflecting a confluence of factors such as the failure of the Brexit negotiations, tightened financial conditions, geopolitical tensions, and higher crude oil prices that affected the major economies. Owing to this, global economic growth in 2018 was estimated at 3.60% and projected to slow down further to 3.30% in 2019.

Crude prices remained volatile due to multiple factors including American policy pertaining to Iranian exports and the softening of global demand. Oil prices dropped from a four-year peak of US\$ 81 per barrel in October 2018

Global economic growth over the years

Year	2015	2016	2017(e)	2018(e)	2019 (p)
Real GDP growth (%)	3.20	3.10	3.80	3.60	3.30

[Source: World Economic Outlook, April 2019] E: Estimated; P: Projected

to US\$ 61 per barrel in February 2019.

Indian economic overview

India is the sixth-largest economy and retained its position as the fastest-growing trillion-dollar economy. After growing 7.20% in FY2017-18, the Indian economy was expected to grow at 6.80% in FY2018-19. The principal developments during the year under review comprised a sustained increase in per capita incomes, decline in national inflation, steady interest rates, and weakened consumer sentiment starting from the second half of the financial year.

The weaker sentiment was on account of a large non-banking financial company announcing its inability to address liabilities. This affected credit expansion, financial markets and consumer sentiment, which resulted in a slower GDP growth of 5.80% in fourth and 6.60% in the third quarter of the year under review compared with 8.20% and 7.10% GDP growth in the first two quarters of FY2018-19.

In 2018, the country attracted more foreign inflows than China ~US\$ 38 billion, higher than China's US\$ 32 billion. India witnessed a 23-notch increase to

77th position in the World Bank's report on the ease of doing business. The commencement of the US-China trade war opened a new opportunity for India. Inflation (including food and energy prices) was pegged at 2.60% on an annual basis, one of the lowest in years. The rupee rebounded after touching a low of ₹74.45 to a dollar to close the financial year at ₹69.44. During the fiscal under review, the Indian Government continued to invest deeper in digitalisation, renewable energy capacity generation and infrastructure building. (Source: CSO)

Key government initiatives

Bank recapitalisation scheme:	Expanding infrastructure:	Increasing MSPs:	Budgetary allocation:	The Insolvency and Bankruptcy Code (Amendment), Ordinance 2018:	Pradhan Mantri Kisan Samman Nidhi:	Direct Benefit Transfer:
In addition to infusing ₹2.10 lakh cr in public sector units, the Indian government has announced a capital infusion of ₹41,000 cr through recapitalisation bonds in FY2018-19.	The Government of India invested ₹1.52 trillion to construct 6,460 kilometres of roads in 2018. The total proposed expenditure of ₹5.97 trillion (US\$89.70 billion) on all infrastructure for FY2018-19 is expected to strengthen the national economy.	The Indian Government fixed MSPs of 22 mandated kharif and rabi crops and FRP for sugarcane. The Indian Government committed to provide a 50% return over the cost of production for all mandated crops, strengthening the rural economy.	India's defence budget is projected to surpass ₹300,000 cr (US\$ 42.19 billion) in FY2019-20 for the first time ever that is expected to create a large volume of demand in the market. <i>(Source: Live Mint, Economic Times, Reuters, PIB, Union Budget, World Bank, Times Now)</i>	The Ordinance provides significant relief to home buyers by recognising their status as financial creditors. MSMEs came to be the major beneficiary of the Ordinance since it empowered the government to provide a special dispensation for them under the Code.	The Indian Government announced in February 2019 the Pradhan Mantri Kisan Samman Nidhi, a scheme promising an annual assured income of ₹6,000 (US\$84.50) for any farmer owning ≤2 hectares of farmland. The budget for fiscal year 2020 allocated ₹75,000 cr for the scheme, benefiting ~120 million land-owning farmer households.	The Direct Benefit Transfer initiative re-engineered the cash disbursement process in welfare schemes through simpler and faster flow of information/funds to ensure accurate targeting of beneficiaries, de-duplication and reduction of fraud. In FY2018-19 alone, this scheme is estimated to have transferred more than ₹3,14,465 cr and the gains to have accrued since scheme implementation estimated at more than ₹120,000 cr.



Outlook

India is expected to grow at 7.40% in FY2019-20 with a projected economic rebound following the 2019 general elections, capitalising on the next round of structural reforms. (Source: CSO, Fitch, Economic Times, Business Standard, IBEF, Business Today, India Today)

Indian NBFC sector overview

Non-banking finance companies remain the fastest-growing sector for the deployment of bank credit. The aggregate size of the non-banking finance companies sector increased to ₹26 trillion in September 2018 from ₹22.20 trillion in September 2017, expanding 17.20%. There was a 5.80% increase in share capital of non-banking finance companies in September 2018 whereas borrowings grew by 17.20%.

Loans and advances of the NBFC sector increased y-o-y by 16.30% and investments increased by 14.10% during September 2018. Their capital-to-risk-weighted-assets ratio decreased to 21.00% in September 2018 from 22.80% in March 2018. Bank loans to non-banking finance companies between April and October recorded the highest growth in five years.

Lower non-performing assets of non-banking finance companies in micro, small and medium enterprises compared to banks, helped extend credit to the sector. In the last few years, non-banking finance companies grew their portfolio of small and micro loans in a big way. The total loan outstanding amount increased by 51% to reach ₹1,46,741 cr during September 2018, against the corresponding quarter of the previous financial year. Of

this, non-deposit-accepting non-banking finance companies accounted for the largest share of 37% in micro credit, with total outstanding loans worth ₹54,018 cr, followed by banks with ₹48,200 cr, accounting for 33%. The number of active loan accounts grew by 27% over the same period last year.

The past few years have seen the balance of power tilting in favour of NBFCs. Not only have the number of NBFCs grown rapidly, but also wrested a sizeable credit share. NBFCs had a stellar run between FY13 and FY18, growing the total amount of credit disbursed at a CAGR of 17.30% compared to 10.40% for banks. The share of NBFCs, including housing finance companies, in terms of total credit disbursed across India, increased to 17.00% in 2018 from 13.00% in 2013.

Backed by strong financials, an increased reach and a better understanding of market dynamics from the ground-up, it is expected that NBFCs will continue providing credit to unbanked and under banked individuals over the years that lie ahead.

(Source: Business Standard, the Hindu Business Line, IBEF, RBI, MFIF, Forbes, Money control)

Outlook

The market share of non-bank finance companies could continue to expand consequent to their ability to customise products, mitigate risks and manage costs. Competition is likely to intensify in segments (new heavy commercial vehicle loans and large-ticket loans against property, among others).

As formalisation gains momentum, borrowers may turn creditworthy for banks. Non-banking finance companies generally maintained a matched asset-liability profile,

helping them in the scenario of tightening liquidity and rising interest rates.

Non-banking finance companies continue to remain at the forefront in terms of driving new credit disbursals for the country's underserved retail and micro, small and medium enterprises market.

As India's economy grows, the requirement for credit will rise more than proportionately and would require banks and non-banking finance companies to catalyse the economy with free-flowing credit lines.

What non-banking finance companies do for the Indian economy

- ▶ Generate employment
- ▶ Foster wealth creation
- ▶ Catalyse economic development
- ▶ Benefit first-time loanees from suburban and rural areas
- ▶ Provide credit to the unbanked section of the Indian economy
- ▶ Allow economically-disadvantaged individuals to become self-sufficient

Governmental initiatives

▶ The Central Government started various flagship programmes like Stand-Up India (to encourage the participation of SC/ST and women entrepreneurs) and Make in India (to promote indigenous industries).

▶ With 15% of Indians not using the banking facilities available, the Central Government introduced 21 non-banking finance companies to do what

commercial banks have been unable to do so far.

▶ The Central Government allowed banks to allocate up to 15% of their lending to non-banking finance companies that do not finance infrastructure projects, against 10% earlier. Banks were permitted to use government securities equal to the incremental credit disbursed by them to non-banking finance companies to meet liquidity coverage ratio requirements.

▶ As on December 2018, there were 3.29 cr loan accounts with ₹1.74 lakh cr disbursed under the Pradhan Mantri Mudra Yojana.

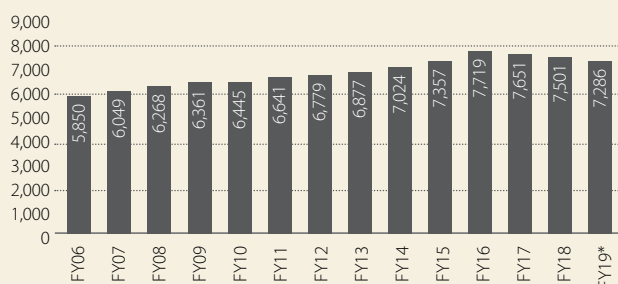
▶ The Central Government launched a 59-minute loan platform to enable easy access to credit up to ₹1 cr for micro, small and medium enterprises.

▶ The Central Government announced an interest subvention of 2% for all GST-registered micro, small and

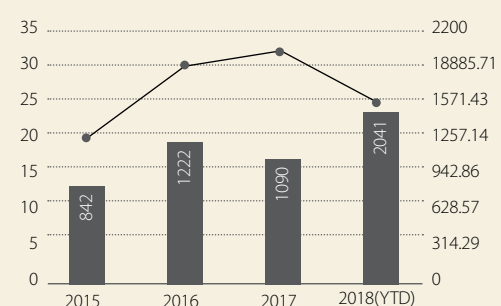
medium enterprises on fresh or incremental loans.

▶ The Central Government has announced that all public sector undertakings must procure 25% from micro, small and medium enterprises instead of 20% of their total purchases. Out of this, 3% has been reserved for women entrepreneurs.

Companies listed on NSE and BSE



PE investment in an exist from Indian NBFCs in the past four years



Growth drivers

Differentiated approach: The differentiated NBFC approach allows them to meet loan requirements of individuals and businesses traditionally underserved by banks.

Wider reach: While the prevalence of small and medium enterprises has been generally recorded in Tier-1 and II centres, the trend is shifting towards Tier-III and IV centres. Inspired by increasing opportunities, businesses have begun to invest in small businesses in these urban centres through a seamless omni-channel experience.

MSME boom: There were a total of 6.33 cr micro-, small and medium enterprises in India employing ~11 cr people, representing more than 50% of India's workforce. These enterprises account for 30% of India's GDP, 45% of India's total manufacturing and 40% of India's exports. Lending to micro, small and medium enterprises by private non-banking finance companies grew 23.40%, while public sector banks saw a growth of 5.50% for the year as of June 2018.

Start-up resurgence:

Investment in start-ups increased 108% from US\$ 2.03 billion in 2017 to US\$ 4.20 billion in 2018. More than 1,200 start-ups were commissioned in 2018, including eight unicorns, taking the total number to more than 7,200.

Realty growth: India could become the third-largest construction market by 2022 and the real estate sector is estimated to grow to US\$ 650 billion by 2025. Private equity and venture

capital investments in the sector reached US\$ 4.10 billion between January and November 2018. Institutional investments in India's real estate reached US\$ 5.50 billion for 2018, the highest in a decade.

Fin-tech boom: The scope of fin tech is rapidly diversifying from providing online accounting software to creating specialised digital platforms connecting buyers and sellers. India has a large untapped market for financial service technology start-ups – 40% of the population are not connected to banks and 87% of payments are made in cash. With mobile phone penetration expected to increase to 85-90% in 2020 from 65-75%, the growth

issuing higher volumes of smaller ticket loans. There was a virtual explosion of retail non-banking finance companies in the last three years that expanded the market for retail lending in the country.

Increased financialisation: India is in the age of financialisation where US\$ 1 trillion could be added to reach US\$ 5 trillion by 2025. This could lead to increase fund inflows into the country. (Source: Business Standard, the Hindu Business Line, IBEF, Times of India, India Briefing)

Challenges

Despite robust growth, there was a deterioration in the asset quality of non-banking finance

rising from ₹4 trillion in 2015 to ₹6.70 trillion in March 2018. For non-banking finance companies, 78% were long-term payables, while short-term payables accounted for 22%. Of this 22%, almost 50% were commercial papers. (Source: Financial Express)

Opportunities

► Rising entrepreneurship among the country's youth bolstered demand for small-ticket loans.

► Projects like 'Make in India' and the boom in start-ups offer growing opportunities

► Many non-banking finance companies doubled their Balance Sheet sizes. With the banking sector bearing the issue of rising non-performing asset levels and becoming increasingly strict in disbursing loans, prospects improved for non-banking finance companies.

► Most non-banking finance companies, whether online or offline, leverage alternative and tech-driven credit appraisal methodologies to gauge the creditworthiness of prospective borrowers. This differentiated approach allows them to meet loan requirements of individuals and businesses traditionally underserved by banks.

► Private equity investment in non-banking finance companies has changed the way these firms grow. PE firms provide not only financial muscle to non-banking finance companies for growth, but also facilitate the creation of world-class financial organisations with a focus on industry developments around the world.

Lending to micro, small and medium enterprises by private non-banking finance companies grew 23.40%, while public sector banks saw a growth of 5.50% for the year as of June 2018.

potential for fin tech cannot be overstated.

Retail lending: Retail lending saw a rapid growth in FY18, with the loan book rising by 25% and the number of outstanding accounts by more than 32%, along with an increase in asset quality due to high demand for consumer durables, personal loans and credit cards. The number of active consumer durable loans increased by 83% over the past year to reach 1.95 cr at the end of March 2018, led by a 69% increase in the live borrower count to 1.39 cr. Much of the growth in this product driven by

companies over the past few years. The gross non-performing assets of non-banking finance companies doubled from 2.90% in FY15 to 5.80% in FY18, even though they were at a much lower level than the gross non-performing assets in the banking sector. The sector remained highly leveraged in FY18, with borrowings rising by 19% and share capital growth decelerating. They were also the largest net borrower of funds from the financial system, with gross payables of ~₹7.20 trillion and gross receivables of ~₹419 billion in March 2018. This mismatch increased over the past few years,

RISK MANAGEMENT

 <p>Industry risk</p>	<p>A slowdown in the industry could impact business prospects</p>	<p>Mitigation: The aggregate Balance Sheet size of non-banking finance companies increased to ₹26 trillion in September 2018 from ₹22.20 trillion in September 2017, expanding 17.20%.</p>
 <p>Technology risk</p>	<p>Slow adoption of new technologies can be detrimental</p>	<p>Mitigation: With more Indians becoming tech-savvy, the Company introduced an instant cash feature that allows the clients to avail loans immediately against the collateral of shares or mutual funds. By making sure that all pertinent legal procedures are duly completed online, the Company provides clients with loans in minutes.</p>
 <p>Volatility risk</p>	<p>Volatile markets can reduce capital availability</p>	<p>Mitigation: The Company conducts routine market analyses and proactively provides the best solution to its customers.</p>
 <p>Finance risk</p>	<p>The Company may not be able to put together resources to finance growth. The high cost of finance may affect profitability. It may not be able to compete in the market place against companies that have sourced cheaper funds. It may suffer from a liquidity squeeze.</p>	<p>Mitigation: The Company possesses a deleveraged Balance Sheet and looks forward to maintain. Ashika expects to be a zero debt company.</p>
 <p>Employee risk</p>	<p>Inability to maintain a robust working environment could reduce people retention</p>	<p>Mitigation: The Company's employee strength stood at 13 on March 31, 2019 while retention stood at 100 % for FY2018-19.</p>
 <p>Compliance risk</p>	<p>Inability to comply with regulatory norms could result in penalties being levied</p>	<p>Mitigation: The Company invested in an overarching people engagement initiative, increasing ownership and empowerment. The Company kept itself updated in the area of the latest compliance notifications.</p>

FINANCIAL ANALYSIS, FY2018-19

Ashika Credit Capital Limited followed the accrual basis of accounting under the historical cost convention. Its accounts were prepared on the basis of accounting standards as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

Balance sheet

- ▶ Net worth increased to ₹49.40 cr as on March 31, 2019 compared to ₹39.90 cr as on March 31, 2018
- ▶ Borrowings for FY2018-19 stood at ₹16.80 cr compared to ₹91.70 cr during FY2017-18
- ▶ Total non-current assets for FY2018-19 stood at ₹1.90

cr compared to ₹3.30 cr in FY2017-18

Profit and loss statement

- ▶ Total expenses for FY2018-19 stood at ₹7.27 cr as compared to ₹7.27 cr in FY2017-18
- ▶ Depreciation and amortisation stood at ₹0.01 cr in FY2018-19 compared to ₹0.01 cr in FY2017-18
- ▶ EBIDTA increased to ₹17.93 cr in FY2018-19 compared to ₹8.41 cr in FY2017-18

Working capital management

- ▶ Current assets as on March 31, 2019 stood at ₹67.34 cr compared to ₹130.98 cr as on March 31, 2018

- ▶ Current ratio as on March 31, 2019 stood at 3.53 compared to 1.41 as on March 31, 2018
- ▶ Short-term loans and advances reduced to ₹45.34 cr in FY2018-19 compared to ₹112.35 cr in FY2017-18
- ▶ Current liabilities stood at ₹19.06 cr as on March 31, 2019

compared to ₹93.22 cr as on March 31, 2018

- ▶ Cash and cash equivalents stood at ₹8.99 cr as on March 31, 2019 compared to ₹15.58 cr as on March 31, 2018

Key ratios

Particulars	FY2018-19	FY2017-18
EBIDTA/Turnover	1.01	0.77
Interest coverage ratio	2.41	1.81
Debt-equity ratio	0.34	2.24
Return on equity (%)	18.06	11.84
Book value per share (₹)	43.60	36.98
Earnings per share (₹)	6.78	3.94

Internal control systems and their adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and the Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to

the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department work under the supervision of the Board-appointed Statutory Auditors.

Human resources

The Company believes that its intrinsic strength lies in its dedicated and motivated employees. The Company provides competitive compensation, an amiable work environment and acknowledges employee performance through a reward and recognition

programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and innovate ideas.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking

statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

Board's Report

Dear Shareholders,

Your Directors are pleased to present the 26th Annual Report covering the operations and business of your Company together with the Audited Financial Statements for the financial year ended 31st March, 2019.

1. FINANCIAL SUMMARY OF THE COMPANY:

	(Amount in ₹ lakhs)	
Financial results for the year ended	31st March, 2019	31st March, 2018
Total Income	1776.79	1103.69
Profit/ (Loss) before tax	1049.83	376.41
Less: Tax Expenses	293.88	98.69
Profit / (Loss) for the year	755.95	277.72
Add: Balance as per last financial statements	(351.65)	(573.83)
Less: Transfer to statutory reserve U/s 45-IC of RBI Act 1934	151.19	55.54
Surplus/ (Deficit) in the Statement of Profit and Loss	253.11	(351.65)

2. STATE OF COMPANY AFFAIRS:

The year 2018-2019 is a profitable year for the Company wherein your company recorded a profit after tax of ₹755.95 Lakhs as compared to ₹277.72 Lakh in the previous Financial Year showing growth of approx 172%. Your company has earned approx 1776.79 Lakh in the current fiscal year which pertains to income from loan assets. During the year under review the maximum loan disbursed by company is ₹175 cr.

In reference to the consent agreement settled through High Court Mumbai, an amount of ₹4,00,00,000/- to be recovered towards bad debt made in the previous Financial years of ₹8,00,00,000/. During the FY 2018-2019, your company has recovered ₹3,30,00,000/- in tranches and balance to be recovered in current fiscal year.

The EPS (both basic & diluted) of your company is reflected as ₹6.78 and ₹6.36 respectively.

3. CHANGE IN NATURE OF BUSINESS:

There has been no change in nature of business of the Company during the F.Y. 2018-2019. Your company is engaged in financial services i.e. providing Loan against securities, Un Secured Loan, Investment in securities etc so there is only one segment reporting as per AS 17.

4. DIVIDEND:

Your Board recommends a dividend of Re. 1/- per Equity Share (i.e. 10%) on face value of ₹10/- per share for the financial year ended 31st March, 2019. The dividend payment is subject to approval of members at the ensuing Annual General Meeting of the Company. As per statutory requirements there has been no amount proposed to be transferred to unclaimed dividends account.

5. CHANGES IN SHARE CAPITAL:

The Authorized Share Capital of your Company as on 31st March, 2019 stands at ₹20,25,00,000/- divided into 2,02,50,000 equity shares of ₹10/- each. The Issued & subscribed Share Capital of your Company is ₹11,34,61,740/- divided into 1,13,46,174 equity shares of ₹10/- each and the Paid-up Share Capital is ₹11,34,00,000/- divided into 1,13,40,000 equity shares of ₹10/- each, fully paid-up..

During the Financial Year 2018-2019, your company has made allotment of 540000 equity shares to promoter group, M/s Ashika Global Securities Private Limited, issued pursuant to exercise of conversion of 540000 convertible warrants into equal number of equity shares under preferential allotment.

The Company has utilized the proceeds of the aforesaid allotment money as specified in the explanatory statement of the notice of general meeting dated 22.02.2018. Further there has been no deviation in utilisation of proceeds pursuant to Regulation 32 of SEBI (LODR) Regulations, 2015.

6. TRANSFER TO RESERVE:

Your Company proposes to transfer ₹151.19 Lakh to statutory reserves u/s 45 IC of RBI Act, 1934 for the year ended 31st March 2019.

7. DIRECTORS & KEY MANAGERIAL PERSONNEL:

DIRECTORS

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company.

During the year, there stood changes in the composition of the Board of the Company wherein Mr. Sanjay Kumar Singh, Independent Director, resigned from Board w.e.f. 24th July 2018 due to pre commitments and Mr. Radhey Shyam Agrawal, Independent Director resigned from the directorship of the Company w.e.f. closure of business hours of 31st March, 2019, on completion of his existing tenure, since he attained the age of 75+ & was facing health issue. The Board of Directors has placed on record its sincere appreciation for the rich contribution made by Mr. Sanjay Kr Singh & Mr. Radhey Shyam Agrawal during their tenure of association as Independent Directors.

On the recommendation of Nomination and Remuneration committee & Board of Directors, Ms. Sonu Jain (DIN: 07267279) has been appointed as the additional director (Non-Executive and Independent) of the Company w.e.f. 1st April, 2019 for a term of 3 years. Her office shall not be liable to retire by rotation. Her appointment is subject to approval of shareholders at the ensuing General Meeting of the Company. She has given her consent for appointment and has confirmed that she does not suffer from any disqualifications for appointment.

Mr. Sagar Jain (DIN: 00392422) Independent Director of the Company has been re-appointed for second term of 5 years w.e.f. 1st April 2019, subject to approval of shareholders in the ensuing Annual General meeting. He has given his consent for re-appointment and has confirmed that he still retains his status as Independent Director and that he does not suffer from any disqualifications for appointment.

Mr. Pawan Jain (DIN: 00038076), Executive Chairman and Wholetime director, whose existing tenure is expiring on 31st October 2019, has been reappointed for a further period of 3 (three) years, effective from 1st November, 2019, on recommendation of Nomination & Remuneration committee and Board, subject to approval of shareholders in the ensuing general meeting. He is liable to retire by rotation.

During the year under review Board of Directors in their meeting held on 14th February 2019 has revised the remuneration structure of Mr. Pawan Jain effective from 1st January 2019, on recommendation of Nomination & Remuneration committee, subject to compliance of applicable section of Companies Act, 2013 read with rules and Schedule V thereon and subject to approval of shareholders by Special resolution in the ensuing general meeting.

Mr. Daulat Jain (DIN: 00040088), Managing Director & CEO, whose existing tenure is expiring on 31st October 2019, has been reappointed for a further period of 3 (three) years, effective from 1st November, 2019, on recommendation of Nomination & Remuneration committee and Board, subject to approval of shareholders in the ensuing general meeting. He is liable to retire by rotation.

