

**INFORMATION MEMORANDUM****ASHNISHA INDUSTRIES LIMITED  
(Formerly known as ASHNISHA ALLOYS LIMITED)****Registered Office:** 7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital,  
Mithakhali Six Roads, Ahmedabad, Gujarat-380006**Telephone Number:** (079) 26463227**Website:** www.ashnisha.in **Email:** ashnishalimited@gmail.com**Contact person:** Dimpal J. Solanki, Company Secretary

(ASHNISHA INDUSTRIES LIMITED was incorporated on 27/07/2009 at Ahmedabad, Gujarat under the Companies Act, 1956. The Company was originally incorporated in the name of Ashnisha Alloys Private Limited. The Company was converted from private limited to public limited on 14/03/2017 and consequently the name of the Company was changed from Ashnisha Alloys Private Limited to Ashnisha Alloys Limited. Thereafter the name of the company was changed to "Ashnisha Industries Limited" on 29/03/2017.)

**INFORMATION MEMORANDUM****Promoters of the Company:**

1. Mr. Shalin A. Shah.
2. Mr. Ashok C. Shah

**Promoter Group:**

3. Mrs. Leena A. Shah
4. Lesha Agro Foods Private Limited
5. Shree Ghantakarna Rolling Mills Private Limited
6. Ashoka Metcast Limited (Formerly Tanya Estates Private Limited)
7. Gujarat Natural Resources Limited
8. Lesha Industries Limited

**GENERAL RISKS**

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of ASHNISHA INDUSTRIES LIMITED, including the risks involved.

**ABSOLUTE RESPONSIBILITY OF ASHNISHA INDUSTRIES LIMITED**

ASHNISHA INDUSTRIES LIMITED having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to ASHNISHA INDUSTRIES LIMITED, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.



**LISTING**

The Equity Shares of ASHNISHA INDUSTRIES LIMITED shall be listed on the BSE Limited (herein after called BSE).

**SHARE TRANSFER