Pursuant to regulation 36 of SEBI (LODR) Regulation 2015, a brief resume / details relating to Directors who are proposed to be appointed/re-appointed and the details of the director liable to retire by rotation is furnished in the Notice of the ensuing Annual General Meeting (AGM) of the Company.

RETIREMENT BY ROTATION

The Independent Directors hold office for a fixed period from the date of their appointment and are not liable to retire by rotation. Out of the remaining directors and in accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Daulat Jain, Managing Director, retiring by rotation at the ensuing Annual General Meeting, is being eligible for re-appointment. This shall not constitute a break in the office of Mr. Daulat Jain as the Managing Director in the Company.

INDEPENDENT DIRECTORS

All the Independent Directors of the Company have declared to the Board of Directors that they meet the criteria of Independence as laid down in Sections 149(6) and 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence, pursuant to Regulation 25 of the Listing Regulations.

FAMILIARIZATION PROGRAMME

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company and their roles, rights, responsibilities in the Company, a Familiarization Programme for the Independent Directors has been implemented in compliance with the requirement of Regulation 25 of Listing Regulations. The Board members are provided with necessary documents, reports and company's policies to enable them to understand and acquaint with the Company's procedures and practices.

The details of the familiarization programme held are uploaded on the website of the Company and can be accessed at <https://www.ashikagroup.com/accl-familiarization-programme/>

KEY MANGERIAL PERSONNEL

In terms of section 203 of Companies Act 2013 and rules made thereon, the following are the Key Managerial Personnel of the Company.

- 1) Mr. Pawan Jain – Wholetime Director (Executive Chairman)
- 2) Mr. Daulat Jain – Managing Director & CEO
- 3) Mr. Amit Jain – Chief Financial Officer
- 4) Ms. Anju Mundhra – Company Secretary and Compliance Officer

NOMINATION & REMUNERATION POLICY

Your Board has adopted a Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management (SM) of your Company. The Policy provides criteria for fixing remuneration of the Directors, KMPs, SMPs, functional heads as well as other employees, of the Company. This remuneration policy also governs criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of Companies Act 2013 and regulation 19 of SEBI (LODR) Regulations and amendments thereof.

Your Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the Company based on his / her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings. Independent Directors of the Company are appointed to hold their office for a term of upto five consecutive years on the Board of your Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. Based on their eligibility for re-appointment, the outcome of their performance evaluation and the recommendation by the Nomination and Remuneration Committee, the Independent Directors may be re-appointed by the Board for another term of five consecutive years, subject to approval of the Members of the Company.

While determining remuneration of the Directors, KMPs, SMs and other employees, the Nomination and Remuneration Committee ensures that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate them and ensure the quality required to run the Company successfully. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the executive and Non-Executive Directors (by way of sitting fees), Key Managerial Personnel and others. The above policy along with the criteria for selection is available at the website of the Company at <https://www.ashikagroup.com/PDF/remuneration-policy-final.pdf>

Further, pursuant to SEBI (LODR) Amendment Regulations, 2018, the Company has revised its existing policy giving effect of the aforesaid amendments and the same was duly approved by the Nomination & Remuneration Committee and Board in their meeting held on 14th February, 2019. The said revised policy is effective from 1st April, 2019 and has been uploaded at the website of the Company www.ashikagroup.com and is available at the link <https://www.ashikagroup.com/PDF/Nomination-and-Remuneration-Policy.pdf>

8. NUMBER OF MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on

Company / business policy and strategy apart from other Board business. Only in case of special and urgent business, if the need arises, the Board's/Committee's approval is taken by passing resolutions through circulation or by calling Board/Board Committee meetings at short notice, as permitted by law.

The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to take an informed decision.

The Company has duly complied with section 173 of the Companies' Act 2013 read with the applicable Secretarial Standards pertaining to Meetings of Board of Directors of the Company. During the year under review, five board meetings were convened. The dates on which meeting were held are as follows: 28th May, 2018, 5th August 2018, 14th August, 2018 (adjourned meeting), 6th November, 2018 and 14th February, 2019. The maximum interval between any two meetings did not exceed 120 days.

9. FORMAL ANNUAL EVALUATION:

During the Financial year under review, the Board has carried out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration, and Stakeholders Relationship Committees as mandated under the Act and SEBI Listing Regulations through self-assessment and peer assessment. The criteria applied in the evaluation process are explained in detail in the Corporate Governance Report

10. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES :

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure A and forms part of the Board's Report.

In accordance with the provision of section 197(12) of Companies Act 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particular of every employee covered under the said rule are available at the registered office of the Company during the workings hours for a period of 21 days before the Annual General Meeting and will be made available to any shareholder on request .

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

Your Company has neither a Subsidiary Company nor a Joint Venture Company or an Associate Company during the year under review. Hence, disclosure regarding the same is not applicable on the Company under the Companies Act, 2013.

12. AUDITORS

STATUTORY AUDITOR

In terms of Section 139 of Companies Act, 2013 read with the provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. Haribhakti & Co LLP, Chartered Accountants (Registration Number 103523W/W100048) were appointed as Statutory Auditors of the Company from the conclusion of the 24th Annual General Meeting of the Company held in the year 2017 to hold office till the conclusion of the 29th Annual General Meeting to be held in 2022 subject to ratification of their appointment by the Members at every intervening Annual General Meeting held thereafter. The requirement of seeking ratification of the members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Therefore, the Company is not seeking any ratification of appointment of M/s. Haribhakti & Co LLP, Chartered Accountants as the Auditors of the Company, by the Members at the ensuing AGM.

The Auditors' Report for the year ended 31.03.2019 contains a modified opinion that the Company is yet to fully comply with the requirements of Para 21 of the Non-Banking Financial Company-Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

As per the management of the Company, the Company has complied with the requirement of Para 21 of the Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, except for one case at the year end, however, there is no impact of the same on the profit, net worth, total assets, total income, earning per share, total expenditure, total liabilities or any other financial items of the audited financial results.

Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee or Board of Directors of your Company.

SECRETARIAL AUDITOR:

M/s. M.R & Associates, a firm of Company Secretaries in Practice, have been appointed to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI (LODR) Regulations, 2015 as amended.

The Report of the Secretarial Auditor in the format MR 3 is annexed to the Board's Report as Annexure 'B', wherein, in the report, it is mentioned that during the year under review, the Company has made a delay of 16 days in making application for listing of equity shares to stock exchanges, pursuant to Regulation 108(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. In lieu of the same, the stock exchanges have levied fine on the Company pursuant to SEBI Circular CIR/CFD/DIL/57/2017 dated

June 15, 2017 and the Company has paid the prescribed fine to stock exchanges."

13. COMMITTEES:

With a view to having a more focused attention on business and for better governance and accountability, and in accordance with applicable provisions, your Board of Directors have duly constituted the following mandatory committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee in terms of Section 177 and Section 178 of Companies Act, 2013 read with the applicable rules made thereon and SEBI (LODR) Regulations) 2015. The terms of reference of the Committee has been approved by the Board of Directors. The details of the committee with terms of reference along with composition, meeting held and attended by the Directors during the year are provided in the Corporate Governance Report (forming part of this Annual Report) as per Regulation 34 of SEBI (LODR) Regulations, 2015.

14. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Your Company has formulated a Vigil Mechanism/Whistle Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, in order to encourage Directors and Employees of your Company to report any issue of genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy which is impacting and compromising with the interest of your Company and its stakeholders in any way. No person has been denied an opportunity to have access to the Audit Committee Chairman. It has adopted a Whistle Blower Policy and the same is hosted on the website of the Company and can be accessed at https://www.ashikagroup.com/PDF/Vigil_Mechanism_Policy.pdf

Pursuant to regulation 9A (6) of SEBI Prohibition of Insider Trading (Amendment) Regulations 2018, the Company has made necessary amendments in the Whistle Blower Policy/Vigil Mechanism to enable employee to report instances of leak of UPSI and the revised policy is effective from 1st April 2019. The revised policy is uploaded on the website of the Company at <https://www.ashikagroup.com/PDF/Vigil-Mechanism-Policy.pdf>

The details of the said vigil mechanism policy have been provided in the Corporate Governance Report annexed to this Report.

15. RISK MANAGEMENT POLICY:

Pursuant to section 134(3)(n) of Companies Act 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, your company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance

the competitive advantage. The framework has a different risk model which helps in identifying risk trends, exposure and potential impact analysis at a company level. The key business risk identified by the Company are related to Market Risk, Operational Risk, Interest Risk, Credit Risk, Liquidity Risk, Human Resource Risk and Regulation & Compliance and other related which are covered in MDA report which forms part of this Annual Report.

16. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Sec 135 and the applicable CSR Rules read with Schedule VII of the Companies act 2013 are not applicable for your Company for the FY 2018- 2019 and hence the Company has not taken any initiatives for implementation of CSR accordingly.

Further the CSR is applicable for the FY 2019-2020 in reference to the Profit Before Tax for the FY 2018-2019 and accordingly the Company is in process of complying with all necessary required as applicable pursuant to Sec 135 of Companies Act 2013 read with Schedule VII and rules thereon.

17. EXTRACT OF ANNUAL RETURN:

The Companies Act, 2013 makes mandatory for every company to prepare an extract in the format prescribed as per Form MGT 9. The detailed extract forming part of the Annual Return as on 31st March 2019 is annexed herewith as Annexure - C.

Further, pursuant to Companies (Amendment) Act, 2017, the Extract of Annual return of the Company for the F.Y 2018-2019 is also available on the website of the Company in the following link <https://www.ashikagroup.com/disclosures-under-companies-act/>

18. MATERIAL CHANGES:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred since 31st March 2019, being the end of the Financial Year of the Company to which financial statements relate and the date of the report.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

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

Manali Properties & Finance Ltd., had filed a complaint case against the Company Ashika Credit Capital Ltd., and its Officers u/s 200 of the Code of Criminal Procedure in the Metropolitan Magistrate Court, Kolkata, which has been stayed by the Hon'ble Calcutta High Court vide its Order dated 12.09.2012 on an application filed by us u/s 482 of the Code of Criminal Procedure. The matter is still pending in the Metropolitan Magistrate Court, Kolkata due to stay

granted against it. Further, it is pending in the Hon'ble High Court at Calcutta.

20. ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS:

The Company's Internal Financial Control System are commensurate with the size, scale and complexity of its operations. The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss, proper prevention & detection of frauds & error, the accuracy and completeness of the accounting records, and all transactions are authorized, recorded and reported correctly.

The scope and authority of the Internal Audit (IA) function is defined in the internal financial control policy. These are monitored and routinely monitor and evaluated by the Statutory as well as Internal Auditors. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditor reports directly to the Chairman of the Audit Committee of the Board, all the significant audit observations and follow up actions thereon. Both Statutory and internal auditor have quarterly sessions with the Audit committee. The Internal audit reports are placed before the Audit committee on quarterly basis and all findings and observation, if any are recorded thereon. The said observation and comments, if any of the Audit Committee are placed before the board. The Internal Auditor is a permanent invitee to the Audit Committee Meetings. The Audit Committee advises on various risk mitigation exercises on a regular basis.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT 2013

Your Company is a non-deposit taking NBFC. In terms of Section 186 of the Companies Act, 2013 and Rules framed thereunder, details of the Loans made by the Company have been disclosed in notes to Financial Statements for the year ended 31st March, 2019, which forms part of this Annual Report. Your Company has neither made any investments nor given any guarantee or provided any security during the year under review.

22. DEPOSITS:

The Company has not accepted any deposits falling under the ambit of Section 73(2) of the Companies Act, 2013 (hereinafter referred to as "The Act") and the Rules framed thereunder during the year under review.

Your company is being registered with RBI as non deposit NBFC and

a resolution to the effect of non acceptance of deposit has been duly intimated to RBI.

23. CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:

All transactions with Related Parties are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are foreseeable and of a repetitive nature. The transactions entered into pursuant to the approvals so granted are subjected to audit and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. All transactions entered into with related parties during the year were on arm's length basis and were in the ordinary course of business.

There are no materially significant transactions entered into by your Company during the year under review with Promoters, Directors or Key Managerial Personnel (KMPs), which have potential conflict with the interest of your Company at large.

Your Company has not entered into any material related party transactions with any of its related parties during the FY 2018-2019 pursuant to section 188 (1) of Companies Act 2013 read with rules thereon. Further all material related party transactions entered pursuant to the definition of " material" as per regulation 23 of SEBI (LODR) 2015 and amendments thereof, has been placed for approvals before the shareholders. Since all related party transactions entered into by your Company were in the ordinary course of business and were on an arm's length basis, compliance related to preparation of Form AOC-2 is not applicable to your Company.

During the year under review, the non-executive Independent directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, as applicable.

Further, pursuant to recent amendments to SEBI (LODR) 2015, during the financial year under review, none of the person or entity belonging to the promoter/ promoter group of the Company holds individually, 10% or more shareholding in the listed entity.

The details of the transactions with related parties during FY 2018-19 are provided in the accompanying notes to the financial statements.

The Policy on Related Party Transactions as approved by Board of Directors has been posted on the Company's website at <https://www.ashikagroup.com/PDF/Policy%20on%20Related%20party%20Transactions.pdf>. Further, pursuant to Companies (Amendment) Act, 2017 and SEBI (LODR) (Amendment) (Regulations) 2018, the Company has revised its' existing Related party transaction policy at its' Board meeting dated 14.02.2019. The revised policy has been uploaded on the website of the Company and can be accessed at <https://www.ashikagroup.com/PDF/Related-Party-Transaction-Policy.pdf>

24. CORPORATE GOVERNANCE REPORT:

Your Company practices sound corporate governance and takes necessary actions for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance. Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, the Annual Report contains a separate section on the Company's corporate governance practices and Management Discussion and Analysis Report (MDA) alongwith the Certificate from the Secretarial Auditors' of the Company confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

25. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:

The Company has in place a Group Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization. The Company believes that it is the responsibility of the organization to provide an environment to its employee which is free of discrimination, intimidation and abuse and also to protect the integrity and dignity of its employees and to avoid conflicts and disruptions in the work environment. The sexual harassment policy is uploaded on the website of the Company at <https://www.ashikagroup.com/PDF/Group-Policy-on-Sexual-Harassment.pdf>

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Awareness programmes are conducted at unit levels to sensitize the employees to uphold the dignity of their female colleagues at workplace.

No complaints pertaining to sexual harassment of women employees from any of the Company's locations were received during the year ended 31.03.2019.

26. DISCLOSURES UNDER SECRETARIAL STANDARD

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

27. DISCLOSURES PERTAINING TO MAINTENANCE OF COST RECORDS PURSUANT TO SECTION 148(1) OF THE COMPANIES ACT, 2013

The Company is not required to maintain cost records as specified u/s 148(1) of the Companies Act, 2013 read with the applicable rules thereon for the FY 2018-2019. Hence the clause is not applicable to the Company.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOES:

Since the Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, technology absorption and foreign exchanges earning and outgo, as prescribed under Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are not applicable.

29. BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse board in its growth and development. The Company believes that a combination of Board having different skill set, industry experience, varied background and gender diversity will bring a variety of experience and viewpoints which will add to the strength of the Company. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.

30. DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors to the best of their knowledge and belief and according to the information and explanation obtained by them make the following statement in terms of clause (c) of sub-section

(3) of section 134 of Companies Act 2013 that —

- a) In the preparation of the annual accounts for the financial year ended on 31st March 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The directors have 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 as at 31st March 2019 and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) 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.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. ACKNOWLEDGEMENTS:

The Directors are thankful and acknowledge the unstinting support extended by exchanges, its bankers, business partner and other stakeholders and place on record their sincere appreciation of its employees of the Company for their commitment and hard work in the growth of the Company.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 22.04.2019

(PAWAN JAIN)
Chairman
DIN: 00038076

(DAULAT JAIN)
Managing Director
DIN: 00040088

Annexure "A" to the Board's Report

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 Executive Director to the median remuneration of the employees of the Company for the financial year 2018-19 along with the percentage increase in Remuneration of each Executive Director and Key Managerial Personnel (KMP) during the financial year 2018-2019

Name of the Directors & KMP with Designation	% of Increase in Remuneration in FY 2018-19	Ratio of the remuneration of each director /KMP to median remuneration of the employee
Mr. Pawan Jain, Executive Chairman	30.69	13.07
Mr. Daulat Jain, Managing Director & CEO	Nil	1.66
Mr. Amit Jain, Chief Financial Officer	Nil	2.62
Ms. Anju Mundhra, Company Secretary	20.83	1.75

Note:

- a) The Independent Directors of the Company are entitled to sitting fee as per companies Act 2013. The details of sitting fees paid to Independent Directors of the Company have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the Independent Directors' Remuneration is, therefore, not considered for the purpose above.
- (ii) The percentage increase in the median remuneration of Employees in the financial year was 14.08 %.
- (iii) There were 13 permanent employees on the rolls of Company as on 31.03.2019.
- (iv) Average percentile increase made in the salaried employees other than KMP in the last financial year was 89.93 % and whereas the increase in the Managerial remuneration of KMP for the same F.Y. was 21.70% since few new employees were appointed during the year
- (v) It is hereby confirmed that the remuneration paid to all directors, KMP, Senior Managerial personnel and all other employees of the Company during the FY ended 31st March 2019, were as per the Nomination & Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 22.04.2019

(PAWAN JAIN)
Chairman
DIN: 00038076

(DAULAT JAIN)
Managing Director
DIN: 00040088

Annexure "B" to the Board's Report

Form No. MR - 3 SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,
The Members,
ASHIKA CREDIT CAPITAL LIMITED
226/1 A.J.C. Bose Road "Trinity"
7th Floor, Kolkata 700020, West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASHIKA CREDIT CAPITAL LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
 2. Based on our verification of the Company 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
 - (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;
 - (d) 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;
 - (e) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.
 3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:
 - i) The Companies Act, 2013 (the Act), amendments thereof 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) 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 (Share Based Employee Benefits) Regulations, 2014
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- I further report that, there were no actions/ events in pursuance of;
- (a) 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;
 - (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company.

- a) Reserve Bank of India Act, 1934 and guidelines, directions and instructions issued by RBI through notifications and circulars relating to Non-banking Financial Institution laws from time to time.
- b) Prevention of Money Laundering Act, 2002 and The Prevention of Money-Laundering (Amendment) Act, 2012

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.
- (ii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited and Metropolitan Stock Exchange Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to delay of few days in making application for listing of equity shares to stock exchanges under Regulation 108(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and due to delay the appropriate fine has been paid by the Company to the stock exchanges.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period,

- I. the Company had obtained approval of shareholders by way of passing Ordinary / Special resolution at the Annual General Meeting of the Company held on 01.09.2018
 - a. For appointment of Ms. Suparna Sengupta as Non Executive Independent Director of the Company for a period of 3 (Three) years w.e.f. 14th February, 2018.
 - b. To borrow money under Section 180(1)(c) of Companies Act, 2013 not exceeding the sum of 1000 crores.
 - c. To approve the limits of Loans, Guarantees and Investments under Section 186 of Companies Act, 2013 not exceeding the sum of 1500 crores.
 - d. For approval of the existing material related party transaction (material as per SEBI LODR 2015) as entered by the Company with the related party during the F.Y. 2017-2018 and to be continued thereafter.

This Report is to be read with our letter of even date which is annexed "Annexure A" and forms an Integral Part of this Report.

For **M R & Associates**
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 22.04.2019

To the Secretarial Audit Report
for the financial year ended 31st March, 2019

To,
The Members,
ASHIKA CREDIT CAPITAL LIMITED
226/1 A.J.C. Bose Road "Trinity"
7th Floor, Kolkata 700020, West Bengal

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M R & Associates**
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 22.04.2019

Annexure “C” to the Board’s Report

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	L67120WB1994PLC062159
2.	Registration Date:	08/03/1994
3.	Name of the Company	Ashika Credit Capital Ltd.
4.	Category / Sub-Category of the Company:	Public Limited company /Indian Non Government Company
5.	Address of the Registered office and contact details:	Trinity, 226/1, A.J.C.Bose Road, 7th Floor, Kolkata- 700020 , Tel : (033) 40102500, fax : (033) 40102543 Email id- secretarial@ashikagroup.com Website : www.ashikagroup.com
6.	Whether listed company Yes / No	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any –	M/s. Maheshwari Datamatics Pvt Ltd, 23, R.N.Mukherjee Road, 5th floor, Kolkata – 700001 Tel : 033-22482248, 2243-5029 Fax : 033-22484787 Email id- mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Non Banking Financial Services	64990	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable section
1.	N.A	N.A	N.A	N.A	N.A

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2018)				No. of Shares held at the end of the year (As on March, 31, 2019)				% Change during the year
	Demat	Physical [®]	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	789000	450000	1239000	11.4722	1239000	-	1239000	10.9259	(0.5463)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1078525	1055174	2133699	19.7565	2673699	-	2673699	23.5776	3.8211
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1867525	1505174	3372699	31.2287	3912699	-	3912699	34.5035	3.2748
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1867525	1505174	3372699	31.2287	3912699	-	3912699	34.5035	3.2748
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others									
Alternate Investment Funds	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	100000	100000	0.9259	100000	-	100000	0.8818	(0.0441)
Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	100000	100000	0.9259	100000	-	100000	0.8818	(0.0441)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3145273	728000	3873273	35.8636	3800930	85000	3885930	34.2675	(1.5961)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	208047	44457	252504	2.3380	222048	32257	254305	2.2425	(0.0955)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1565028	1621000	3186028	29.5003	3175492	-	3175492	28.0026	(1.4977)

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2018)				No. of Shares held at the end of the year (As on March, 31, 2019)				% Change during the year
	Demat	Physical [®]	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
• Clearing Member	15431	-	15431	0.1429	11509	-	11509	0.1015	(0.0414)
• Non Resident Individual	65	-	65	0.0006	65	-	65	0.0006	-
Sub-total (B)(2):-	4933844	2393457	7327301	67.8454	7210044	117257	7327301	64.6147	(3.2307)
Total Public Shareholding (B)=(B)(1)+(B)(2)	4933844	2493457	7427301	68.7713	7310044	117257	7427301	65.4965	(3.2748)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	6801369	3998631	10800000	100	11222743	117257	11340000	100	-

@Company has issued 3805174 Equity shares & 10,80,000 convertible warrants on preferential basis as on 27.03.2018 for which Corporate action was executed post 31.03.2018, so the shares are shown under Physical shares as on 1st April 2018.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			%change in Share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Pawan Jain(HUF)	789000	7.3056	Nil	789000	6.9577	Nil	(0.3479)
2	Ashika Hedge Fund Pvt Ltd	836900	7.7491	Nil	836900	7.3801	Nil	(0.3690)
3	Ashika Share Trading Pvt Ltd	770000	7.1296	Nil	770000	6.7901	Nil	(0.3395)
4	Ashika Global Securities Pvt Ltd	526799	4.8778	Nil	1066799	9.4074	Nil	4.5296
4	Pawan Jain*	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5	Daulat Jain*	450000	4.1667	Nil	450000	3.9683	Nil	(0.1984)
	Total	3372699	31.2287	Nil	3912699	34.5035	Nil	3.2748

*Promoter Director

(iii) Change in Promoters' Shareholding

Sl. No.		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
	At the beginning of the year				
	• Pawan Jain – HUF	789000	7.3056	789000	7.3056
	• Ashika Hedge Fund Pvt Ltd	836900	7.7491	836900	7.7491
	• Ashika Share Trading Pvt Ltd	770000	7.1296	770000	7.1296
	• Ashika Global Securities Pvt Ltd	526799	4.8778	526799	4.8778
	• Pawan Jain	Nil	Nil	Nil	Nil
	• Daulat Jain	450000	4.1667	450000	4.1667
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	On 05.08.2018, an allotment of 540000 equity shares were made to Ashika Global Securities Private Limited, pursuant to conversion of 540000 convertible warrants into equal number of equity shares held under preferential allotment.			
	At the End of the year				
	• Pawan Jain – HUF	789000	6.9577	789000	6.9577
	• Ashika Hedge Fund Pvt Ltd	836900	7.3801	836900	7.3801
	• Ashika Share Trading Pvt Ltd	770000	6.7901	770000	6.7901
	• Ashika Global Securities Pvt Ltd	1066799	9.4074	1066799	9.4074
	• Pawan Jain	Nil	Nil	Nil	Nil
	• Daulat Jain	450000	3.9683	450000	3.9683

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Globe Capital Market Limited *				
	April 01, 2018	Nil	Nil	Nil	Nil
	28/09/2018- Transfer	300000	2.6455	-	-
	March 31, 2019	300000	2.6455	-	-
2	Aamara Capital Pvt Ltd				
	April 01, 2018	410000	3.7963	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	410000	3.6155	-	-
3	Trident Distributors Private Limited				
	April 01, 2018	184462	1.7080	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	184462	1.6266	-	-
4	Apex Commotrade Private Limited				
	April 01, 2018	340000	3.1481	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	340000	2.9982	-	-
5	Kabir Shran Dagar (HUF) #				
	April 01, 2018	159896	1.4805	-	-
	27/04/2018 - Transfer	43100	0.2951	202996	1.3899
	10/08/2018 - Transfer	-202996	1.8796	-	-
	March 31, 2019	Nil	Nil	-	-
6	Swetambari Tradecom Private Limited				
	April 01, 2018	259786	2.4054	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	259786	2.2909	-	-
7	Spice Merchants Private Limited				
	April 01, 2018	214675	1.9877	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	214675	1.8931	-	-
8	Tulsi Kumar Dugar				
	April 01, 2018	170000	1.5741	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	170000	1.4991	-	-
9	Rishabh Dugar				
	April 01, 2018	165000	1.5278	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	165000	1.4550	-	-

Sl. No.	Name	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
10	Gyanchand Surajmal Mehta				
	April 01, 2018	360000	3.3333	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	360000	3.1746	-	-
11	Rachita Dugar				
	April 01, 2018	165000	1.5278	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	165000	1.4550	-	-
12	Seema *				
	April 01, 2018	Nil	Nil	Nil	Nil
	01/06/2018- Transfer	232500	2.1528	232500	2.1528
	08/06/2018- Transfer	183685	1.7008	416185	3.8536
	29/06/2018- Transfer	35000	0.3241	451185	4.1776
	March 31, 2019	451185	3.9787	451185	3.9787
13	Winall Vinimay Pvt Ltd #				
	April 01, 2018	144753	1.3403	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	144753	1.2765	-	-
14	Kripa Securities Pvt Ltd #				
	April 01, 2018	145000	1.3426	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	145000	1.2787	-	-
15	Class Commercial Private Limited #				
	April 01, 2018	143640	1.3300	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	143640	1.2667	-	-
16	Brillant Vincom Pvt Ltd #				
	April 01, 2018	143620	1.3298	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	143620	1.2665	-	-
17	Runicha Merchants Pvt Ltd #				
	April 01, 2018	134983	1.2498	-	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease	No change			
	March 31, 2019	134983	1.1903	-	-

(Note : There has been change in % of holding as on 31st March 2019 in compared to 1st April 2018 due to fresh allotment of shares during the FY)

* Not in the list of Top 10 shareholders as on 01/04/2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2019.

Ceased to be in the list of Top 10 shareholders as on 31/03/2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2018.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year 01/04/2018		Shareholding at the end of the year 31/03/2019	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Pawan Jain, Executive Chairman#	-	-	-	-
2	Mr. Daulat Jain, Managing Director & CEO	450000	4.17	450000	3.97
3	Ms. Suparna Sengupta	Nil	Nil	Nil	Nil
4	Mr. Radhey Shyam Agrawal*	Nil	Nil	Nil	Nil
5	Mr. Sagar Jain	Nil	Nil	Nil	Nil
6	Ms. Anju Mundhra, CS	Nil	Nil	Nil	Nil
7	Mr. Amit Jain – CFO	Nil	Nil	Nil	Nil

holding 789000 shares in capacity of Karta of Pawan Jain (HUF)

* resigned w.e.f. closure of business hours of 31.03.2019

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment - (Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	76,45,72,970	15,28,00,000	Nil	91,73,72,970
ii) Interest due but not paid	50,07,737	15,78,496	Nil	65,86,233
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	76,95,80,707	15,43,78,496	Nil	92,39,59,203
Change in Indebtedness during the financial year				
• Addition	1,17,54,78,624	1,16,15,48,711	Nil	2,33,70,27,335
• Reduction	1,94,50,59,331	1,14,76,27,207	Nil	3,09,26,86,538
Net Change	(76,95,80,707)	1,39,21,504		(75,56,59,203)
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	16,83,00,000	Nil	16,83,00,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	16,83,00,000	Nil	16,83,00,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Wholetime Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (₹)
		Pawan Jain, WTD	Daulat Jain, MD & CEO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,02,38,174	12,97,393	1,15,35,567
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	-as % of profit	-	-	-
	-Other, specify	-	-	-
5	Other, please specify	-	-	-
	Total (A)	1,02,38,174	12,97,393	1,15,35,567
	Ceiling as per the Act	As per Part II, section II Proviso of Schedule V as prescribed under Companies Act 2013.		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Sagar Jain	Suparna Sengupta	Radhey Shyam Agrawal*	Sanjay Kumar Singh @	
1.	Independent Directors					
	• Fee for attending board	50000	35000	55000	5000	145000
	• Committee meetings	29000	22000	31000	3000	85000
	• Commission	-	-	-	-	-
	Total(1)	79000	57000	86000	8000	230000
2.	Other Non-Executive Directors					
	• Fee for attending board	-	-	-	-	-
	• Committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	79000	57000	86000	8000	230000
	Total Managerial Remuneration	No Remuneration is paid				
	Overall Ceiling as per the Act	No Commission or other remuneration apart from sitting fees is being paid to Non-Executive Directors.				

@ resigned w.e.f. 24.07.2018

* resigned w.e.f. closure of business hours of 31.03.2019

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹)
		Amit Jain, CFO	Anju Mundhra, CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,53,919	13,73,395	34,27,314
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	-as % of profit	-	-	-
	-Other, specify	-	-	-
5	Other, please specify	-	-	-
	Total (A)	20,53,919	13,73,395	34,27,314

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 22.04.2019

(PAWAN JAIN)
Chairman
DIN: 00038076

(DAULAT JAIN)
Managing Director
DIN: 00040088

Corporate Governance Report

(As per Regulation 34(3) read with Clause C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(Forming part of the Board's Report for the year ended 31st March, 2019)

(1) STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Ashika Credit Capital Limited (ACCL) believes that good Corporate Governance is essential to achieve long-term corporate goals and enhance stakeholders' value. Thus ACCL philosophy on corporate governance is based on integrity, honesty, transparency and fairness to all stakeholders. ACCL, being a value driven organization, has always worked towards building trust with shareholders, employees, customers based on principles of good governance namely, integrity, transparency, accountability and commitment to values.

Ashika Credit Capital Limited continues to focus to be globally recognized financial service provider, leveraging the best of people, idea, resources and technology.

The Board of Directors of the Company fully supports Corporate Governance practices of the Company and has complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof, as applicable and listed below.

(2) BOARD OF DIRECTORS

Your Company endeavors to have an optimum combination of executive, non-executive and Independent Directors, including women director on the Board which brings diversity on the Board. As on 31st March, 2019, the Board comprised of five Directors, wherein there are 2 Executive Directors and 3 Non-executive Independent Directors. The Chairman of the Board is a Promoter-Executive Director. Directors are professionals, having diverse expertise in finance, taxation, corporate planning, legal procedures and compliance of law and general administration in letter and spirit.

a) Composition, category and other relevant details of directors:

As per the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 every listed entity not having regular non -Executive Chairperson shall have at least half of the board members as Independent Directors. The composition and category of directors as on 31st March, 2019 is prescribed below:

Sl. No.	Name of Director & DIN	Composition and Category	No. of directorship held in other than ACCL®		#Committee positions, including ACCL		Disclosure of relationship between directors inter se	No of shares held*
			Indian Public Ltd company	Listed company	Member	Chairperson		
1	Mr. Pawan Jain (00038076)	Promoter, Executive Chairman (Wholetime Director)	1	Nil	-	-	Brother of Daulat Jain	789000 holding in capacity of Karta of Pawan Jain - HUF
2	Mr. Daulat Jain (00040088)	Promoter, Executive Director (Managing Director & CEO)	2	Nil	-	-	Brother of Pawan Jain	450000
3	Mr. Sagar Jain (00392422)	Non Executive Independent Director	1	Nil	2	1	NA	Nil
4	Ms. Suparna Sengupta (07689952)	Non Executive Independent Director	-	Nil	2	-	NA	Nil
5	Mr. Radhey Shyam Agarwal (01142185)**	Non Executive Independent Director	-	Nil	2	1	NA	Nil

Note : Ms. Sonu Jain has been inducted as member of the Board (Additional Non Executive Independent Director) w.e.f. 01/04/2019

@ Excludes directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

#Only Audit Committee and Stakeholders' Relationship Committee has been considered as per regulation 26 of SEBI (LODR) 2015

* None of the directors held any convertible instruments during the year

**resigned w.e.f closure of business of hours of 31.03.2019

Details of Directors resigned during the F.Y. 2018-2019

Mr. Sanjay Kumar Singh and Mr. Radhey Shyam Agrawal, both Non Executive Independent Directors, resigned from directorship of the Company w.e.f. 24.07.2018 and closure of business of hours of 31.03.2019, respectively.

Mr. Sanjay Kumar Singh was appointed as an independent director of the Company, liable to hold office for a consecutive period of 5 years, upto 13th January, 2021. However, he resigned from the directorship of the Company w.e.f. 24th July, 2018 due to pre-commitments.

Mr. Radhey Shyam Agrawal was appointed as an independent director of the Company, for a period of 5 years, wherein his term expired on 31st March 2019. However, he resigned from the directorship of the Company w.e.f. closure of business of hours of 31.03.2019, on expiring of his existing term. Further he placed that he has attained the age of 75+ and due to health issue, he won't be able to continue.

Mr. Radhey Shyam Agrawal had confirmed that there has been no other material reason other than stated above in regard to his resignation from the directorship of the Company.

(b) Attendance of each director at the meeting of the board of directors and the last Annual General Meeting:

During the year the board met 5 (five) times. The details of attendance of the same are given here under

Sl. No.	Name of Director	Dates of Meeting & Attendance in meeting					Attendance at last AGM held on 1st September, 2018
		28.05.2018	05.08.2018 (adjourned to 14.08.2018)	14.08.2018	06.11.2018	14.02.2019	
1	Mr. Pawan Jain	√	√	√	√	√	Yes
2	Mr. Daulat Jain	√	√	√	√	√	Yes
3	Mr. Sagar Jain	√	x	√	√	√	No
4	Ms. Suparna Sengupta	√	√	√	x	√	No
5	Mr. Sanjay Kr Singh#	√	NA	NA	NA	NA	NA
6	Mr. Radhey Shyam Agrawal\$	√	√	√	√	√	No

#Ceased to be a member of the board w.e.f. 24/07/2018.

\$ Ceased to be a member of the board w.e.f. closure of business of hours of 31.03.2019

Video/tele-conferencing facility was not availed by any of director for attending the meeting during the referred FY.

c) Familiarisation programme

Pursuant to regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, your Company has conducted the familiarization programme for its Independent Directors during the year 2018-2019. The details of familiarization programme conducted during the year is being hosted on the website of the Company at <https://www.ashikagroup.com/PDF/Familiarisation-Programme-conducted-for-2018-2019.pdf>

d) Independent director

The Independent Directors of the Company held a separate informal meeting on 31.12.2018 without the attendance of non-independent Directors and members of the management for the purposes, inter alia, as required by Regulation 25 (3) of the Listing Regulations.

Every Independent Director, at the first meeting of Board in which he participates as a Director and thereafter at the first meeting of board in every financial year, gives a declaration that he meets the criteria of independence as provided under the law.

Further, the Board of Directors of the Company hereby confirms that the independent directors fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and amendments thereof and are

independent from the management.

(e) List of core skills/ expertise/ competencies identified by the board of directors for smooth functioning of its' operations

- Knowledge and Strategic Thinking- understand and analyse the Company's strategies, business, and culture (including its mission, vision, values, goals, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,
- Risk Management
- Interpersonal Skills- attributes and competencies to use their knowledge and skills to function well as team members and to interact with all stakeholders
- Board Diversity: Representation of gender, ethnic, or other perspectives that expand the Board's understanding of the needs and viewpoints of the Company's customers, employees, governments, regulators and other stakeholders.
- Business Operations: Experience in driving business success with an understanding of diverse business environments,

economic conditions, cultures and regulatory frameworks and have a broad perspective on market opportunities.

- Decision making
- Forward Thinking

Being an NBFC, the Board has to the extent required, the skills and competencies that enable it to conduct the smooth operation of its' business and financial activities.

(3) AUDIT COMMITTEE:

a) Brief description of terms of reference :

The Company has a well defined Audit committee with terms of reference in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 comprising of 3 (three) Directors as members of the committee, all being Independent, Non-Executive Directors as on 31st March 2019. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary to the Company acts as secretary to the Committee. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee is in line with the regulatory requirements and, inter alia are as follows

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation to the board for appointment, re-appointment, remuneration, terms of appointment of Auditor and if required, the replacement or removal of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with management, performance of Statutory & Internal Auditor, adequacy of Internal Control System, scope of audit and note the observation of Auditors.
- Examination & review of the Annual financial statement, auditors' report with management before submission to board with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Modified opinion(s) in the draft audit report.
- Review, approve or any subsequent modification of transactions of the Company with related parties and to grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis subject to the approval of the Board;
- reviewing with management quarterly, half yearly financial statement before submission to board for approval;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, the statement of uses / application of funds rose through an issue & other related matter and make appropriate recommendations to the Board.
- Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Reviewing the functioning of Vigil Mechanism /Whistle Blower Policy adopted for Directors & employees of the Company to report their genuine concerns and shall have direct access to the chairperson of the Audit Committee in appropriate or exceptional cases
- Scrutiny of Inter corporate Loans & Investments.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

- Approval of appointment/ removal including terms of remuneration of Chief Financial Officer. (i.e., the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 - To review the utilisation of loans and or/advances from/ investment by the holding company in the subsidiary, exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
- Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018 issued on 9th May 2018, and other applicable laws/ regulations, the Company had revised the terms of reference of the committee in its board meeting held on 14th February 2019. The below revision in terms of reference is effective from 1st April 2019
- The committee shall review the compliances in the regard to the provisions of regulation 9 and 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018 on an annual basis or atleast once in a Financial year and verify that the system of internal control are adequate and are operating efficiently.

(b) Composition, meeting and attendance during the year:

The committee met at interval during the year and the necessary quorum was present in the said meeting. Further The representatives of the Statutory Auditors, Internal Auditor are permanent invitees to the Audit Committee Meetings. The Company Secretary to the Company acts as secretary to the committee.

Name of Director	Category	Date of Meeting and Attendance in meeting				
		28.05.2018	14.08.2018*	06.11.2018	31.12.2018	14.02.2019
Mr. Sagar Jain	Chairman, Non Executive and Independent	Yes	Yes	Yes	Yes	Yes
Ms. Suparna Sengupta@	Member, Non-Executive Independent	N.A	Yes	No	Yes	Yes
Mr. R.S. Agrawal§	Member, Non-Executive Independent	Yes	Yes	Yes	Yes	Yes
Mr. Sanjay Kr Singh #	Member, Non-Executive Independent	Yes	NA	NA	NA	NA

Note : Ms. Sonu Jain has been inducted as member (Non-Executive Independent) of the committee w.e.f. 1st April 2019

#Ceased to be a member of the Audit Committee w.e.f. 24/07/2018.

@ inducted as member of the committee w.e.f. 27/07/2018.

§ Ceased to be a member of the board w.e.f. closure of business of hours of 31.03.2019

* Meeting scheduled on 05.08.2018, adjourned to 14.08.2018 due to lack of quorum.

The Audit Committee was re-constituted by the board through circular resolution on 27.07.2018 and 01.04.2019.

General : The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings. The representatives of Statutory Auditors, CFO and Representative of Internal Auditor attend the Audit Committee meetings. The Internal Auditor reports directly to the Audit Committee

(4) NOMINATION AND REMUNERATION COMMITTEE:

a) Brief description of terms of reference:

The committee's constitution and terms of reference are in compliance with provisions of section 178 of Companies Act 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 comprising of 3 (three) Directors as members of the committee, all being Independent, Non-Executive Directors as on 31st March 2019. The committee is primarily responsible for:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, KMP and other employees
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of evaluation of independent directors.
- Identifying and assessing potential individuals in accordance with the Criteria laid down for appointment and re-appointment as Directors / Independent Directors on the Board and as Key

Managerial Personnel / senior management and recommend to the Board their appointment and removal

- Formulate the criteria for performance evaluation of independent directors and the Board of directors.
- Devise a policy on Diversity of Board of Directors.
- Periodically reviewing the size and composition of the Board to ensure that the structured commensurate with the requirement of the Company.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018 issued on 9th May 2018, and other applicable laws/ regulations, the Company had revised the terms of reference of the committee in its board meeting held on 14th February 2019. The below revision in terms of reference is effective from 1st April 2019

- The quorum for meeting of the NRC Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance
- NRC shall meet as and when required, provide that the NRC shall meet atleast once in a year.
- NRC shall recommend to the board, all remuneration, in whatever form, payable to senior management.
- NRC shall lay down a chart/matrix listing the core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the Company's business(es) and sectors for the Board to function effectively and those actually available with the Board

b) Composition, meeting and attendance during the year:

As on 31st March 2019, the Nomination and Remuneration Committee consists of 3 (three) members, all being Independent, Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. The committee met 3 (three) times during the year:

Name of members	Category – Directorship	Dates of Meeting & Attendance		
		28/05/2018	05/08/2018	14/02/2019
Ms. Suparna Sengupta@	Chairman, Non Executive and Independent	N.A	Yes	Yes
Mr. Sagar Jain	Member, Non-Executive and Independent	Yes	No	Yes
Mr. Radhey Shyam Agrawal\$	Member, Non-Executive and Independent	Yes	Yes	Yes
Mr. Sanjay Kr Singh #	Member, Non-Executive and Independent	Yes	NA	NA

Note : Ms. Sonu Jain has been inducted as member (Non-Executive Independent) of the committee w.e.f. 1st April 2019

#Ceased to be a member of the Committee w.e.f. 24/07/2018.

@ inducted as member of the committee w.e.f. 27/07/2018.

\$ Ceased to be a member of the board w.e.f. closure of business of hours of 31.03.2019

The Committee was re-constituted by the board through circular resolution on 27/07/2018 and 01.04.2019.

c) Performance Evaluation Criteria Board, Committees and Directors:

Based on SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/4 dated 5th January, 2017 NRC had formulated performance evaluation criteria for the evaluation of the Chairman of the Board, the Board as a whole, committees of the Board, Independent Directors and Non independent Directors. Accordingly, the existing criteria for Evaluation process as approved previously is hereby amended via circular resolution passed on 2nd November 2018 by NRC and approved by Board in its meeting held on 6th November 2018. The evaluations were conducted as per the criteria determined by the Nomination & Remuneration Committee.

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January 2017,

your Company has carried out a Performance Evaluation for the Board / Committees of the Board / Individual Directors including the Chairman of the Board of Directors for the financial year 2018-2019.

The Board Evaluation were conducted to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company and objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to determine if the Directors actively participate in Board Meetings and contribute to achieve the common business goal of the Company.

A set of questionnaires were sent to all director to carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1-5. Duly completed formats were sent to the Company's secretary, who in turn forwarded

the same to Chairman of the Board, Chairman / Chairperson of the respective Committees of the Board for their consideration. The Performance Evaluation feedback of the Chairman was sent to the Chairperson of the Independent Director

The Chairperson of NRC & Board seek one on one feedback from the Directors. After the receipt of the said feedback, Chairperson of the Board & NRC discussed on the feedback of the Board (as a whole) and other individual Directors. Thereafter, Independent directors conducted a meeting on 31st December 2018 wherein they reviewed the performance of the Board, Chairperson and Non Independent Directors and at the Nomination & Remuneration committee meeting, the performance of all the directors were reviewed. The performance evaluation feedback for the chairman was sent to the chairperson of the Nomination & Remuneration committee.

The Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation to the Board of Directors and the same was tabled at the Board Meeting held on 14th February 2019. All the criteria of Evaluation as envisaged in the SEBI Circular on 'Guidance Note on Board Evaluation' had been adhered to by your Company. Based on the aforesaid Performance Evaluation, your Board decided to continue the terms of appointment of the Chairman, the Independent Directors, the Executive Directors and the Non-Executive Directors.

(5) REMUNERATION OF DIRECTORS:

a) Remuneration Policy:

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has adopted a Nomination and

Remuneration Policy for the Directors, Key Managerial Personnel (KMPs), Senior Management, Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, KMPs and SMs, remuneration paid / payable to them, Board diversity etc. Further, pursuant to SEBI (LODR) Amendment Regulations, 2018, the Company has revised its existing policy giving effect of the aforesaid amendments and the same was duly approved by the Nomination & Remuneration Committee and Board in their meeting held on 14th February, 2019. The said revised policy is effective from 1st April, 2019 and has been uploaded at the website of the Company www.ashikagroup.com and is available at the link <https://www.ashikagroup.com/PDF/Nomination-and-Remuneration-Policy.pdf>

b) None of our Non-Executive Directors have any pecuniary relationship or transaction with the Company, except to the extent of shareholding, if any, in the Company.

c) Details of Remuneration paid to Directors:

The Non-Executive Directors of the Company are remunerated only through payment of sitting fees for attending the meetings of Board of Directors, committees of Board of Directors and other meetings of Directors. The details are disseminated on the website of the Company http://www.ashikagroup.com/PDF/Criteria_for_Payment_to_Non_Executive_Directors.pdf

Remuneration payable to Executive Director consists of various components. The fixed pay consists of salary, allowances, perquisites including bonus. Remuneration payable to Executive Director is determined by the Nomination and Remuneration Committee of Board of Directors and is approved by the shareholders at the General Meeting. No sitting fee is being paid to the Executive Directors.

Remuneration paid to Directors for the financial year 2018-2019:

As on 31st March 2019, the Nomination and Remuneration Committee consists of 3 (three) members, all being Independent, Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. The committee met 3 (three) times during the year:

Amount in ₹

Name	Salary p.a.	Sitting fees	Total	Number of shares held as on 31.03.2019
Mr. Pawan Jain, Executive Chairman (WTD)	1,02,38,174	Nil	1,02,38,174	789000, as Karta of Pawan Jain HUF
Mr. Daulat Jain, MD & CEO	12,97,393	Nil	12,97,393	450000
Mr. Sagar Jain	NA	79,000	79,000	Nil
Ms. Suparna Sengupta	NA	57,000	57,000	Nil
Mr. Radhey Shyam Agrawal@	NA	86,000	86,000	Nil
Mr. Sanjay Kumar Singh*	NA	8,000	8,000	Nil

@ resigned w.e.f. closure of business hours of 31.03.2019

* resigned w.e.f. 24.07.2018

No benefits, other than the above, are given to the Directors. No Performance linked incentives and severance fees are given to Directors. No service contracts were entered into with Directors. The appointments of Executive Directors are governed by terms and conditions as per agreement executed and resolutions passed Further, 30 days notice period is applicable. The Company does not have any Stock Options Scheme for its Directors or employees

(6) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a) Brief description of terms of reference:

The Stakeholders' Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015. The committee consists of 3 (three) non executive, independent directors as members. The Committee meets as and when required during the year. The committee met 3 (three) times in the year 2018-2019. The review of activities of Share Transfer Agent is undertaken quarterly by the Company Secretary. The terms of reference of the committee are:

- Consider & Resolve the Grievances of Security holders including complaints related to transfer of shares, non receipt of balance sheet, non receipt of declared dividends
- Transfer & transmission of shares
- Issue of duplicate shares
- Exchange of new design share certificates
- Recording dematerialization & rematerialization of shares & related matters.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018 issued on 9th May 2018, and other applicable laws/ regulations, the Company had revised the terms of reference of the committee in its board meeting held on 14th

February 2019. The below revision in terms of reference is effective from 1st April 2019

- To specifically look into various aspects of interest of shareholders, debenture holders and other security holders
- Atleast three directors, with atleast one being an independent director shall be member of the committee
- The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders."
- The Stakeholders Relationship Committee shall meet as and when required, provide that SRC shall meet atleast once in a year.

The role of the committee shall inter-alia include the following:

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company"

b) Composition, meeting and attendance during the year:

Name of members	Category – Directorship	Dates of Meeting & Attendance		
		28/05/2018	05/08/2018	14/02/2019
Mr. R.S. Agrawal§	Chairman, Non Executive and Independent	Yes	Yes	Yes
Mr. Sagar Jain	Member, Non-Executive and Independent	Yes	No	Yes
Ms. Suparna Sengupta@	Member, Non-Executive and Independent	N.A	Yes	Yes
Mr. Sanjay Kr Singh #	Member, Non-Executive and Independent	Yes	N.A	N.A

Note : Ms. Sonu Jain has been inducted as Chairperson (Non-Executive Independent) of the committee w.e.f. 1st April 2019

#Ceased to be a member of the Committee w.e.f. 24/07/2018.

@ inducted as member of the committee w.e.f. 27/07/2018.

§ Ceased to be a member of the board w.e.f. closure of business of hours of 31.03.2019

The Committee was re-constituted by the board through circular resolution on 27/07/2018 and 01/04/2019. The aforesaid members attended the requisite meetings as applicable.

Compliance Officer: Ms. Anju Mundhra is the Company Secretary of the Company and also holds the position of Compliance Officer of the Company.

Grievances Details:

Particulars	2018-2019
Number of complaints at the beginning of the year	Nil
Number of Shareholder's Complaints received during the year	1
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending complaints at the end of the year	Nil

c) SEBI complaints redress system (scores):

The Company has registered itself on SEBI Complaints Redress System - 'SCORES' and endeavors to resolve all investor complaints received through SCORES. During the year, the Company has not received any investor complaints through SCORES.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2019 and that all requests for issue of duplicate certificates, etc., received upto March 31, 2019 have since been processed.

(7) GENERAL BODY MEETINGS:
a) The details of last three Annual General Meetings held:

Date and Day	Venue	Time	Number of Special resolutions passed
1st September, 2018, Saturday	Kala Kunj, 48, Shakespeare Sarani, Kolkata 700017	10:30 A.M.	2 (Two)
7th September, 2017, Thursday	" TRINITY ", 226/1 A.J.C. Bose Road, Kolkata-700020	11:30 A.M.	4 (Four)
8th August, 2016, Monday	" TRINITY ", 226/1 A.J.C. Bose Road, 7th Floor, Kolkata-700020	11:00 A.M.	4 (Four)

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

b) No Extra-ordinary General Meeting of the shareholders was held during the year.

c) The Company does not propose to conduct any Special Resolution through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed there under on or before the forthcoming AGM.

d) No resolution, whether ordinary or special, was passed during the financial year ended March 31, 2018 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed there under.

(8) MEANS OF COMMUNICATION:

a) Quarterly Results : The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within 60 (sixty) days from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchanges. The approved results are sent to the stock exchanges immediately where the Company shares are listed and traded. The results are also published within 48 hours in prominent English Newspaper having nationwide circulation as well as Bengali Newspaper and also displayed on the Company's website, www.ashikagroup.com .

b) Newspapers in which results are normally published : Business Standard (English) – All India Edition and in Arthik Lipi, vernacular newspaper (Bengali)

c) Any website, where displayed : www.ashikagroup.com
 The Annual Report and other statutory filings like Financial results, notice of board meeting, outcome, shareholding pattern, etc are posted on the website of the Company www.ashikagroup.com under a dedicated section named " Investor Relations", the website also contains information on the businesses of the Company, governance and important policies of the Company. All material information relating to the Company which are potentially price sensitive in nature, or which could impact the continuity of the information publicly available for the Company are disclosed to stock exchange as per the "Policy for Determination of Materiality for Disclosures of any Events or Information"

d) Whether it also displays official news releases: During the year under review there were no such news releases.

e) The presentations made to institutional investors or to the Analysts : There were no presentation made to any institutional investors and angel investors during the year.

(9) GENERAL SHAREHOLDER INFORMATION:

The Annual Reports, notices of Annual General Meetings and other compliances under the Act are mailed to shareholders either in electronic mode or send through physical mode to keep them updating about the Company.

- a) **Annual General Meeting - date, time and venue** : As per Notice calling the AGM
- b) **Financial Year** : 1st April 2018 to 31st March 2019
- c) **Date of book closure** : As per notice calling the AGM
- d) **Dividend payment date** : On or after 16th August, 2019
- e) **Listing on Stock Exchange**

Sl no	Name of Stock Exchange	Address (s)	Scrip code/symbol
1	The Calcutta Stock Exchange Limited	7, Lyons Range Kolkata 700001	11591 & 10011591
2	Metropolitan Stock Exchange Limited	Exchange Square, Suren Road, Chakala, Andheri (East), Mumbai- 400093	ASHIKA

- f) **Listing Fees to Stock Exchanges** : The Annual Listing Fees has been paid to all the Stock Exchanges where securities of the Company are listed within time lines.
- g) **International Securities Identification Number (ISIN) of the Company** : INE094B01013 – Equity
INE094B13018 – Convertible Warrant (activated – 03.04.2018)
Partly paid ISIN : IN9094B01011 (status is appearing as “BLOCKED DUE TO A.C.A.”)
- h) **Corporate Identification Number (CIN)** : L67120WB1994PLC062159
- i) **Registered office address** : Trinity, 7th Floor, 226/1, A.J.C. Bose Road, Kolkata – 700020
Tel: (033) 40102500
Fax: (033) 40033254/ 40102543
Website: www.ashikagroup.com
Email: secretarial@ashikagroup.com
- j) **Branch office address** : 7, B.B. Ganguly Street
4th Floor, Kolkata – 700012
Email : secretarial@ashikagroup.com
- k) **Corporate office address** : 1008, Raheja Centre, 10th floor
214, Nariman Point , Mumbai - 400021
Tel: (022) 661111800

l) Market Price Data

The high / low market prices of the shares during the year 2018-2019 at the exchanges were as under:-

Month	CSE		MSEI	
	High	Low	High	Low
April, 2018	----	----	----	----
May, 2018	----	----	----	----
June, 2018	----	----	----	----
July, 2018	----	----	----	----
August, 2018	----	----	----	----
September, 2018	----	----	----	----
October, 2018	----	----	----	----
November, 2018	----	----	----	----
December, 2018	----	----	----	----
January, 2019	----	----	----	----
February, 2019	----	----	----	----
March, 2019	----	----	----	----

Note: During the financial year ended March 31, 2019, there was no trading in the equity shares of the Company at CSE & MSEI. The last rate at MSEI is ₹28.80.

m) Registrar and Transfer Agents : Maheswari Datamatics Pvt Ltd
 23, R.N.Mukherjee Road, 5th Floor, Kolkata – 700001.
 Tel: 033-22482248, 2243-5029
 Fax no: 033-22484787
 Email: mdpldc@yahoo.com.

n) Share transfer system:

- Share Transfer: The Board has formulated a new committee named Share Transfer committee and delegated the powers of share operations to the Committee comprising of Mr. Daulat Jain, Mr. Sagar Jain, Mr. Radhey Shyam Agrawal and Ms. Anju Mundhra is the secretary for the committee. The Committee meets as and when required to approve, inter alia, transfer of shares, issue of duplicate share certificate, the requests for transmission of shares etc. There are no pending transfers of shares as on March 31, 2019.

Pursuant to the amendments in regulation 40 of SEBI (LODR) Regulation 2015, issued by SEBI vide on 8th June 2018, which was effective from 5th December 2018, wherein it was intimated that transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository, Further SEBI extended the deadline and the aforesaid requirement of transfer of securities only in demat form shall now come into force from April 1, 2019. In view of the same several shares held by shareholders/ investors in physical form were dematerialized.

- Members who hold shares in dematerialized form should correspond with the Depository participant with whom they maintain Demat Account/s, for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company or Share Transfer Agent.

o) Dematerialisation of Shares and Liquidity

Based on a SEBI directive, the Equity shares of the Company are permitted to be traded only in dematerialised form and are available for demat under both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2019, 98.97% of the total paid-up share capital of the Company representing 1,13,40,000 Equity Shares is held in dematerialized mode. The balance 1.03% paid-up share capital representing 117257 Equity Shares is held in physical mode and these shareholders are requested to dematerialize their shares, as per the SEBI amendments in SEBI (LODR) to avail the benefits of transfer / sale of shares. The entire Promoters' shareholding representing 34.50% of the paid-up share capital is held in dematerialized mode.

Physical /Electronic	Number of holders (Folio/Client ID)	Number of shares
NSDL	390	4539653
CDSL	514	6683090
PHYSICAL	29	117257
TOTAL	933	11340000

For any assistance in converting physical shares in electronic form, investors may approach Maheshwari datamatics Pvt Ltd or the Company Secretary of the Company.

p) Category-wise shareholding pattern as on March 31, 2019

Sr. No	Category	No. of shares	% holding
1	Promoter & promoter Group	3912699	34.5035
2	Institution – Public	100000	0.8818
3	Body Corporate - Public	3885930	34.2675
4	Individual – Public	3429797	30.2451
5	Clearing member	11509	0.1015
6	Non Resident Individual	65	0.0006
	Total	11340000	100

q) Distribution of Shareholding as on March 31, 2019

Slab of shareholding	Number of Shareholders	Number of Shares	% to total no of shares
Upto 500 shares	681	24987	0.2203
501-1000 shares	26	21715	0.1915
1001-2000 shares	34	61359	0.5411
2001-3000 shares	12	32137	0.2834
3001-4000 shares	11	41187	0.3632
4001-5,000 shares	6	28816	0.2541
5001-10000 shares	19	161163	1.4212
Above 10000 shares	90	10968636	96.7252
Total	879	11340000	100.0000

- r) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity : The Company has outstanding 540,000 convertible warrants (into equal number of equity shares) issued to promoter group Ashika Global Securities Pvt Ltd, yet to be exercised within 18 months from date of allotment i.e. 27.03.2018.
- s) **Commodity price risk or foreign exchange risk and hedging activities** : None
- t) **Plant locations** : None
- u) **Address for correspondence** : Ms. Anju Mundhra
Secretarial Department
Trinity, 7th floor, 226/1, A.J.C. Bose Road,
Kolkata – 700 020.
Tel No. (033) 40102500, Fax No. (033) 40102543
Email : anjulohia@ashikagroup.com
secretarial@ashikagroup.com
- v) **Email if grievances redressal division** : investorservices@ashikagroup.com
- w) **Performance comparison chart with S&P BSE Sensex**
Since there has been no trading of shares of the company on any of the exchange i.e CSE & MSEI, so the performance comparison chart has not been placed.
- x) List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad : None

(10) OTHER DISCLOSURES:

(a) **Materially significant Related Party Transactions:**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arms' length basis and do not attract the provisions of Section 188(1) of the Companies Act, 2013. All the related party transactions were prior approved by the Audit Committee. During the year the Audit committee has granted omnibus approval for Related Party transactions as per the provisions and restrictions contained in the SEBI (LODR) Regulations, 2015 and Companies Act 2013.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Details of transactions with related parties as required by the Accounting Standards (AS 18) have been made in the notes to the Financial Statements of the Company. The board has adopted a policy on the Material Related Party Transaction and the same is uploaded on the website of the Company <https://www.ashikagroup.com/PDF/Policy%20on%20Related%20party%20Transactions.pdf>

Further, pursuant to SEBI (LODR) Amendment Regulations, 2018, the Company has revised its existing policy giving effect of the aforesaid amendments. The said policy is effective from 1st April, 2019 and has been uploaded on the website of the Company <https://www.ashikagroup.com/PDF/Related-Party-Transaction-Policy.pdf> as approved by the Board in its meeting held on 14.02.2019.

(b) **Details of non compliances/ penalties/ strictures imposed on the Company by stock exchange or any other regulatory authority etc during the last three years:**

Your company on 5th August 2018 has made allotment of 540000 equity shares issued pursuant to exercise of conversion of 540000 convertible warrants into equal number of equity shares. In view of the same, pursuant to regulation 108(2) of SEBI (ICDR), 2009 the Company inadvertently could not apply for soliciting listing approval from the exchanges where the shares are listed within 20days from the date of allotment and the application was made thereafter.

In lieu of the same, pursuant to SEBI Circular No. CIR/CFD/DIL/57/2017 dated June 15, 2017; the Company has paid the requisite fine to the stock exchange (CSE & MSEI).

Further no penalties or strictures have been imposed on the Company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years..

(c) **Establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Whistle-Blower Policy for establishing a vigil mechanism for directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. It also provides for adequate safeguards against victimization of employees & directors, who avail of the mechanism. No person has been denied access to the Audit Committee.. The Company has framed a Whistle Blower Policy / Vigil mechanism to deal with instances of fraud and mismanagement, if any. The Whistle-Blower Policy has been hosted on the website of the Company (https://www.ashikagroup.com/PDF/Vigil_Mechanism_Policy.pdf)

Pursuant to regulation 9A (6) of SEBI Prohibition of Insider Trading) (Amendment) Regulations 2018, the Company has made necessary amendments in the Whistle Blower Policy/ Vigil Mechanism to enable employee to report instances of leak of UPSI and the revised policy is effective from 1st April 2019. The revised policy is uploaded on the website of the Company at <https://www.ashikagroup.com/PDF/Vigil-Mechanism-Policy.pdf>

As per the requirement of the clause, Mr. Daulat Jain, Managing Director & CEO and Mr. Sagar Jain, Chairman of Audit Committee has affirmed that there stood no complaint in regard to the aforesaid said clause.

(d) **Adoption of Mandatory and Non- Mandatory requirements of Regulation 27(1) of Listing Regulations**

The Company has complied with all mandatory requirements as per SEBI LODR Regulation, 2015 to the extent applicable to the Company. Further the Company has adopted various non mandatory requirements as disclosed below:

- **The Board:** The Company does not have non-executive chairman, so it does not maintain such office.
- **Shareholder Rights:** As the quarterly and half year financial results are published in the newspaper, sent to stock exchanges and uploaded on the website of the Company, so the same are not being sent to shareholders. The Company does not consider it prudent to circulate the same separately to the Shareholders.
- **Modified opinion(s) in audit report:** The financial statement for the year ended on 31st March 2019 contain modified opinion by the auditors as mentioned in Board's Report alongwith comment of management. Also refer the auditor's report attached to the Annual Report.

- **Reporting of Internal Auditor:** The Internal Auditor or his representative is a permanent invitee to the Audit Committee meeting and reports their finding to the Audit Committee.
- The Chairman and Managing Director or Chief Executive Officer (CEO) of the Company are two different individuals.

(e) Determining 'Material Subsidiaries:

During the year ended 31st March, 2019, the Company does not have any material listed/unlisted subsidiary companies as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; therefore the Company has not formed as of now any such policy on Material Subsidiaries.

(f) Disclosure of commodity price risks and commodity hedging activities:

The Company does not have any commodity price risks and commodity hedging activities. Hence, the same is not applicable to the Company as on 31st March, 2019

(g) Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI (LODR) Regulations, 2015:

The Company has realized the Allotment money aggregating to ₹13,69,86,264/- from the respective allottee (Promoter & promoter group and non promoters) against allotment of 3805174 equity shares on 27th March 2018.

The Company has also realized the 25% upfront money amounting to ₹97,20,000/- on 27th March 2018 against allotment of 10,80,000 fully convertible equity warrants and further has also realized the balance 75% allotment monies amounting to ₹1,45,80,000/- from the allottee on 4th August against allotment of 540000 equity shares on conversion of 540000 fully convertible equity warrant from the allottee, Ashika Global Securities Pvt Ltd (Promoter group).

Pursuant to Regulation 32(7A) of SEBI (LODR) Regulations, 2015 , the aforesaid funds were utilized to meet the general business requirement addressing working capital need as well as expansion of business activities.

(h) Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

The Company has received declaration from all directors of the Company that they are/have not been debarred or disqualified from being appointed or continuing as directors of companies

by the Board/Ministry of Corporate Affairs or any such statutory authority.

Further the Company has received a certificate from Mr. Mohan Ram Goenka, Partner of M/s MR & Associates, Practicing Company Secretaries confirming that that none of directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(i) During the F.Y. 2018-2019, there have been no instances where the Board of Directors of the Company has not accepted the recommendation of the committee of the Board, wherever required.

(j) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

The total fees for all services paid by the Company to the statutory auditor of the Company, namely, M/s. Haribhakti & Co., LLP on consolidated basis during the F.Y. 2018-2019 is tabled below :

Sl no	Particulars	Amount (₹ in Lakhs) inclusive of Tax
1	As Auditor - Statutory Audit and Limited Reviews	7.52
2	For Other Services (Certification, etc.)	3.72
3	Tax Audit	1.64
4	For Reimbursement of Expenses	0.39

Further, the Company has not availed any services during the FY 2018-2019 from entities in network firm/network entity of which the statutory auditor is a part.

(k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has put in place a 'Policy on Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization. As per the policy, any employee may report his / her complaint to the Redressal Committee formed for this purpose. We affirm that adequate access was provided to any complainant who

wished to register a complaint under the policy, during the year. There has no case placed before the committee. The said policy is hosted on the website of the Company (<https://www.ashikagroup.com/PDF/Group-Policy-on-Sexual-Harassment.pdf>)

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other women associates.

Number of complaints filed during the year	Nil
Number of complaints disposed off during the year	Nil
Number of complaints pending as on end of the financial year	Nil

(11) DISCLOSURE OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE:

The Company has fully complied with the applicable requirements of regulation 34(3) of SEBI (LODR) Regulation 2015 and amendments thereof and as specified under sub-paras (2) to (10) of Schedule V, section C of the Corporate Governance Report.

(12) DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN CHAPTER IV OF LISTING REGULATIONS:

Pursuant to Schedule V of SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulation 2015. There has been no such non compliance of any requirement of Corporate Governance Report.

(13) WEBSITE:

The Company's has an functional website www.ashikagroup.com wherein complete overview of the Company, its Annual Report, financial results, details of its business, shareholding pattern, compliance with Corporate Governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, and Code of Conduct are uploaded.

(14) CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT PERSONNEL:

The Board of Directors has adopted the Code of Conduct for Directors, KMP and Senior Management Personnel and functional heads of the Company, the said code is uploaded on the website

of the Company at https://www.ashikagroup.com/PDF/Code_of_Conduct.pdf

Further, pursuant to SEBI (LODR) Amendment Regulations, 2018, the Company has revised its existing code giving effect of the aforesaid amendments. The said code is effective from 1st April, 2019 and has been uploaded in the website of the Company <https://www.ashikagroup.com/PDF/Code-of-Conduct-for-Board-and-Senior-Management.pdf> after due approval of the Board vide its meeting dated 14th February, 2019.

All the Board members and senior management personnel have confirmed compliance with the code .Affirmation regarding compliance of the Code of Conduct by the CEO of the Company forms part of this Annual Report.

(15) CEO/ CFO CERTIFICATION:

The CEO (Managing Director) and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March 2019.

(16) PROHIBITION OF INSIDER TRADING:

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) the Company has adopted a Code of Conduct for regulating, monitoring and reporting of Trading by Insider (ACCL Insider Code) with a view to regulate trading in securities by the Directors and designated employees and their immediate relative as well as Promoter and Promoter Group of the Company. The ACCL Insider Code is available on website of the Company https://www.ashikagroup.com/PDF/Code_Of_Conduct_For_Regulating,_Monitoring_And_Reporting_Of_Trading_By_Insiders.pdf Further initiative have been taken by sending email to all Designated Employees and directors of the Company intimating them about the closure of Trading Window.

This policy also provides for periodical disclosures from designated employees. The Compliance Officer has monitored adherence to the Regulations for the preservation of price sensitive information, pre-clearance of trades and implementation of the ACCL Insider Code . During the year under review there has been due compliance with the said code. All Board Directors and the designated employees have confirmed compliance with the Code.

Further SEBI has notified SEBI (Prohibition of Insider Trading) Amendments Regulations, 2018 on 31st December 2018 which shall be effective form 1st April 2019. In lieu of the same the existing ACCL Insider Code was revised and approved by Board in their meeting held on 14th February 2019. The revise code is effective form 1st April 2019.The revised policy is uploaded on the website of the Company at https://www.ashikagroup.com/PDF/Code_of_

Conduct_for_Regulating_Monitoring_and_Reporting_of_Trading_by_Insiders.pdf

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company, during the year, approved and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information". The Code has also been hosted on the website of the Company, viz., [https://www.ashikagroup.com/PDF/Code-of-practices-procedures-on-Fair-Disclosure-\(UPS\).pdf](https://www.ashikagroup.com/PDF/Code-of-practices-procedures-on-Fair-Disclosure-(UPS).pdf)

(17) COMPLIANCE WITH ACCOUNTING STANDARDS:

The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standard) Rules 2006, while preparing the Financial Statements.

(18) None of shares of the Company are lying in the demat suspense account or unclaimed suspense account.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 22.04.2019

(PAWAN JAIN)
Chairman
DIN: 00038076

(DAULAT JAIN)
Managing Director
DIN: 00040088

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

Ashika Credit Capital Limited

1. We have examined the compliance of conditions of Corporate Governance by Ashika Credit Capital Limited (hereinafter called the Company) for the Financial Year ended on 31st March, 2019, as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M R & Associates**
Company Secretaries

Sd/-

M R Goenka

Partner

FCS No: 4515

C P No.: 2551

Place: Kolkata

Date: 22.04.2019

CODE OF CONDUCT

22.04.2019

To

The Board of Directors of

Ashika Credit Capital Ltd.

Dear Sirs,

I, Daulat Jain, Managing Director & CEO of Ashika Credit Capital Limited do hereby declare that pursuant to Schedule V (D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2019.

Thanking You

For Ashika Credit Capital Ltd

Sd/-

(Daulat Jain)

Managing Director & CEO

DIN: 00040088

CEO & CFO CERTIFICATION

COMPLAINEE CERTIFICATE

Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

22.04.2019

To
The Board of Directors
Ashika Credit Capital Limited
Trinity, 226/1, AJC Bose Road
7th Floor, Kolkata – 700020

We, the undersigned in our respective capacity as Managing Director and Chief Executive Officer and Chief Financial Officer of Ashika Credit Capital Limited, do hereby certify to the best of our knowledge and belief that :

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we certify that :
- (1) The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,
For, **Ashika Credit Capital Ltd**

Sd/-
(Daulat Jain)
Managing Director & CEO

Sd/-
(Amit Jain)
Chief Financial Officer

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Ashika Credit Capital Limited

Report on the Audit of the Financial Statements Qualified Opinion

We have audited the accompanying financial statements of Ashika Credit Capital Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company is yet to fully comply with the requirements of Para 21 of the Non-Banking Financial Company-Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, in respect of :-

- Maintaining a Loan to Value (LTV) ratio of 50% for loans granted against the collateral of shares, and
- Accepting only Group 1 securities (specified in SMD/Policy/Cir-9/2003 dated March 11,2003 as amended from time to time, issued by SEBI) as collateral for loans of value more than ₹5 lakh.

The impact of the aforesaid, if any, on the financial statements cannot be ascertained.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response – Principal Audit Procedures
<p>Compliance with the requirements of the Non- Banking Financial Company-Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016</p> <p>The Company, being an NBFC, is governed by the aforesaid Directions of RBI and compliance with the same is of paramount importance. The Prudential Regulations of the aforesaid Directions, especially those relating to income recognition, asset classification and provisioning have a direct bearing on the Company's results and financial position, as reflected by the financial statements.</p> <p>Further, Para 21 of the aforesaid Directions regarding "Loans against security of shares" has become applicable to the Company during the FY 2018-19, which has a critical impact on the business model of the Company as parameters like Loan to Value ratio and specified securities against which loan can be given have been specified by Para 21.</p>	<p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive procedures, as follows:-</p> <ul style="list-style-type: none"> We assessed the Company's process to identify the impact of the Company coming within the purview of Para 21 of the said Directions and evaluated the design of internal controls put in place to ensure compliance with Para 21 norms. Selected a sample of continuing and new contracts in respect of loans against security of shares and tested the operating effectiveness of the internal controls relating to compliance with Para 21 norms of LTV etc.

Key Audit Matter	Auditor's Response – Principal Audit Procedures
	<ul style="list-style-type: none"> - Tested the relevant information technology systems' access and change management controls relating to loan contracts and related information used in recording and disclosing income from these loans and any provisioning requirements in respect thereof. - Selected a sample of continuing and new loan contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance obligations in these contracts viz. payment of interest, repayment of principal, topping up of security in case LTV breached etc. • Compared these performance obligations with that identified and recorded by the Company in the books of accounts • In case performance obligations were not met, whether the consequential impact as envisaged under income recognition, asset classification and provisioning norms in the said Directions were reflected in the books of accounts by the Company.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report but does not include the financial statements and our auditor's report thereon. Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance Report are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the 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 Rule 7 of the Companies (Accounts) Rules, 2014;

- e. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. The qualification relating to the maintenance of accounts and other matters connected therewith is as stated in the Basis for Qualified Opinion paragraph above.
- h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2";
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (3) As required by Section 197(16) of the Act, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W/ W100048

Anand Kumar Jhunjunwala

Partner

Membership No.056613

Kolkata

22nd April, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the financial statements for the year ended 31st March, 2019]

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. physically verifies its fixed assets annually which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification of fixed assets during the year.
- (b) According to the information and explanations given to us, the Company's Management ("management")

- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company, except as detailed herein below :-

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as at 31st March, 2019 (₹)	Net Block as at 31st March, 2019 (₹)	Remarks
Building	1	Freehold	15,62,394	13,01,746	Conveyance is pending

- (ii) The Company is a Non-Banking Finance Company ("NBFC") and it does not hold any inventory. Thus, paragraph 3(ii) of the Order is not applicable. Company has complied with the provisions of section 185 and 186 of the Act wherever applicable.
- (iii) The Company has granted unsecured loans to Companies covered in the register maintained under Section 189 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- (vi) Being a Non-Banking Financial Company, the provisions of clause 3(vi) of the Order with regard to the maintenance of cost records are not applicable to the Company.
- (a) According to the information and explanation given to us, we are of the opinion that the terms and conditions of the grant of the aforesaid loans are not prejudicial to the Company's interest.
- (vii) (a) According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) The schedule of repayment of principal and payment of interest in respect of the aforesaid loans has been stipulated and the payment of interest is regular. As per the schedule of repayment of principal, no amount was repayable as at 31st March 2019. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (c) There is no amount which is overdue in respect of the aforesaid loans.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees and security, the

- (b) According to the information and explanations given to us, the dues as at 31st March, 2019 of income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax, which have not been deposited on account of any dispute, are as follows :

Name of the Statute	Nature of dues	Amount (₹)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	34,590	2014-15	CIT (Appeals), Kolkata

- (viii) Based on our audit procedures and as per the information and explanations given to us by the management, we are of the opinion that during the year the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or Government. The Company has not issued any debentures as at the balance sheet date.
- (ix) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) The Company had made preferential allotment of fully convertible equity warrants during the FY 2017-18 and pursuant to exercise of option by the warrant holder, certain warrants were converted into fully paid-up equity shares during the year under review. According to the information and explanations given to us, the requirements of Section 42 of the Act have been complied with and the amount raised has been used for the purposes for which the funds were raised.
- (xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with directors or persons connected with them.
- (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W/ W100048

Anand Kumar Jhunjunwala

Partner

Membership No.056613

Kolkata
22nd April, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the financial statements for the year ended 31st March, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of the Company as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial

statements were operating effectively as at 31st March, 2019, based on the internal control with reference to financial statements criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/ W100048

Anand Kumar Jhunjunwala

Partner

Membership No. 056613

Kolkata

22nd April, 2019

BALANCE SHEET as at 31st March, 2019

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	1,134.17	1,080.17
Reserves and Surplus	3	3810.38	2,914.03
Money Received Against Share Warrants	2.5	48.60	97.20
		4993.15	4,091.40
Non-Current Liabilities			
Long-Term Provisions	4	19.23	17.83
Current Liabilities			
Short-Term Borrowings	5	1,683.00	9,173.73
Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	6	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Other Current Liabilities	7	54.53	103.16
Short-Term Provisions	8	168.79	44.61
		1,906.32	9,321.50
TOTAL		6,918.70	13,430.73
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	9		
- Tangible Assets		18.68	18.71
Non-Current Investments	10	18.80	18.80
Deferred Tax Assets (Net)	11	21.80	119.10
Long-Term Loans and Advances	12	125.91	175.67
		185.19	332.28
Current Assets			
Cash and Cash Equivalents	13	899.11	1,557.56
Short-Term Loans and Advances	14	4,533.71	11,234.89
Other Current Assets	15	1,300.69	306.00
		6,733.51	13,098.45
TOTAL		6,918.70	13,430.73
Significant Accounting Policies and Notes to Financial Statements	1 to 30		
The Notes referred to above form an integral part of the Balance Sheet			
This is the Balance Sheet referred to in our report of even date			

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjunwala

Partner

Membership No.: 056613

Place: Kolkata

Date: 22nd April, 2019

For and on behalf of the Board of Directors

Pawan Jain

Chairman

DIN 00038076

Anju Mundhra

Company Secretary

F6686

Daulat Jain

Managing Director & Chief Executive Officer

DIN 00040088

Amit Jain

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from Operations	16	1,776.76	1,089.84
Other Income	17	0.03	13.85
Total Income		1,776.79	1,103.69
EXPENSES			
Finance Costs	18	743.01	464.12
Employee Benefits Expense	19	212.44	158.44
Depreciation / Amortisation and Impairment Expense	9	0.48	0.48
Administrative and Other Expenses	20	87.37	54.83
Bad Debt written off, Provisions, Contingencies and Diminutions	4.1	(316.34)	49.41
Total Expenses		726.96	727.28
Profit Before Tax		1,049.83	376.41
Tax Expense:			
-Current Tax		229.00	-
-Mat Credit Entitlement		(32.42)	
-Deferred Tax		97.30	97.38
-Tax in respect of earlier years		-	1.31
Total Tax Expense		293.88	98.69
Profit After Tax		755.95	277.72
Earnings per Equity Share (in ₹)	21		
(Par Value ₹10/- per Equity Share)			
-Basic		6.78	3.94
-Diluted		6.36	3.93
Significant Accounting Policies and Notes to Financial Statements	1 to 30		
The Notes referred to above form an integral part of the Statement of Profit and Loss			
This is the Statement of Profit and Loss referred to in our report of even date			

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjhunwala
Partner
Membership No.: 056613

Place: Kolkata
Date: 22nd April, 2019

For and on behalf of the Board of Directors

Pawan Jain
Chairman
DIN 00038076

Anju Mundhra
Company Secretary
F6686

Daulat Jain
Managing Director & Chief Executive Officer
DIN 00040088

Amit Jain
Chief Financial Officer

CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
A. Cash Flow from Operating Activities		
Profit Before Tax	1,049.83	376.41
Adjustment for:		
Depreciation / Amortisation and Impairment Expenses	0.48	0.48
Bad Debt Written off	2.86	-
Sundry Balance Written off	0.01	-
Provision for Non-Performing Assets	26.48	26.50
Provision For Privilege Leave Written Back	(1.89)	-
Provision For Gratuity & Leave	3.50	-
Contingent Provision against Standard Assets	(15.68)	22.91
(Profit) / Loss on sale of Current Investments	-	(0.60)
Operating Profit before Working Capital Changes	1,065.59	425.70
Changes in Working Capital		
Adjustments for:		
Increase / (Decrease) in Trade Payables/ Others	(47.11)	(742.10)
(Increase) / Decrease in Receivables & Others	(995.09)	(104.91)
(Increase) / Decrease in Loan Assets	6805.72	(8,179.37)
Cash Generated from Operations	6,829.11	(8,600.68)
Direct Tax Refunded / (Paid) (net)	(148.64)	18.21
Net Cash (Used in) / Generated from Operating Activities	6,829.11	(8,582.47)
B. Cash Flow from Investing Activities		
Proceeds from Sale / Redemption of Current Investments	-	408.56
Purchase of Property, Plant and Equipment	(0.45)	-
Purchase of Current Investments	-	(407.96)
Net Cash (Used in) / Generated from Investing Activities	(0.45)	0.60
C. Cash Flow from Financing Activities		
Proceeds from issue of Equity Shares (including securities premium)	145.80	1,369.86
Proceeds from issue of Share Warrants	-	97.20
Increase / (Decrease) in Short-Term Borrowings	(7,484.27)	8,623.72
Net Cash (Used in) / Generated from Financing Activities	(7,338.47)	10,090.78
Net Increase / (Decrease) in Cash & Cash Equivalents	(658.45)	1,508.91
Cash & Cash Equivalents at the beginning of the year	1,557.56	48.65
Cash & Cash Equivalents at the end of the year (refer Note No.13)	899.11	1,557.56

Explanations:

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 'Cash Flow Statements'.
 - Previous year figures have been rearranged/ regrouped wherever necessary to conform to the current year's classification.
- This is the Cash Flow Statement referred to in our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjunwala
Partner
Membership No.: 056613

Place: Kolkata
Date: 22nd April, 2019

For and on behalf of the Board of Directors

Pawan Jain
Chairman
DIN 00038076

Anju Mundhra
Company Secretary
F6686

Daulat Jain
Managing Director & Chief Executive Officer
DIN 00040088

Amit Jain
Chief Financial Officer

Significant Accounting Policies and Notes to Financial Statements

1(a) Corporate Information

Ashika Credit Capital Limited (the "Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The shares of the Company are listed on The Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited. The Company received a Certificate of Registration from the Reserve Bank of India ("RBI") on 07th September, 1998 to commence/carry on the business of Non Banking Financial Institution ("NBFI").

1(b) Significant Accounting Policies

1.1 Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India, under the historical cost convention, on accrual basis. As per Rule 7 of The Companies (Accounts) Rules, 2014, the standards of accounting as specified under the Companies Act, 1956 shall be deemed to be the accounting standards until accounting standards are specified by the Central Government under Section 133 of the Companies Act, 2013. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211 (3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006], the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company ('NBFC'). The accounting policies applied by the Company are consistent with those applied in the previous year except as otherwise stated elsewhere.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.

For the Company, there is generally no clearly identifiable normal operating cycle and hence the normal operating cycle for the Company is assumed to have a duration of 12 months.

1.2 Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions which are considered to arrive at the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the reported income and expenses during the reporting year. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and the estimates are recognized in the periods in which the results are known / materialized. Any revision to the accounting estimates is recognized prospectively in the current and future accounting years.

1.3 Property, Plant and Equipment, Depreciation / Amortisation and Impairment

i) Property, Plant and Equipment

Tangible Property, Plant and Equipment are carried at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

ii) Depreciation

Depreciation on tangible assets, is provided over the estimated useful life of assets, in accordance with Schedule II to the Companies Act, 2013. The residual value of assets is considered at 5%.

The Company has adopted the useful life as specified in Schedule II to the Companies Act, 2013.

The assets for which useful life are adopted as specified in Schedule II to the Companies Act, 2013 are as follows :

	Asset Description (as per Note No. 9)	Estimated useful Life as per Schedule II
	Assets for Own Use	
i)	Buildings	60 years
ii)	Computers and printers	3 years

Depreciation on assets purchased / sold during the reporting year is recognised on pro-rata basis.

iii) Impairment

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment, based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

Significant Accounting Policies and Notes to Financial Statements

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

1.4 Borrowing Costs

Borrowing costs consist of interest and other ancillary cost that an entity incurs in connection with the borrowing of funds. Borrowing costs are recognised as expense in the period in which they are incurred.

1.5 Operating Leases

Where the Company is lessee

Leases under which all the risks and benefit of ownership are effectively retained by the lessor are classified as operating leases. Amount due under the operating leases are charged to the Statement of Profit and Loss, on a straight-line method over the lease term in accordance with Accounting Standard 19 on 'Leases'.

1.6 Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments in accordance with the RBI guidelines and Accounting Standard 13 on 'Accounting for Investments'. Current investments also include current maturities of long-term investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and market price determined category-wise. All Non-Current investments, are carried at cost. However, provision for diminution in value, other than temporary in nature, is made to recognise a decline, on an individual basis.

Cost is arrived at on first-in, first-out method for the purpose of valuation of investment.

1.7 Provisioning / Write-off of assets

The Company makes provision for Standard and Non-Performing Assets as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.

Loans & Advances which, as per the management are not likely to be recovered, are considered as bad debts and written off.

1.8 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

- a) Income from loans is recognised on accrual basis, except in the case of non-performing assets where it is recognised, upon realisation, as per the Prudential Norms / Directions of RBI, applicable to NBFCs.
- b) Interest income from loan assets is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- c) Income from Dividend of shares of corporate bodies is accounted when the Company's right to receive the dividend is established.
- d) Revenue from trading in securities/intraday transactions is accounted for on trade date basis.
- e) Profit or Loss on sale of non-current and current investments are recognised when a binding obligation has been entered into.
- f) All other income is accounted for on accrual basis.

1.9 Retirement and Other Employee Benefits

- a) Retirement and employee benefits in the form of Provident Fund and Employee State Insurance are defined contribution plans and the Company's contributions, paid or payable during the reporting period, are charged to the Statement of Profit and Loss.
- b) Gratuity liability is a defined benefit plan and is provided for on the basis of actuarial valuation on projected unit credit method at the Balance Sheet date.
- c) Actuarial gains / losses are charged to the Statement of Profit and Loss and are not deferred.

Significant Accounting Policies and Notes to Financial Statements

1.10 Taxes on Income

Tax expense comprises of current tax [(net of Minimum Alternate Tax (MAT) credit entitlement)] and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax reflects the impact of timing differences between taxable income and accounting income for the current reporting year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities. The deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.11 Segment Reporting

Based on the risks and returns associated with business operations and in terms of Accounting Standard-17 (Segment Reporting), the Company is predominantly engaged in a single reportable segment of 'Financial Services'.

1.12 Provision, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes to financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.13 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Financial Statements

2. SHARE CAPITAL

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorised				
Equity Shares, ₹10/- par value per share	2,02,50,000	2,025.00	2,02,50,000	2,025.00
Issued and subscribed				
Equity Shares, ₹10/- par value per share	1,13,46,174	1,134.62	1,08,06,174	1,080.62
Fully Paid-up				
Equity Shares, ₹10/- par value per share	1,13,40,000	1,134.00	1,08,00,000	1,080.00
Forfeited Shares	6,174	0.17	6,174	0.17
		1,134.17		1,080.17

2.1 Reconciliation of the Number of Equity Shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

Equity Shares	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	1,08,00,000	1,080.00	69,94,826	699.48
Add: Issued during the year (refer Note No. 2.5)	5,40,000	54.00	38,05,174	380.52
At the end of the year	1,13,40,000	1,134.00	1,08,00,000	1,080.00

2.2 Rights, preferences and restrictions in respect of Equity Shares

The Company's authorised capital consists of one class of shares, referred to as Equity Shares having par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares (during 5 years preceding 31st March, 2019) -

The Company has not issued any shares without payment being received in cash/ by way of bonus shares since 2013-2014.

2.4 Details of Shareholders holding more than 5% of the equity shares each, are set out below:

Name of the shareholders	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Ashika Global Securities Pvt. Ltd.	10,66,799	9.41	5,26,799	4.88
Ashika Hedge Fund Pvt. Ltd.	8,36,900	7.38	8,36,900	7.75
Pawan Jain (HUF)	7,89,000	6.96	7,89,000	7.31
Ashika Share Trading Pvt. Ltd.	7,70,000	6.79	7,70,000	7.13

2.5 MONEY RECEIVED AGAINST SHARE WARRANTS

The Company had issued and allotted 10,80,000 Fully Convertible Warrants to one of the Promoter Group Entities on a preferential basis on 27th March, 2018 on receipt of 25% of the issue price amounting to ₹97.20 Lakh, entitling it to obtain equivalent number of equity shares of ₹10 each fully paid-up (including premium of ₹26 per share).

Pursuant to exercise of option by the warrant holder, the Company has allotted 5,40,000 equity shares of ₹10 each at a premium of ₹26 per share on 5th August, 2018 on receipt of balance 75% of the issue price amounting to ₹145.80 Lakh.

Notes to Financial Statements

3. RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Securities Premium		
Opening balance	3,081.21	2,091.87
Add : On account of issue of equity shares (refer Note No. 2.5)	140.40	989.34
Closing balance	3,221.61	3,081.21
Special Reserve (Reserve Fund as per Section 45-IC of the Reserve Bank of India Act, 1934)		
Opening balance	184.47	128.93
Add: Transfer from Surplus in the Statement of Profit and Loss	151.19	55.54
Closing balance	335.66	184.47
Surplus in the Statement of Profit and Loss		
Opening balance	(351.65)	(573.83)
Add: Net profit for the year	755.95	277.72
Amount available for appropriation	404.30	(296.11)
Appropriations:		
Transferred to Special Reserve	151.19	55.54
Closing balance	253.11	(351.65)
Total Reserves and Surplus	3,810.38	2,914.03

The board has recommended a dividend of ₹1/- per Equity Share, subject to approval of the shareholders in the forthcoming Annual General Meeting. If approved, it is expected to result in a cash outflow of ₹136.71 Lakhs including corporate dividend tax.

4. LONG-TERM PROVISIONS

(₹ in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (refer Note No. 24)		
Gratuity	19.23	16.19
Unavailed Leave	-	1.46
(A)	19.23	17.65
Other Provisions		
Contingent Provisions against Standard Assets (refer Note No. 4.2)	-	0.18
(B)	-	0.18
Total (A+B)	19.23	17.83

4.1 Bad Debt written off/ Provisions, Contingencies & Diminutions

(₹ in Lakhs)

Particulars	2018-19	2017-18
Bad Debts written off (net)	(327.14)	825.00
Provision for Bad Debts (refer Note No. 4.2)	26.48	(798.50)
Contingent Provisions against Standard Assets (refer Note No. 4.2)	(15.68)	22.91
Total	(316.34)	49.41

4.2 Nature of certain provisions and their movement

Provision for Bad Debts is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs.

The Company creates a general provision at 0.25% of the standard assets outstanding on the balance sheet date, as per the RBI Prudential Norms.

Notes to Financial Statements

The following table sets forth the movement of aforesaid Provisions.

(₹ in Lakhs)

Particulars	Provision for Bad debts		Contingent Provisions against Standard Assets	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Opening balance	15.00	813.50	29.00	6.09
Provision made during the year	26.48	26.50	(15.68)	22.91
Provision reversed during the year on Bad Debts written off	-	(825.00)	-	-
Closing balance	41.48	15.00	13.32	29.00

5. SHORT-TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Secured		
Loans repayable on demand		
Working Capital Facilities from Financial Institutions ¹	-	959.44
Other Loans		
Working Capital Facilities from Financial Institutions ¹	-	6,686.29
	(A)	7,645.73
B. Unsecured		
Other Loans		
Working Capital Facilities from Related Parties (Refer Note No. 25)	1,400.00	-
Working Capital Facilities from Others	283.00	1,528.00
	(B)	1,528.00
Total (A+B)	1,683.00	9,173.73

¹Secured against fully paid up equity shares which were kept as collateral with the Company by the parties to whom loans were disbursed by the Company.

TRADE PAYABLES

6. DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPEMENT ACT, 2006

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	-	-

Dues, as above, have been determined by the Management and relied upon by the auditors.

Notes to Financial Statements

7. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest Accrued but not due on Borrowings	-	60.01
Interest Accrued and due on Borrowings	-	5.85
Statutory Liabilities	19.24	14.37
Payable to Employees	26.45	14.22
Liability for Operating Expenses	8.84	8.71
Total	54.53	103.16

8. SHORT-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (refer Note No. 24)		
Gratuity	0.82	0.72
Unavailed Leave	-	0.07
(A)	0.82	0.79
Other Provisions		
Provision for Income Tax (net of advance tax ₹122.29 Lakhs)	113.17	-
Contingent Provisions against Standard Assets (refer Note No. 4.2)	13.32	28.82
Provision for Bad Debts (refer Note No. 4.2)	41.48	15.00
(B)	167.97	43.82
Total (A+B)	168.79	44.61

9. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block/Original Cost					Depreciation/ Amortisation and Impairment				Net Carry-ing Value	
	As at 1st April, 2018	Additions during the year	Adjustments during the year	Disposals during the year	As at 31st March, 2019	As at 1st April, 2018	For the year	Disposals during the year	As at 31st March, 2019	As at 31st March, 2019	
	(a)	(b)	(c)	(d)	(e=a+b+c-d)	(f)	(g)	(h)	(i=f+g-h)	(e-i)	
Tangible Assets:											
Assets for Own use											
Buildings ¹	21.88	-	-	-	21.88	3.90	0.34	-	4.24	17.64	
Computers and printers	10.22	0.45	-	-	10.67	9.49	0.14	-	9.63	1.04	
Total	32.10	0.45	-	-	32.55	13.39	0.48	-	13.87	18.68	

¹Building includes ₹15.62 Lakhs in respect of which conveyance is pending.

(₹ in Lakhs)

Particulars	Gross Block/Original Cost					Depreciation/ Amortisation and Impairment				Net Carry-ing Value	
	As at 1st April, 2017	Additions during the year	Adjustments during the year	Disposals during the year	As at 31st March, 2018	As at 1st April, 2017	For the year	Disposals during the year	As at 31st March, 2018	As at 31st March, 2018	
	(a)	(b)	(c)	(d)	(e=a+b+c-d)	(f)	(g)	(h)	(i=f+g-h)	(e-i)	
Tangible Assets:											
Assets for Own use											
Buildings ¹	21.88	-	-	-	21.88	3.55	0.35	-	3.90	17.98	
Computers and printers	10.22	-	-	-	10.22	9.36	0.13	-	9.49	0.73	
Total	32.10	-	-	-	32.10	12.91	0.48	-	13.39	18.71	

¹Building includes ₹15.62 Lakhs in respect of which conveyance is pending.

Notes to Financial Statements

10. NON-CURRENT INVESTMENTS

Particulars	Face value (₹)	Quantity		₹ in Lakhs	
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Investments - at cost unless otherwise stated					
In Equity Instruments (Unquoted)					
Shishir Exports Pvt. Ltd.	10	62,610	62,610	18.79	18.79
Maniratnam Flat Owners Association	1	1,298	1,298	0.01	0.01
Total				18.80	18.80

11. DEFERRED TAX ASSETS (Net)

In terms of Accounting Standard 22, the net Deferred Tax Asset (DTA) reversed during the year is ₹97.30 Lakhs (Previous year: ₹97.38 Lakhs). Consequently, the net DTA as at year-end stands at ₹21.79 Lakhs (Previous Year: ₹119.10 Lakhs). The break-up of deferred tax is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Assets		
Provision of Gratuity	5.84	4.35
Provision for Unavailed Leave	-	0.39
Contingent Provision against Standard Assets	3.89	7.47
Business Loss	-	103.18
Provisions for Non-Performing Assets	12.08	3.86
(A)	21.81	119.25
Deferred Tax Liabilities		
Difference between tax depreciation and book depreciation on Property, Plant and Equipment	0.01	0.15
(B)	0.01	0.15
Total (A-B)	21.80	119.10

12. LONG-TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good		
Loan Assets		
Loans to Others	-	75.00
Others		
Security Deposits		
To Related parties (Refer Note No. 25)	1.00	1.00
To Others	0.33	0.33
Advance Tax[(net of provision for tax ₹38.14 Lakhs)(previous year ₹38.14 Lakhs)]	124.58	99.34
Total	125.91	175.67

13. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash on Hand	2.69	4.90
Balances with Banks - in Current Account	571.53	1,482.88
Cheques on Hand ¹	324.89	69.78
Total	899.11	1,557.56

¹ Cheques on Hand have been since realised.

Notes to Financial Statements

14. SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured, Considered Good		
Loan Assets		
Loans to Related parties ¹	-	227.84
Loans to Others ¹	1,281.34	6,481.80
Unsecured, Considered Good		
Loan Assets		
Loans to Related parties	-	111.50
Loans to Others ²	3,198.45	4,395.32
Others		
Advances		
Advances for Operating Expenses	0.07	1.80
Employee Advances	1.57	0.42
Security Deposits		
To Related Parties (Refer Note No. 25)	0.60	0.60
Balance with Revenue Authorities	4.55	0.99
Prepaid Expenses	0.09	-
MAT Credit Entitlement	47.04	14.62
Total	4,533.71	11,234.89

¹ Secured by way of maintaining a margin of such percentage as stipulated in the Loan Agreement consisting of securities acceptable to the Company.

² Includes Non-Performing Assets of ₹248.42 Lakhs (Previous year Nil)

15. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured, Considered Good		
Loan Assets		
Current Maturities of Long-Term Loan Assets	300.00	-
Unsecured, Considered Good		
Loan Assets		
Current Maturities of Long-Term Loan Assets ¹	950.00	150.00
Others		
Interest Accrued but not due on Loan Assets	34.04	127.44
Interest Accrued and due on Loan Assets	16.65	28.56
Total	1300.69	306.00

¹ Includes Non-Performing Assets of ₹150 Lakhs (Previous year ₹150 Lakhs).

16. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2018-19	2017-18
Income from Loan Assets	1,776.76	1,089.24
Profit / (Loss) on Sale of Current Investments (net)	-	0.60
Total	1,776.76	1,089.84

17. OTHER INCOME

(₹ in Lakhs)

Particulars	2018-19	2017-18
Other Non-Operating Income	0.03	13.85
Total	0.03	13.85

Notes to Financial Statements

18. FINANCE COSTS

(₹ in Lakhs)

Particulars	2018-19	2017-18
Interest Expense	743.01	464.12
Total	743.01	464.12

19. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2018-19	2017-18
Salaries, Allowances and Bonus	202.69	148.65
Contribution to Provident and Other Funds (refer Note No. 24)	8.98	8.40
Staff Welfare Expenses	0.77	1.39
Total	212.44	158.44

20. ADMINISTRATIVE AND OTHER EXPENSES

(₹ in Lakhs)

Particulars	2018-19	2017-18
Computer Software Expenses	3.71	-
Communication Expenses	0.13	0.04
Legal & Professional Fees	15.84	6.27
Electricity Charges	3.74	0.69
Rent	4.82	2.15
Rates and Taxes	0.26	0.26
Payments to the Auditor (refer Note No. 20.1)	12.77	8.37
Maintenance	4.32	1.29
Travelling and Conveyance	20.12	19.45
Printing and Stationery	2.06	1.82
Advertisement Expense	1.58	1.62
Fees and Subscriptions	10.01	5.33
Business Promotion Expenses	1.22	3.19
Directors' Sitting Fees	2.51	1.57
Postage and Courier	0.26	0.35
Miscellaneous Expenses	4.02	2.43
Total	87.37	54.83

20.1 Payments to the Auditor:

(₹ in Lakhs)

Particulars	2018-19	2017-18
As Auditor - Statutory Audit and Limited Reviews	7.63	6.65
Other Services (Certifications etc.)	2.94	0.05
Tax Audit	1.64	1.64
Reimbursement of Expenses	0.56	0.03
Total	12.77	8.37

21. EARNINGS PER EQUITY SHARE

Particulars	2018-19	2017-18
(a) Profit after tax attributable to Equity Shareholders (₹ in Lakhs)	755.95	277.72
(b) Weighted average number of Equity Shares (Basic)	1,11,53,589	70,46,952
(c) Weighted average number of Potential Equity Shares	7,26,411	14,795
(d) Weighted average number of Equity Shares (Diluted)	1,18,80,000	70,61,747
(e) Nominal Value of Equity per share (₹)	10	10
(f) Basic Earnings per share [(a)/(b)] (₹)	6.78	3.94
(g) Diluted Earnings per share [(a)/(d)] (₹)	6.36	3.93

Notes to Financial Statements

22. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Contingent Liabilities		
Claims against the Company not acknowledged as debts:		
Income Tax	0.35	0.35
Total	0.35	0.35

23. LEASES

In the capacity of Lessee

- (i) The Company has a cancellable operating lease arrangement for office premises, which is for a period of 3 years and is usually renewable by mutual consent, on mutually agreeable terms. Lease payments charged to the Statement of Profit and Loss with respect to such leasing arrangement aggregate to ₹4.12 Lakhs (Previous year ₹0.90 Lakhs).
- (ii) Further, the Company had a non-cancellable operating lease arrangements for office premises, which ended on 31/10/2018. In respect of such arrangements, lease payments for the year aggregating to ₹0.70 Lakhs (Previous year ₹1.20 Lakhs) have been recognised in the Statement of Profit and Loss.

The future lease payments in respect of the above non-cancellable operating lease are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not later than 1 year	-	0.70
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Total	-	0.70

24. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD 15- EMPLOYEE BENEFITS

a. Expenses recognised in the Statement of Profit and Loss are as follows:

(₹ in Lakhs)

Particulars	Gratuity		Unavailed Leave	
	2018-2019	2017-2018	2018-2019	2017-2018
Current service cost	2.86	2.63	-	0.17
Interest cost	1.30	1.13	-	0.10
Expected return on plan assets	-	-	-	-
Net actuarial losses/(gains)	(1.02)	(1.43)	-	(0.08)
Net benefit expenses	3.14	2.33	-	0.19

b. Net Liability recognised in the Balance Sheet is as follows:

(₹ in Lakhs)

Particulars	Gratuity		Unavailed Leave	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Defined benefit obligation	20.05	16.91	-	1.53
Fair value of plan assets	-	-	-	-
Net Liability	20.05	16.91	-	1.53
- Non-Current	19.23	16.19	-	1.46
- Current	0.82	0.72	-	0.07

Notes to Financial Statements

c. Changes in the present value of the defined benefit obligations are as follows:

(₹ in Lakhs)

Particulars	Gratuity		Unavailed Leave	
	As at	As at	As at	As at
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening defined benefit obligation	16.91	14.58	-	1.32
Interest Cost	1.30	1.13	-	0.11
Current service cost	2.86	2.63	-	0.17
Benefits paid	-	-	-	-
Actuarial losses/(gains)	(1.02)	(1.43)	-	(0.07)
Closing defined benefit obligation	20.05	16.91	-	1.53

d. The principal assumptions used in determining the gratuity and leave liability are as shown below:

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Discount rate (%)	7.75%	7.75%
Salary growth rate (%)	6.00%	6.00%
Withdrawal rates based on age (%)	Varying between 8% and 1% per annum depending upon the duration and age of the employees.	
Mortality	Indian Assured Lives Mortality (2006-2008) ultimate	Indian Assured Lives Mortality (2006-2008) ultimate

e. The amounts for the current and previous years are as follows:

(₹ in Lakhs)

Particulars	Gratuity				
	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	20.05	16.91	14.58	7.35	5.05
Fair Value of Plan Assets	-	-	-	-	-
Deficit	(20.05)	(16.91)	(14.58)	(7.35)	(5.05)
Experience adjustments on plan liabilities Gain /(Loss)	(0.23)	0.33	(0.66)	(0.34)	(0.12)
Experience adjustments on plan assets Gain / (Loss)	-	-	-	-	-

(₹ in Lakhs)

Particulars	Unavailed Leave				
	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	-	1.53	1.32	1.00	0.49
Fair Value of Plan Assets	-	-	-	-	-
Deficit	-	(1.53)	(1.32)	(1.00)	(0.49)
Experience adjustments on plan liabilities Gain /(Loss)	-	0.03	(0.07)	(0.09)	(0.01)
Experience adjustments on plan assets Gain / (Loss)	-	-	-	-	-

f. The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

g. The amount provided for defined contribution plan is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Contribution to Provident Fund	8.70	8.18
Contribution to Employee State Insurance	0.28	0.22
Total	8.98	8.40

Notes to Financial Statements

25. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD 18 - RELATED PARTY DISCLOSURES

Key Management Personnel (KMP) :

Pawan Jain – Executive Chairman and Wholetime Director

Daulat Jain – Managing Director & Chief Executive Officer

Amit Jain – Chief Financial Officer

Anju Mundhra - Company Secretary

Enterprises over which KMP and/or relative of such KMP is able to exercise significant influence (with whom transactions have taken place during the year):

Ashika Global Securities Pvt. Ltd.

Ashika Stock Broking Ltd.

Ashika Hedge Fund Pvt. Ltd.

Ashika Share Trading Pvt. Ltd.

Ashika Global Finance Pvt. Ltd.

Ashika Business Pvt. Ltd.

Puja Sales Promotion Pvt. Ltd.

Shishir Exports Pvt. Ltd.

Pawan Jain (HUF)

Details of Related Party Transactions:

(₹ in Lakhs)

Name of the party and Nature of Relationship	Nature of Transaction	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
		For the year	Balance Outstanding as on 31.03.2019	For the year	Balance Outstanding as on 31.03.2018
KMP					
Pawan Jain	Remuneration	102.38	9.05	78.34	2.77
Daulat Jain	Issue of Equity Shares (including premium)	-	-	162.00	-
	Staff Advance	-	-	0.11	-
	Remuneration	12.97	0.81	12.92	0.89
Amit Jain	Staff Advance	3.00	-	6.50	0.43
	Remuneration	19.58	0.28	20.32	-
Anju Mundhra	Loan Given	6.22	-	4.13	2.34
	Refund of Loan Given	8.56	-	1.79	-
	Interest on Loan received	0.11	-	0.05	0.03
	Staff Advance	-	-	0.88	-
	Remuneration	12.77	0.84	11.37	1.65
Enterprises over which KMP and/or relative of such KMP is able to exercise significant influence (with whom transactions have taken place during the year):					
Ashika Global Securities Pvt. Ltd.	Issue of Equity Shares (including premium)	194.40	-	185.46	-
	Issue of Share Warrants	-	-	97.20	-
	Loans Taken	-	-	4,792.00	-
	Loans Repaid	-	-	5,342.00	-
	Interest on Loan paid	-	-	58.47	-
Ashika Stock Broking Ltd.	Computer Software Charges Paid	3.71	-	0.85	-
	Loans Given	252.34	-	-	-
	Refund of Loan Given	252.34	-	-	-
	Interest on Loan received	20.55	-	-	-
	Demat Charges	0.93	-	1.24	-
	Electricity Charges	-	-	0.56	0.56
	Brokerage Paid	-	-	0.01	-

Notes to Financial Statements

Details of Related Party Transactions:

(₹ in Lakhs)

Name of the party and Nature of Relationship	Nature of Transaction	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
		For the year	Balance Outstanding as on 31.03.2019	For the year	Balance Outstanding as on 31.03.2018
Ashika Hedge Fund Pvt. Ltd.	Issue of Equity Shares (including premium)	-	-	97.20	-
Ashika Share Trading Pvt. Ltd.	Issue of Equity Shares (including premium)	-	-	97.20	-
	Loan Given	367.57	-	1,107.49	337.00
	Refund of Loan Given	704.57	-	770.49	-
	Loans Taken	-	-	1,427.00	-
	Loans Repaid	-	-	1,427.00	-
	Interest on Loan received	4.17	-	2.47	2.38
	Interest on Loan paid	-	-	4.33	-
Ashika Global Finance Pvt. Ltd.	Loans Taken	11,130.00	1,400.00	-	-
	Loans Repaid	9,730.00	-	-	-
	Interest on Loan paid	232.10	-	-	-
Ashika Business Pvt. Ltd.	Loan Given	1,730.00	-	-	-
	Refund of Loan Given	1,730.00	-	-	-
	Interest on Loan received	26.40	-	-	-
Puja Sales Promotion Pvt. Ltd.	Security Deposit	-	0.60	-	0.60
	Rent Paid	1.20	-	1.20	0.10
Shishir Exports Pvt. Ltd.	Investment in equity shares	-	18.79	-	18.79
Pawan Jain (HUF)	Security Deposit	-	1.00	1.00	1.00
	Office Maintenance	3.62	-	0.90	-
	Rent Paid	3.62	-	0.90	-

26. CIF Value of Imports : Nil (Previous Year: Nil)

27. Expenditure in Foreign Currency : Nil (Previous Year: Nil)

28. Earnings in Foreign Currency : Nil (Previous Year: Nil)

29. Information as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 is furnished vide Annexure - I attached herewith.

30. Figures pertaining to previous year have been rearranged/ regrouped, wherever necessary, to make them comparable with those of current year.

SIGNATURE TO NOTES 1 TO 30

As per our report of even date attached.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjunwala

Partner

Membership No.: 056613

Place: Kolkata

Date: 22nd April, 2019

For and on behalf of the Board of Directors

Pawan Jain

Chairman

DIN 00038076

Anju Mundhra

Company Secretary

F6686

Daulat Jain

Managing Director & Chief Executive Officer

DIN 00040088

Amit Jain

Chief Financial Officer

Notes to Financial Statements

Annexure - I to Notes to Financial Statements (refer Note No. 29)

Disclosure of details as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in Lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities Side:				
(1) Loans and advances availed by the non-banking financial company inclusive of Interest accrued thereon but not paid:				
(a) Debentures: Secured	-	-	-	-
Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	283.00	-	228.00	5.85
(e) Commercial Paper	-	-	-	-
(f) Public Deposit	-	-	-	-
(g) Other Loans	-	-	-	-
Working capital facility	1,400.00	-	8,945.73	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

(₹ in Lakhs)

Assets Side:	As at 31st March, 2019	As at 31st March, 2018
	Amount outstanding	Amount outstanding
(3) Break-up of Loans and Advance including bills receivables [other than those included in (4) below]*		
(a) Secured	1,581.34	6,709.64
(b) Unsecured	4378.98	5,006.92
*items appearing under Note nos 12,14 and 15 of the audited financials statements, have been considered for the purpose of disclosure		
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		

Notes to Financial Statements

Annexure - I to Notes to Financial Statements (refer Note No. 29)

Disclosure of details as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in Lakhs)

Assets Side:	As at 31st March, 2019	As at 31st March, 2018
	Amount outstanding	Amount outstanding
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(5) Break-up of Investments		
Current Investments		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long Term Investments :		
1. Quoted :		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted :		
(i) Shares: (a) Equity	18.80	18.80
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above

(₹ in Lakhs)

Category	As at 31st March, 2019 Amount net of provisions			As at 31st March, 2018 Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	1.60	1.60	227.84	111.50	339.34
2. Other than related parties	1,580.36	4,336.88	5,917.23	6,481.80	4,895.42	11,377.22
Total	1,580.36	4,338.48	5,918.83	6,709.64	5,006.92	11,716.56

Notes to Financial Statements

Annexure - I to Notes to Financial Statements (refer Note No. 29)

Disclosure of details as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in Lakhs)

Category	As at 31st March, 2019		As at 31st March, 2018	
	Market Value/ Break up or fair value or NAV*	Book Value (Net of Provisions)	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	203.04	18.79	174.58	18.79
2. Other than related parties	0.01	0.01	0.01	0.01
Total	203.05	18.80	174.59	18.80

*Break up value have been considered for unquoted equity investment in 'Other related parties' based on the audited financials statements for the year ended 31st March, 2018, of the Company in which the investment is made.

(8) Other Information

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Amount	Amount
i. Gross Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	398.42	150.00
ii. Net Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	356.94	135.00
iii. Assets acquired in satisfaction of debt	-	-

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pawan Jain	<i>Executive Chairman (Wholetime Director)</i>
Mr. Daulat Jain	<i>Managing Director & Chief Executive Officer (CEO)</i>
Mr. Sagar Jain	<i>Independent Director</i>
Ms. Sonu Jain	<i>Independent Director (appointed w.e.f. April 1, 2019)</i>
Ms. Suparna Sengupta	<i>Independent Director</i>
Mr. Radhey Shyam Agrawal	<i>Independent Director (resigned w.e.f. closure of business hour on March 31, 2019)</i>

CHIEF FINANCIAL OFFICER

Mr. Amit Jain

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Anju Mundhra

STATUTORY AUDITORS

Haribhakti & Co LLP

Chartered Accountants
Bagrodia Niket, 1st Floor
19C, Sarat Bose Road,
Kolkata – 700 020

INTERNAL AUDITOR

Shyamsukha Amit & Associates

Chartered Accountants
19, Ganesh Chandra Avenue,
Premier House, 2nd Floor, Suit no 7
Kolkata – 700013

SECRETARIAL AUDITOR

M R & Associates

Company Secretaries
46, B. B. Ganguly Street,
Kolkata- 700012

PRINCIPAL BANKERS

HDFC Bank Ltd.

INDUSIND Bank Ltd.

REGISTERED OFFICE

'Trinity' 226/1 A. J. C. Bose Road,
7th Floor, Kolkata – 700 020
Tel : (033) 40102500
Fax : (033) 40033254
Email : secretarial@ashikagroup.com
Website : www.ashikagroup.com

CORPORATE OFFICE

1008, Rahej Centre, 10th Floor
214, Nariman Point, Mumbai - 400021
Tel : (022) 66111700
Fax : (033) 66111710
Email : ashika@ashikagroup.com

BRANCH OFFICE :

7, B.B.Ganguly Street
4th Floor, Kolkata – 700012
Email : secretarial@ashikagroup.com

CIN NO.

L67120WB1994PLC062159

REGISTRAR & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
23, R.N.Mukherjee Road, 5th Floor,
Kolkata 700 001

AUDIT COMMITTEE

Mr. Sagar Jain,	<i>Chairman</i>
Ms. Suparna Sengupta,	<i>Member</i>
Ms. Sonu Jain,	<i>Member (appointed w.e.f. April 1, 2019)</i>
Mr. Radhey Shyam Agrawal,	<i>Member (resigned w.e.f. closure of business hour on March 31, 2019)</i>

NOMINATION & REMUNERATION COMMITTEE

Ms. Suparna Sengupta,	<i>Chairman</i>
Mr. Sagar Jain,	<i>Member</i>
Ms. Sonu Jain,	<i>Member (appointed w.e.f. April 1, 2019)</i>
Mr. Radhey Shyam Agrawal,	<i>Member (resigned w.e.f. closure of business hour on March 31, 2019)</i>

STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Sonu Jain,	<i>Chairman (appointed w.e.f. April 1, 2019)</i>
Ms. Suparna Sengupta,	<i>Member</i>
Mr. Sagar Jain,	<i>Member</i>
Mr. Radhey Shyam Agrawal,	<i>Chairman (resigned w.e.f. closure of business hour on March 31, 2019)</i>



Registered office

Trinity, 226/1, A.J.C Bose Road
7th Floor, Kolkata 700020

T: (033) 40102500, **F:** (033) 40033254

E: ashika@ashikagroup.com

CIN: L67120WB1994PLC062159

W: www.ashikagroup.com

NOTICE OF TWENTY SIXTH ANNUAL GENERAL MEETING

Notice is hereby given that the *Twenty Sixth Annual General Meeting* of the members of Ashika Credit Capital Limited will be held on Friday the 9th day of August 2019 at Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 4th Floor, 36A, Shakespeare Sarani, Theatre Road, Kolkata - 700017 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 (Standalone) together with the Reports of the Auditors and the Board of Directors thereon.
2. To declare dividend for the financial year ended March 31, 2019. The Board recommends a Dividend of Re. 1/- per Equity Share on face value of Rs 10/- per share for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Daulat Jain (DIN: 00040088), who retires by rotation and being eligible, offers himself for reappointment.

Explanation : Based on terms of appointment, executive directors are subject to retirement by rotation. Mr Daulat Jain, who was appointed on 1st November 2016, in the current term, being longest serving member and who is liable to retire, being eligible, seek reappointment. The Board recommends his appointment

Therefore, the shareholders are requested to consider and if thought fit, to pass with or without modifications the following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 152 of the Companies Act, 2013, approval of the Board be and is hereby accorded for re-appointment of Mr. Daulat Jain (DIN: 00040088), Managing Director , who shall retire by rotation at the ensuing Annual General Meeting and be re appointed as Director (Managing Director) of the company."

SPECIAL BUSINESS:

4. **TO REVISE REMUNERATION OF MR. PAWAN JAIN (DIN: 00038076), EXECUTIVE CHAIRMAN AND WHOLE-TIME DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT in partial modification of earlier resolution passed by shareholders on 7th day of September 2017 and pursuant to the recommendation of the Nomination and Remuneration Committee and provisions of Section 178, 196, 197, 198, 203 read with Schedule V of the Companies Act 2013 and the rules made thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force), consent of the Members of the Company be and are hereby accorded for the revision in remuneration of Mr. Pawan Jain (DIN: 00038076), Executive Chairman and Whole-time director of the Company, w.e.f. 1st January 2019 for the remaining tenure of his appointment i.e. upto 31.10.2019, as per remuneration structure and other terms & conditions as detailed in the Explanatory Statement forming part of this Notice with liberty to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter and vary the terms and conditions of the said reappointment and/or remuneration as it may deem fit and as may acceptable to within the limits specified under the Companies Act, 2013 or any statutory modification(s) or reenactment thereof."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration and other terms and conditions as detailed in the Explanatory Statement forming part of this Notice or the revised remuneration as approved by the Board of Directors, from time to time, to be paid to Mr. Pawan Jain be considered as minimum remuneration, subject to such approvals as may be necessary and the limits prescribed under Section 197 read with Schedule V of the Act."

"RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

5. **TO REAPPOINT MR. PAWAN JAIN (DIN: 00038076) AS EXECUTIVE CHAIRMAN & WHOLE TIME DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 178, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules thereon (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force) , the approval of the Members of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Mr. Pawan Jain (DIN 00038076), as Executive Chairman & Whole Time Director of the Company for a period of 3 consecutive years effective from 1st November 2019, liable to retire by rotation, on the terms and conditions as contained in the Agreement executed by and between Mr. Pawan Jain and the Company, salient features of which are specified in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to this Notice with liberty to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter and vary the terms and conditions of the said reappointment and/or remuneration as it may deem fit and as may acceptable to within the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration and other terms and conditions as detailed in the Explanatory Statement forming part of this Notice or the revised remuneration as approved by the Board of Directors, from

time to time, to be paid to Mr. Pawan Jain be considered as minimum remuneration, subject to such approvals as may be necessary and the limits prescribed under Section 197 read with Schedule V of the Act.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. TO RE-APPOINT MR. DAULAT JAIN (DIN: 00040088) AS MANAGING DIRECTOR & CEO OF THE COMPANY

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 178, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules thereon (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force) , the approval of the Members of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Mr. Daulat Jain (DIN 00040088), as Managing Director & CEO of the Company for a period of 3 consecutive years effective from 1st November 2019, liable to retire by rotation, on the terms and conditions as contained in the Agreement executed by and between Mr. Daulat Jain and the Company, salient features of which are specified in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to this Notice below with liberty to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to vary the terms including increase in remuneration within the limits prescribed under the Act and as may be mutually agreed to by and between Mr. Daulat Jain and the Company from time to time.”

“**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, the remuneration and other terms and conditions as detailed in the Explanatory Statement forming part of this Notice or the revised remuneration as approved by the Board of Directors, from time to time, to be paid to Mr. Daulat Jain be considered as minimum remuneration, subject to such approvals as may be necessary and the limits prescribed under Section 197 read with Schedule V of the Act.”

“**RESOLVED FURTHER THAT** the above remuneration governing the appointment of Mr. Daulat Jain as Managing Director & CEO of the Company is notwithstanding the fact that he also draws remuneration as Managing Director from one of the Ashika Group Companies, provided that, the total remuneration drawn by him from both the companies, does not exceed the higher maximum limit admissible from any one of these two companies in terms of Section 197 read with Schedule V to the Act.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

7. TO APPOINT MS. SONU JAIN (DIN: 07267279) AS A NON EXECUTIVE INDEPENDENT DIRECTOR, NOT LIABLE TO RETIRE BY ROTATION:

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 Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), any other applicable law(s), regulation(s), guideline(s), Ms Sonu Jain (DIN 07267279), who was appointed as an Additional and Independent Director of the Company with effect from 1st April 2019 and who hold office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 and being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of an Independent Director and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of three years commencing April 01, 2019 to March 31, 2022 be and is hereby approved.

“**RESOLVED FURTHER THAT** any one of the Directors of the Company or Company Secretary and Compliance Officer, be and are hereby severally authorised to file E-Form with the Registrar of Companies, Kolkata and for intimating the same to any other authority.”

8. TO REAPPOINT MR. SAGAR JAIN (DIN: 00392422) AS INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF 5 YEARS, NOT LIABLE TO RETIRE BY ROTATION:

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 Sections 149, 150, 152, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015 or any amendment thereto or modification thereof, approval of the members be and is hereby accorded for re-appointment of Mr. Sagar Jain (DIN: 00392422) as an Independent Director of the Company, not liable to retire by rotation, for his second term of five consecutive years with effect from April 01, 2019 upto March 31, 2024.”

“**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and do all such acts and execute and sign all documents, papers, forms etc as may be required to give effect to the said resolution and also do the necessary intimation to respective stock exchanges and other regulatory authorities.”

9. TO APPROVE CONTINUATION OF PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS IN EXCESS OF THRESHOLD LIMITS AS PER SEBI (LODR) (AMENDMENT) REGULATIONS, 2018.

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

“**RESOLVED THAT** pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or reenactment thereof) read with Schedule- V of the Companies Act, 2013 and as per the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the

continuation of payment of remuneration to Mr. Pawan Jain, Executive Chairman and Whole-time director as per revised terms and conditions as placed and approved by the shareholders in this Annual General Meeting and to Mr. Daulat Jain, Managing Director & CEO of the Company at such terms and conditions as approved by members in its Annual General Meeting held on 7th September 2017, who are Executive Directors and Promoters of the Company notwithstanding:

- i) annual remuneration to each of them exceeding Rs. 5 Crores or 2.5 per cent of the net profits of the Company calculated as per the applicable provisions of the Companies Act, 2013, whichever is higher; or
- ii) Their aggregate annual remuneration exceeding 5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013,
till the expiry of their current term and also for term of reappointment effective from 01.11.2019 as placed and approved by shareholders in this Annual General Meeting.”

“**RESOLVED FURTHER THAT** the Board/ Company Secretary be and are hereby authorised to take all steps as may be necessary, proper and expedient to give effect to this Resolution.”

By Order of the Board of Directors
for **Ashika Credit Capital Limited**

Date: **22.04.2019**

Place: **Kolkata**

SD/-
(Pawan Jain)
Chairman
DIN: 00038076

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business (Item Nos. 4-9) to be transacted at the Meeting is annexed hereto and forms part of the Notice. Information under regulation 26(4) and 36(3) of SEBI (LODR) Regulation 2015 and amendments thereof and as required under Secretarial Standards 2, pursuant to section 118(1) of the Act, issued by the ICSI relating to Directors proposed to be appointed/re-appointed is provided in the Annexure to this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE TWENTY SIXTH ANNUAL GENERAL MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Pursuant to the provisions of Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as a proxy on behalf of member not exceeding fifty(50) and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. However, members holding more than ten (10) percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organization. The instrument of proxy, in order to be effective, must be received by the company not less than 48 hours before the commencement of the Annual General meeting.
Pursuant to Section 113 of Companies Act, 2013 and rules framed thereunder, Corporate Members are required to send to the Company a certified copy of the Board Resolution, authorising their representatives to attend and vote at the AGM.
In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per register of members of the Company will be entitled to vote
3. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three (3) days of prior notice in writing is provided to the Company.
4. Pursuant to the provisions of Section 91 of Companies Act, 2013 and rules thereon read with Regulation 42(5) of SEBI (LODR) , the Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, 3rd August, 2019 to Friday, 09th August, 2019 (both days inclusive).**
5. If the Dividend, as recommended by the Board of Directors for the financial year ended March 31, 2019, is approved at the AGM, payment of such dividend will be made **on or after Friday, 16th August, 2019** as under :
 - a) To all the beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) **as at the closure of business hours on Friday, 2nd August, 2019.**
 - b) To all the members in respect of shares held in physical form after giving effect to all valid transfers in respect of transfer requests lodged with the Company **on/before the closure of business hours on Friday, 2nd August, 2019.**
6. Pursuant to Regulation 12 of the Listing Regulations read with Schedule I to the said Regulations, it is mandatory for all the Companies to use bank details furnished by the investors for distributing dividends, interests, redemption or repayment amounts to them through National / Regional / Local Electronic Clearing Services (ECS) or Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), National Automated Clearing House (NACH) wherever ECS / RTGS / NEFT / NACH and bank details are available. In absence of electronic facility, Companies are required to mandatorily print bank details of the investors on ‘payable-at-par’ warrants, demand drafts or cheques for distribution of dividends or other cash benefits to the investors. In addition to that, if bank details of investors are not available, Companies shall mandatorily print the address of the investor on such payment instruments.

7. In all correspondence with the Company, Members holding shares in physical mode are requested to quote their Folio numbers and in case their shares are held in the dematerialized mode, Members are requested to quote their DP Id and Client Id.
8. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.
- The Company or its Registrar and Share Transfer Agents (RTA) cannot act on any request received directly from the Members holding Shares in electronic form for any change of bank particulars, bank mandates, Email address, correspondence address etc. Such changes are to be advised by the Members concerned to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records. Shareholders holding shares in physical form are requested to send immediately such changes request to Company's Registrar & Share Transfer Agent, M/s Maheshwari Datamatics Pvt Ltd. Shareholders may note that the bank details registered against their account in physical form will not be applicable to their electronic account and vice versa.
9. All Statutory Registers and other relevant documents referred to in the Notice and the Statement pursuant to Section 102 of the Companies Act, 2013, shall be available for inspection by the Members at the Registered Office on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
- The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
- Members desirous of obtaining any relevant information with regard to the financial statements of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready
10. Members/ proxies and authorised representative are requested to bring their attendance slip duly completed and signed along with their copy of Annual Report to the meeting. Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN and bank account details for all members holding share in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to the Secretarial Department' of the Company at the Registered Office or to M/s. Maheshwari Datamatics Pvt Ltd, the Registrar and Share Transfer Agent (RTA) of the Company. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole / first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant (s).
12. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax Permanent Account Number (PAN) Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
13. Electronic copy of the Notice of the twenty- sixth Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of Electronic Voting along with Attendance Slip and Proxy Form is being sent to all concerned including the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email IDs, physical copies of the Notice of the AGM of the Company inter alia indicating the process and manner of Electronic Voting along with Attendance Slip and Proxy Form is being sent through permitted mode. The notice and Annual Report will also be available on the company's website (www.ashikagroup.com) for their download
- The Ministry of Corporate Affairs (MCA), Government of India has introduced 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed there under.
- Even after registering for e-communication, members are entitled to receive such communication in physical form, we sincerely seek your support to enable us to forward these communication to you only by email, which will help us to participate in the Green Initiative of MCA and to protect our environment. For any communication, the shareholders may send requests to the Company's email secretarial@ashikagroup.com.
14. SEBI had vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 read with BSE circular no. list/comp/15/2018-19 dated July 05, 2018 directed that transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However Members can continue to hold shares in physical form. Accordingly, Shareholders holding securities in physical form were separately communicated by the Maheshwari Datamatics Pvt Ltd (our RTA) vide three letters sent on August 25, 2018 (by Registered Post), September 25, 2018 (by ordinary post) and October 26, 2018 (by Registered Post) at their registered address. In view of the above and to avail free transferability of shares and the benefits of dematerialisation, members are requested to consider demat of shares held by them in physical form. Members may note that, Transfer deed(s) once lodged prior to April 1, 2019 and returned due to deficiency in the document may be re-lodged even after the April 1, 2019 with the office of MDPL, Kolkata or at the Registered Office of the Company. The Company will abide by the guidelines issued by Statutory Authorities from time to time in the matter.
15. Members are requested to address all correspondences to the Registrar & Share Transfer Agent, Maheshwari Datamatics Pvt Ltd, 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001.
16. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://www.ashikagroup.com/PDF/nomination%20form.pdf>. Members holding shares in physical form may submit the same to Maheshwari Datamatics Pvt Ltd. Members holding shares in electronic form may submit the same to their respective depository participant.

17. The route map showing directions to reach the venue of the twenty-sixth Annual General Meeting, pursuant to the applicable Secretarial Standards is also annexed.

18. VOTING THROUGH ELECTRONIC MEANS (Instruction for e-voting)

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations 2015, the Company is pleased to provide its' members with the facility to exercise their right to vote on resolutions proposed to be considered at the twenty sixth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services on all resolutions set forth in this notice, from a place other than the venue of the Annual General Meeting ("remote e-voting"). For the said purpose, the Board of Directors of the Company has engaged the services of National Securities Depository Limited (NSDL).

II. The process and manner for remote e-voting are as under:

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

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

Details on Step 1 are mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

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

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com
- b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

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

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

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

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Ashika Credit Capital Limited

4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

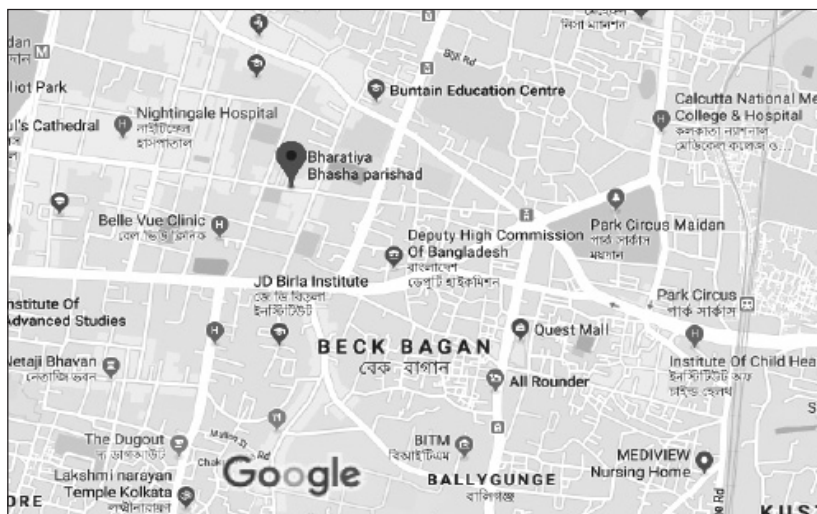
General guidelines for shareholders

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

III. Other Instructions

1. Mr. Mohan Ram Goenka, Practising Company Secretary (CP No. 2551), Partner at M/s. M.R. & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
2. The facility for voting through ballot paper shall be made available at the AGM venue and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote once again.
4. A Member can opt for only single mode of voting i.e. either through e-voting or by Ballot Form. If a Member casts votes by both modes then voting done through e-voting shall prevail and vote by Ballot shall be treated as invalid.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members after **closure of business hours of Friday, 2nd August, 2019** (cut-off date). Only those Members whose names are recorded in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting as well as avail the facility of e-voting at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
6. The remote e-voting period commences on **Tuesday, the 6th day of August, 2019 (9.00.A.M. IST)** and ends on **Thursday, the 8th day of August, 2019 (5.00 P.M. IST)**, after which remote e-voting will be blocked by NSDL. During this period members of the Company, holding shares as on the cut-off date i.e. after **closure of business hours of Friday, 2nd August, 2019**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
7. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
8. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. **after closure of business hours of Friday, 2nd August, 2019**, may cast their votes electronically through remote e-voting by obtaining the login ID and password by sending a request at evoting@nsdl.co.in or mdpldc@yahoo.com.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
9. A person, whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper, if not participated through remote e-voting.
10. At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutiniser, allow voting by means of ballot paper for all those Members who are present but have not cast their vote electronically.
11. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
12. In accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results will be declared within 48 hours of conclusion of AGM, in the prescribed format along with the report of the Scrutinizer and the same shall be placed on the website of the company www.ashikagroup.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result. The results shall also be immediately forwarded to the exchanges, where the shares of the company are listed. The results shall also be displayed on the notice board at the registered office of the company.

ROUTE MAP TO BHARATIYA BHASHA PARISHAD, VENUE OF ANNUAL GENERAL MEETING



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 4 and 5

Mr. Pawan Jain is the Promoter Director of the company. He has been holding the post of Managing Director of the company since long. He resigned from the post of Managing Director & CEO and was appointed as Whole Time Director designated as Executive Chairman for a period of 3 years effective from 01.11.2016 on terms & conditions including remuneration as recommended by Nomination & Remuneration Committee and approved by Board & Shareholder in the AGM held on 7th September 2017.

Mr. Pawan Jain, Chairman of the company is the Founder of Ashika Group. He possesses over 25 years of long stewardship and has helped Ashika to flourish and develop into an integrated financial service company. He adds strong leadership skills, vigour and a passion for excellence to Ashika Group. He believes in nurturing a culture that is entrepreneurial, result oriented, client focused and based on teamwork. He leverages his expertise to provide holistic financial services that include NBFC business, Merchant Banking activities, Debt Syndication, Depository services, Broking business to a whopping client base all over India. Under his guidance, Ashika Group has been honoured with many awards and accolades.

Seeing the market trends and role of responsibility handled, the remuneration structure of Mr Pawan Jain has been revised w.e.f. 1st January 2019 till his remaining tenure i.e. 31.10.2019 as recommended by NRC committee and approved by board in their meeting held on 14.02.2019 and the same is subject to approval of shareholder in this AGM.

As per Ministry of Corporate Affairs notification dated 12 September 2016, the Central Government amended the Schedule V of the Companies Act, 2013, with this, the minimum remuneration payable to the managerial person in the applicable slab for the Company shall be Rs. 84 lakhs p.a. and with the approval of the shareholders by way of a special resolution shall be doubled to Rs. 168 lakhs p.a.

Further, the Ministry of Corporate Affairs vide notification dated 12th September, 2018 amended the previous notification dated 12th September, 2016 wherein, it was provided that the remuneration in excess of limits provided in the slab may be paid by the Company to the managerial personnel provided that a special resolution is passed to that effect by the shareholders of the Company.

Further, the Board of Directors of the Company ("the Board") at its meeting held on 14th February 2019, has, subject to approval of the Members in the Annual General Meeting of the Company re-appointed Mr Pawan Jain as Executive Chairman & Whole Time Director for a period of 3 years w.e.f. 1st November, 2019 to 31st October, 2022 at the remuneration recommended by the Nomination and Remuneration Committee ("the Committee") of the Board and approved by the Board.

It is proposed to seek the member's approval for the revision in remuneration payable and reappointment of Mr Pawan Jain, as Executive Chairman and Whole-time Director, in terms of the provisions of the Act. Broad particulars of the terms of re-appointment and remuneration payable to Mr Pawan Jain, as Executive Chairman and Whole-time Director are as under:

Purpose	Revision in remuneration	Reappointment
Period	1st January 2019 for the remaining tenure of his appointment i.e. upto 31.10.2019	1st November 2019 till 31st October, 2022
Basic Salary, perquisites, other allowance, benefits	Not exceeding Rs. 1,65,00,000/- per annum or such sum as may be decided by Board/ Committee on recommendation of Nomination and Remuneration committee from time to time	Not exceeding Rs. 1,65,00,000/- per annum or such sum as may be determined by board/committee from time to time within the limits as prescribed under the Act or any amendments thereto. The detailed break up are Basic Salary – Rs. 34,26,000/- per annum , payable monthly House Rent Allowance – Rs. 17,13,000/- per annum , payable monthly Special allowance – Rs. 1,13,61,000/- per annum, payable monthly

Leave Travel Concession for self and family	Reimbursement or Leave Travel Allowance for self and dependent family members – as per rules of the company
Contribution to Provident Fund to the extent are not taxable under the Income Tax Act, 1961	
Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.	
Retirement and other benefits	As per rules of the Company
Provision of car & Telephone Expenses	Use of Company's chauffeur driven car for Official use and reimbursement of telephone expenses including mobile phone expenses.
Notice period	One month
Shareholding as on 31/03/2019	Holding 789000 equity shares in the Company as Karta of Pawan Jain – HUF
Other Terms	Reimbursement of all legitimate expenses actually and properly incurred by performing duties and such reimbursement shall not form part of his remuneration
As long as he functions as Whole Time Director he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof	

Note: The perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rules the perquisites shall be evaluated at actual cost.

The terms and conditions of the said reappointment may be altered, amended, varied and modified from time to time by the Board of Directors or Committee thereof as it may be permissible and if deemed fit in terms of the Companies Act, 2013 or any amendments or modifications or re-enactments made thereto in consultation with Mr Pawan Jain.

In the event of inadequacy or absence of profits in any financial year, he will be entitled to the payment of salary and perquisites, as set out above, as minimum remuneration, subject to necessary approvals, if required notwithstanding the fact that it may exceed the limits prescribed under Section 196, 197 of the Companies Act, 2013.

Subject to the superintendence, control and direction of the Board of Directors of the Company, he shall perform such duties and functions as would be commensurate with his position as the Executive Chairman & Whole Time Director of the Company and as may be delegated to him from time to time. He shall be liable to retire by rotation.

Further, pursuant to the provisions of Sections 117(3), 197, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the said terms & conditions of appointment shall be placed for the approval of the Shareholders in the Annual General Meeting

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 4 & 5 is annexed hereto as **Annexure A**.

All Consent and declaration has been duly obtained by the Company that Mr Jain is not debarred or restrained from acting as director of the company by virtue of any SEBI order or any other such authority and that he is not disqualified to continue as director of any company. Mr Pawan Jain attended all the Meetings of the Board of Directors of the Company held during the year 2018-2019.

In Compliance with section 190 of Companies Act 2013, the company has set out all terms & conditions of the re-appointment in the resolution as placed and also has entered into an Agreement with Mr. Pawan Jain containing therein, inter alia, the remuneration and authority, powers, rights etc during his tenure as Whole Time Director of the Company. The draft agreement is available for inspection by the members at the Registered Office of the Company on any working day during business hours (upto the date of the Annual General Meeting)

The Board recommends the resolution set forth in Item no 4 & 5 for the approval by the shareholders of the Company as SPECIAL RESOLUTION.

Additional information in respect of Mr. Pawan Jain, pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is provided in **Annexure B** to this notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested in the resolution set out at item No. 4 and 5 of the notice, except Mr Pawan Jain, Chairman & Whole Time Director and Mr Daulat Jain, Managing Director & CEO, who are related to each other and their relatives, are concerned or interested, financially or otherwise, in this Special Resolution except to the extent of their shareholding interest, if any, in the Company.

Item No. 6

Mr Daulat Jain was appointed as the Managing Director & CEO of the Company for a period of 3 years w.e.f. 1st November 2016 with the approval of the Shareholders in the Annual General Meeting held on 7th September 2017

Further, the Board of Directors of the Company ("the Board") at its meeting held on 14th February 2019, has, subject to approval of the Members in the Annual General Meeting of the Company re-appointed Mr Daulat Jain as Managing Director & CEO for a period of 3 years w.e.f. 1st November, 2019 to 31st October, 2022 at the remuneration recommended by the Nomination and Remuneration Committee ("the Committee") of the Board.

Mr. Daulat Jain is the co-founder and Managing Director of Ashika Group. He has been a leader from the beginning and has promoted deep rooted values and ethics, the core strengths of the company. His core competence and in-depth analysis of the business has been a cornerstone for the group to aim for newer heights. Mr. Daulat Jain's vision and business acumen has led the business to spread wings and establish an unparalleled distribution network with a strong presence in eastern region of India. Mr. Daulat Jain has over 19 years of versatile experience across a wide array of subjects in the field of Corporate Finance, Investments (Securities Trading & Bought Out Deals), Taxation, Audit and Corporate Laws, Broking & Commodity business has helped the company to achieve its objectives. He guides in the financial aspect of the Group including the adoption of policies and monitoring of liquidity risk. Mr. Daulat Jain is on the board of the company since 28th August 1996 and resigned there from on 1st May 2013. He was re-appointed on the Board of the company w.e.f. 14th January 2016.

He is also appointed as Managing Director of Ashika Stock Broking Ltd w.e.f. 1st May 2017 for a period of 3 year and remuneration is also being paid by Ashika Stock Broking Ltd as approved by their NRC, Board & shareholders. The overall limit of Managerial remuneration withdrawn by Daulat Jain from both the company shall not exceed the maximum permissible limit in any one company as per provision of section 197 read with schedule V of Companies Act 2013. So remuneration payable to Mr. Daulat Jain is within the aforesaid limits.

It is proposed to seek the member's approval for the reappointment of and remuneration payable to Mr Daulat Jain, as Managing Director & CEO, in terms of the provisions of the Act. Broad particulars of the terms of re-appointment and remuneration payable to Mr Daulat Jain, as Managing Director & CEO are as under:

Period	1st November 2019 till 31st October, 2022
Purpose	Reappointment
Basic Salary, perquisites, other allowance, benefits	Upto Rs. 13,00,000/- per annum or such sum as may be determined by board/committee from time to time within the limits as prescribed under the Act or any amendments thereto
Bonus	Not Exceeding Rs. 1,00,000 per annum or such sum as may be determined by Board/committee from time to time
Leave Travel Concession for self and family	Reimbursement or Leave Travel Allowance for self and dependent family members – as per rules of the company
Contribution to Provident Fund to the extent are not taxable under the Income Tax Act, 1961	
Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.	
Retirement and other benefits	As per rules of the Company
Provision of car & Telephone Expenses	Use of Company's chauffeur driven car for Official use and reimbursement of telephone expenses including mobile phone expenses
Notice period	One month
Shareholding as on 31 st March 2019	Holds 450000 equity shares in the Company
Other Terms	Reimbursement of all legitimate expenses actually and properly incurred by performing duties and such reimbursement shall not form part of his remuneration
As long as he functions as Managing Director he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof	

Note: The perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rules the perquisites shall be evaluated at actual cost.

The terms and conditions of the said reappointment may be altered, amended, varied and modified from time to time by the Board of Directors or Committee thereof as it may be permissible and if deemed fit in terms of the Companies Act, 2013 or any amendments or modifications or reenactments made thereto in consultation with Mr. Daulat Jain.

In the event of inadequacy or absence of profits in any financial year, he will be entitled to the payment of salary and perquisites, as set out above, as minimum remuneration, subject to necessary approvals, if required notwithstanding the fact that it may exceed the limits prescribed under Section 196, 197 of the Companies Act, 2013.

Subject to the superintendence, control and direction of the Board of Directors of the Company, he shall perform such duties and functions as would be commensurate with his position as the Managing Director of the Company and as may be delegated to him from time to time. He shall be liable to retire by rotation.

All Consent and declaration has been duly obtained by the Company that Mr Jain is not debarred or restrained from acting as director of the company by virtue of any SEBI order or any other such authority and that he is not disqualified to continue as director of any company. Mr Daulat Jain attended all the Meetings of the Board of Directors of the Company held during the year 2018-2019.

In Compliance with section 190 of Companies Act 2013, the company has set out all terms & conditions of the re-appointment in the resolution as placed and also has entered into an Agreement with Mr. Daulat Jain containing therein, inter alia, the remuneration and authority, powers, rights etc during his tenure as Managing Director and CEO of the Company. The draft agreement is available for inspection by the members at the Registered Office of the Company on any working day during business hours (upto the date of the Annual General Meeting)

The Board recommends the resolution set forth in Item no 6 for the approval by the shareholders of the Company as **SPECIAL RESOLUTION**.

Additional information in respect of Mr. Daulat Jain, pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is provided in Annexure B to this notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested in the resolution set out at item No. 6 of the notice, except Mr. Pawan Jain, Chairman & Whole Time Director and Mr. Daulat Jain, Managing Director & CEO, who are related to each other and their relatives, are concerned or interested, financially or otherwise, in this Special Resolution except to the extent of their shareholding interest, if any, in the Company.

Item No. 7

Ms. Sonu Jain was Chairperson of EIRC ICAI (2018-2019) and by profession a Practicing Chartered Accountant. She is also a qualified Company Secretary. She also possess diploma in Insolvency and Bankruptcy Code, 2016, Certification course on Concurrent Audit, DBM, DISA, DIRM. She is Practicing Chartered Accountant by profession and has more than 18 years of vast expertise & experience in field of Statutory, Internal, Stock, Revenue, Migration of banks and Budgeting and other Financial Control, Tax planning & Consultation etc liaisoning with Registrar of Companies, Regional Director and Company Law, IP, she also holds directorship in other unlisted companies. Ms. Sonu Jain possesses all the positive attributes, qualification, versatile & vast experience & knowledge which will be very much rewarding for the growth & nourishment of the company.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company through circular resolution, had appointed Ms. Sonu Jain as an Additional Director being Non Executive Independent Director on the board of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, with effect from 1st April, 2019. The Additional Director holds office only upto the date of the ensuing Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act') but is eligible for appointment as Director.

The Board, based on the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience,

the appointment of Ms Sonu Jain would be beneficial to the Company and it is desirable to avail her services as an Independent Director. Accordingly, it is proposed to appoint Ms Sonu Jain as an Independent Director of the Company, not liable to retire by rotation and to hold office for a first term of 3 (three) consecutive years i.e. upto 31st March 2022 on the Board of the Company.

Ms Sonu Jain is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as an Independent Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Ms Sonu Jain for the office as a Regular Director in Independent Director category. Further as per first proviso of Section 160(1) of the Companies Act, 2013, deposit of Rs. 1 (One) lakh amount is not been required for her appointment as it is recommended by the Nomination and Remuneration Committee.

The Company has also received declaration from Ms Sonu Jain that she meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Ms Sonu Jain fulfil the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and she is independent of the management.

Copy of draft letter of appointment of Ms Sonu Jain setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

The Board recommends the resolution set forth in Item no 7 for the approval by the shareholders of the Company as **ORDINARY RESOLUTION**.

Additional information in respect of Ms. Sonu Jain, pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is provided in annexure to this notice.

None of the other Directors, Key Managerial Personnel and their respective relatives, except Ms. Sonu Jain, being an appointee is concerned or interested, financially or otherwise, in the proposed Resolutions mentioned at Item No. 7 of the Notice.

Item No. 8

Mr. Sagar Jain is the non-executive Independent director of the Company. He was appointed as an Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with rules framed thereunder ('the Act') and the Clause 49 of the erstwhile Listing Agreements entered into with the stock exchanges. Mr. Sagar Jain hold office as an Independent Director of the Company upto 31st March, 2019 ('first term') in terms of the explanation to Sections 149(10) and 149(11) of the Act. . Mr. Jain is also the chairman of the audit committee and member of the nomination committee, stakeholder's relationship committee and finance committee of the Company. As on date, he does not hold for himself or for any other person any shares on a beneficial basis in the company.

Mr. Sagar Jain is FCA, FASM, LLB, DISA (ICAI), CAAT (ICAI), having more than 30 years of rich experience in Corporate Law matters, Audit, Taxation, Loan Syndication, Mergers & Acquisitions, Business Re-Engineering & Structuring. He gained expertise knowledge in the field of all audits – Statutory, Tax, Management, Internal, Proprietary, Concurrent, Bank Branch Statutory Audit, Revenue and Investigation. He also possess versatile knowledge in the field of company law, merger, acquisition, liquidation work, banking arrangements including preparation of project report, liaison with different Banking Financial Institutional acting as coordinator in the consortium finance. He is also associated with several other organizations and NGOs.

In the opinion of the Board, Mr. Sagar Jain fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') and is independent of the management.

The Board of Directors of the Company ('the Board') at its' meeting held on 14.02.2019, on the recommendation of the Nomination & Remuneration Committee, and based on the performance evaluation, considers that given his background and experience and contributions made by him during his tenure, the association of Mr. Sagar Jain would be beneficial to the Company and it is desirable to re-appoint Mr Jain as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years w.e.f. 1st April, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof. Further, the Company has received from Mr. Sagar Jain all necessary disclosures with regards to his re-appointment as Independent Director of the Company

Copy of the draft letter of appointment of Mr. Sagar Jain setting out the terms and conditions of appointment are available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (between 11 A.M. to 1 P.M.) on all working days, except Saturday & Sunday. Requisite Notice under Section 160 of the Act proposing the re-appointment of Mr. Sagar Jain has been received by the Company.

The Board recommends the resolution set forth in Item no 8 for the approval by the shareholders of the Company as **SPECIAL RESOLUTION**.

Additional information in respect of Mr. Sagar Jain, pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is provided in annexure to this notice.

None of the other Directors, Key Managerial Personnel and their respective relatives, except Mr. Sagar Jain, being an appointee are concerned or interested, financially or otherwise, in the proposed Resolutions mentioned at Item No. 8 of the Notice.

Item No. 9

As per newly introduced Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018, issued on 9 May, 2018, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

- (i) the annual remuneration payable to such executive director exceeds Rs. 5 Crore or 2.5 per cent of the net profits of the listed entity calculated as per the applicable provisions of the Companies Act, 2013, whichever is higher; or
- (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such Director

At present, on the Board of Directors of the Company, there are two executive directors who are promoters of the company . They are Mr. Pawan Jain (DIN: 00038076), Executive Chairman and Whole-time Director and Mr. Daulat Jain (DIN: 00040088), Managing Director & CEO.

Mr. Pawan Jain and Mr. Daulat Jain were appointed as Whole Time Director & Managing Director for a term of 3 years effective from 1st November 2016 and the shareholders have approved remuneration payable to them within the limits as prescribed at that time as per Companies Act, 2013, while approving their appointment in the AGM held on 7th September 2017, which is in excess of 5% of the net profits of the Company. Further as per recommendation of NRC committee, the revision in remuneration of Mr Pawan Jain w.e.f. 1st January 2019 till his existing tenure was approved by board in their meeting held on 14.02.2019, subject to shareholder approval in this AGM.

Further the reappointment and remuneration of Mr. Pawan Jain and Mr. Daulat Jain as Whole Time Director & Managing Director respectively for a

further term of 3 years effective from 1st November 2019 has been approved by board on recommendation of NRC committee, subject to approval the members in this Annual General Meeting.

In order to comply with the requirement of Amended Listing regulations, and on recommendation of Nomination and Remuneration Committee, Board of Directors is seeking fresh approval of the shareholders by way of special resolution for retaining all existing terms and conditions of appointment of aforesaid Executive Directors including remuneration payable to them till the expiry of their respective term i.e. 31.10.2019 and also for re-appointment effective from 01.11.2019 till 31.10.2022, in order to comply with the above mentioned newly introduced Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The Board approved the above proposal at their meeting held on 22.04.2019 after considering the valuable contributions of Mr. Pawan Jain and Mr. Daulat Jain in the growth of the Company and remuneration prevalent for the similar positions in the companies of the like size.

The Board recommends the **SPECIAL RESOLUTION** set out at Item No. 9 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested financially or otherwise, in this Special Resolution except to the extent of their shareholding interest, if any, in the Company in the resolution set out at item No. 9 of the notice, except Mr. Pawan Jain, Chairman & Whole Time Director and Mr Daulat Jain, Managing Director & CEO and their relatives.

ANNEXURE A to the Notice of Annual General Meeting

Statement containing the information as required under, Part-II Section-II of Schedule V to the Companies Act, 2013

I. GENERAL INFORMATION:

Nature of Industry	Financial Services (RBI registered non deposit taking NBFC)		
Date or expected date of Commencement of commercial Production	Not Applicable		
In case of new companies expected date of commencement of activities as per project approved by the financial Institutions appearing in the prospectus	Not Applicable		
Financial performance based on given indicators:	(Amount in Rs lakhs)		
	Particulars	Financial year 2018-2019	Financial Year 2017-2018
	Total Income	1776.79	1103.69
	Total Expenses	726.96	727.28
	Profit /(Loss) before Tax	1049.83	376.41
	Tax expenses including Deferred tax	293.88	98.69
	Net profit after taxation	755.95	277.72
Foreign Investments or Collaboration if any	Not Applicable		

II. INFORMATION ABOUT THE APPOINTEE:

Background Details	Mr. Pawan Jain is the Promoter Director of Ashika Credit Capital Ltd. He laid the foundation of Ashika group with an aim to provide a vast range of financial services to clients from all sections of society. His philosophy of honesty, integrity and transparency has nourished the group. In 1994 he laid the foundation of Ashika group with an aim to provide a vast range of financial services to clients from all sections of society. His over 25 years of long stewardship has helped Ashika flourish and develop into an integrated financial service company. Leadership skills, vigour and a passion for excellence are his tool box, and his ethics of serving the customers through professional acumen has helped the group scale the heights of success. He is the Fellow Member of the Institute of Chartered Accountants of India and has completed the prestigious OPM (Owner/ President Management Program) at Harvard Business School, USA in 2014. He is the Chairman and Whole time Director of the company.
Past remuneration	FY 2016-2017 – Rs 80.64 Lakhs FY 2017-2018 – Rs 78.34 Lakhs FY 2018-2019 – Rs 102.38 lakhs
Recognition or awards	Ashika Group has been recognized by several awards under their leadership. They have received several memento of love & being always recognized for their unconditional and immense support in the social field.
Job profile and his suitability	He is responsible for overseeing the business of the company. To provide vision guidance and direction for long term growth and overall management control and to formulate plans and strategy for continuance performance & growth of the Company. Mr. Jain plays a major role in providing thought leadership and strategic inputs to the Company in addition to helping shape new business and driving the strategic decision making program in the Company. Mr. Jain's is entrusted with the substantial power and authorities to manage the affairs of the Company. He is the driving force behind the development and overall management of the Company contributing to continuous growth, increased productivity and enhanced quality. Considering his expertise knowledge and experience the Board considered it necessary to re-appoint Mr Pawan Jain as Whole Time Director (Designated as Executive Chairman) of the Company for a period of 3 years w.e.f. 1 st November 2019, subject to approval of the Members in the General Meeting . He shall devote his whole-time and attention to the business and affairs of the Company and carryout such duties as may be entrusted to him from time to time by the Board of Directors of the Company ("the Board") and exercise such powers as assigned to him by the Board under the superintendence, control and direction of the Board in the best interest of the Company

Remuneration proposed	As mentioned in the explanatory statement for Item nos. 4 and Item 5
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	<p>The remuneration proposed to be paid to Mr. Pawan Jain is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial personnel in other companies comparable with the size of the Company, industry benchmarks in general with the profile and responsibilities of Mr. Pawan Jain before recommending the remuneration as proposed. Compared to the remuneration with respect to the Industry, Companies of similar size as that of the Company and persons holding similar position, the remuneration proposed to be paid to Mr Pawan Jain as the Whole Time Director (Chairman) is not adequate. Remuneration for a person of his caliber and position should generally be higher than what is being paid to him.</p> <p>However, in the event of loss or inadequacy of profits in any financial year, during the currency of tenure of service of the Managing Director, the payment of Salary, perquisites and other allowances as mentioned above shall be paid as minimum remuneration and shall not exceed limits prescribed under Schedule V of the Companies Act, 2013</p>
Pecuniary Relationship directly or indirectly with the company, relationship with managerial personnel, if any	<p>Mr. Pawan Jain is brother of Mr Daulat Jain, Managing Director & CEO of the company. He is also promoter and/or director of the Promoter group companies of Ashika Credit Capital Ltd .</p> <p>Mr Jain has no other pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings (as Karta of Pawan Jain – HUF) in the Company.</p>

III. OTHER INFORMATION:

Reasons of loss or inadequate profit	As the Members are aware, the Company had incurred loss for the FY 2015-2016 due to Provision of NPA and provision against diminution of current Investments. However, the profit for the FY 2016-2017 and 2017-2018 is understood to be under pressure on account of finance cost, increase in operating cost, changes in several policies issued by regulators, competition and mainly due to uncertain market scenario. The performance of the Company has improved in the FY 2018-2019. Owing to the above factors and others like high interest rates, volatility in markets, general economic slowdown the company may not have sufficient profit or may incur loss due to uncontrollable reasons, resulting in inadequate profits in coming years.
Steps taken or proposed to be taken for improvement	The Management is taking necessary and adequate steps to improve workings and profitability of the Company. All adequate steps and measures including expansion, diversification, restructuring which are in the best interest of the company has been taken care . The company will remain committed to generating good returns for its stakeholders. Company would continue to drive growth keeping the stringent risk measures and check on details of clients' financials and regular follow-ups are done which makes the management satisfied of status of clients. Moreover company has devised internal checks & record keeping conversation departmentally which helps minimizing the risks and finding the errors and deficiencies. The Company would continue its endeavors to increase the revenues to improve its productivity and profits in the coming years.
Expected increase in productivity and profits in measurable terms	With the above steps being taken by the Company, the productivity and profitability is expected to improve and increase. The Company is very conscious about improvement in its revenue and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms

IV. DISCLOSURE

The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The details of remuneration to Mr. Pawan Jain are given in the proposed resolution and the explanatory statements annexed herewith
All elements of remuneration package such as salary benefits, commission, bonus, stock option, perquisites of all the Directors	The Remuneration package and other terms applicable to the Directors have been disclosed in the Corporate Governance report.
Details of fixed components and performance linked incentive along with performance criteria	There is no performance linked incentive paid. All fixed and other components has been mentioned in the explanatory statements annexed herewith
Service contracts, severance fees etc	No service contract and severance fee is being paid to Whole Time Director. The terms of appointment are governed by agreement and resolution.
Stock option details if any and whether the same has been insured at a discount as well as the period over which accrued and over which exercisable	The Company has not issued any stock options to any of its Directors or Managerial Personnel.

ANNEXURE TO THE NOTICE

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE TWENTY SIXTH ANNUAL GENERAL MEETING IN PURSUANCE OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) 2015 AND SECRETARIAL STANDARDS-2 ISSUED BY ICSI

Particulars	Mr. Pawan Jain	Mr. Daulat Jain	Mr. Sagar Jain	Ms Sonu Jain
DIN	00038076	00040088	00392422	07267279
Age	13 th July 1965	13th July, 1972	19th May, 1960	1st September, 1975
Qualification	B.Com (Hons), FCA	B.Com (Hons), FCA	B.Com (Hons), FCA, FASM, LLB, DISA (ICAI), CAAT (ICAI)	B.Com (Hons), FCA CS, D.B.M (ICFAI), DISA (ICAI), DIRM (ICAI), Registered under Insolvency and Bankruptcy Code, 2016
Experience	25 years +	19 years	30 years	18 years
Expertise in specific functional Area	NBFC business, Merchant Banking activities, Debt Syndication, Depository, Broking services	Corporate Finance (ICD, Short Term Financing, Bill Discounting, Loan Syndication, Arranging Working Capital Finance), Investments (Securities Trading & Bought Out Deals), Taxation, Audit and Corporate Laws, Broking and commodity activities.	Corporate Law matters, Audit, Taxation, Loan Syndication, Mergers & Acquisitions, Business Re-Engineering & Structuring. Audits – Statutory, Tax, Management, Internal, Proprietary, Concurrent, Bank Branch Statutory Audit, Revenue and Investigation.	Audit - Statutory, Internal, Stock, Revenue, Migration of banks and Budgeting and other Financial Control. Tax planning & Consultation etc
Terms and Conditions of Appointment/Re-appointment along with details of remuneration sought to be paid	The details are provided in the resolution at Item no. 5 of this notice.	The details are provided in the resolution at Item no. 6 of this notice.	Entitled to sitting fees .	Entitled to sitting fees.
Remuneration Last drawn (including sitting fee, if any) as per last audited Balance sheet as on 31 st March 2019	Rs. 1,02,38,174	Rs. 12,97,393	Rs. 79000 (sitting fees)	NA. As appointed w.e.f. 1 st April 2019
Date of first appointment on the Board	08/03/1994	08/03/1994, thereafter resigned on 01/05/2013 and once again joined board w.e.f. 14/01/2016	29/06/2001	01/04/2019
Relationship with other Directors / KMP	Mr. Pawan Jain is brother of Mr. Daulat Jain	Mr Daulat Jain is brother of Mr Pawan Jain	Mr. Sagar Jain does not have any relation with other Directors, Manager and other KMP	Ms Sonu Jain does not have any relation with other Directors, Manager and other KMP

Particulars	Mr. Pawan Jain	Mr. Daulat Jain	Mr. Sagar Jain	Ms Sonu Jain
Directorship held in other Companies	<ul style="list-style-type: none"> ❖ Ashika Capital Ltd ❖ Ashika Share Trading Pvt Ltd ❖ Ashika Hedge Fund Pvt Ltd ❖ Ashika Global Finance Pvt Ltd ❖ Ashika Venture Capital Pvt Ltd ❖ Ashika Properties Pvt Ltd ❖ Ashika Entercon Pvt Ltd ❖ Ashika Wealth Advisors Pvt Ltd 	<ul style="list-style-type: none"> ❖ Ashika Capital Ltd ❖ Ashika Share Trading Pvt Ltd ❖ Ashika Hedge Fund Pvt Ltd ❖ Ashika Global Finance Pvt Ltd ❖ Ashika Venture Capital Pvt Ltd ❖ Ashika Properties Pvt Ltd ❖ Ashika Entercon Pvt Ltd ❖ Ashika Wealth Advisors Pvt Ltd ❖ Ashika Logistics Pvt Ltd ❖ Ashika Minerals India Pvt Ltd ❖ Ashika Business Pvt Ltd ❖ Ashika Stock Broking Limited ❖ Ashika Global Securities Pvt Ltd ❖ Puja Sales Promotion Pvt Ltd ❖ Ashika Stock Broking IFSC Pvt Ltd ❖ Ashika Commodities and Derivatives Pvt Ltd ❖ Trinity Owners Welfare Association 	<ul style="list-style-type: none"> ❖ Ashika Capital Ltd. ❖ Kasturi Infrastructure Pvt. Ltd ❖ Kasturi Infraprojects Pvt. Ltd. ❖ Dewpoint Agencies Pvt. Ltd. ❖ Kasturi Share Broking Pvt. Ltd. ❖ J.S. Credit Capital Pvt Ltd. 	<ul style="list-style-type: none"> ❖ Ashika Stock Broking Ltd. ❖ Budge Budge Refineries Ltd. ❖ Kanchan Oil Industries Ltd.
Membership / Chairmanship of the Committee of the Board of Directors of other Companies in which he/ she is a Director	Nil	Chairman- CSR Committee- Ashika Global Securities Pvt Ltd	Nil	Member- Audit Committee, Nomination & Remuneration Committee- Ashika Stock Broking Limited
Number of Equity Shares held in the Company as on 31.03.2019	789000 in capacity of Karta of Pawan Jain – HUF	450,000	Nil	Nil



ASHIKA CREDIT CAPITAL LIMITED

CIN: L67120WB1994PLC062159

Trinity, 226/1, A.J.C Bose Road, 7th Floor, Kolkata-700020

Tel: (033) 40102500; Fax: (033) 40102543

Email: secretarial@ashikagroup.com • Website: www.ashikagroup.com

PROXY FORM

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

CIN of the Company: L67120WB1994PLC062159

Name of the Company: Ashika Credit Capital Ltd

Registered Office: Trinity, 226/1, A.J.C. Bose Road, 7th Floor, Kolkata - 700020

Name of the member (s)	
Registered Address	
Email Id	
Folio No. / Client ID/ DP ID :	

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

1) Name

Address.....

Email Id :Signature : Or, failing him,

2) Name

Address.....

Email Id :Signature : Or, failing him,

3) Name

Address.....

Email Id :Signature : Or, failing him,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the twenty sixth Annual General Meeting of the Company, to be held on Friday, 9th day of August 2019 at Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 4th Floor, 36A, Shakespeare Sarani, Theatre Road, Kolkata – 700017 at 11.00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional)	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 (Standalone) together with the Reports of the Auditors and the Board of Directors thereon.		
2	To declare dividend for the financial year ended March 31, 2019. The Board recommends a Dividend of Re. 1/- per Equity Share on face value of Rs 10/- per share for the financial year ended March 31, 2019.		
3	To appoint a Director in place of Mr. Daulat Jain (DIN: 00040088), who retires by rotation and being eligible, offers himself for reappointment.		
Special Business			
4	To revise remuneration of Mr. Pawan Jain (DIN: 00038076), Executive Chairman And Whole-Time Director of the company		
5	To reappoint Mr. Pawan Jain (DIN: 00038076) as Executive Chairman & Whole Time Director of the company		
6	To re-appoint Mr. Daulat Jain (DIN: 00040088) as Managing Director & CEO of the company		
7	To appoint Ms. Sonu Jain (DIN: 07267279) as a Non Executive Independent Director, not liable to retire by rotation		
8	To reappoint Mr. Sagar Jain (DIN: 00392422) as Independent Director of the company for a second term of 5 years, not liable to retire by rotation		
9	To approve continuation of payment of remuneration to Executive Directors who are promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018		

Signed this day of 2019.

Signature of Shareholder:

Signature of 1st Proxy holders (s) :

Signature of 2nd Proxy holders (s) :

Signature of 3rd Proxy holders (s) :

Affix
Revenue
Stamp (Re 1)

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, at Ashika Credit Capital Limited , Trinity, 226/1, A.J.C.Bose Road, 7th Floor, Kolkata - 700020, not less than FORTY EIGHT HOURS before commencement of the meeting.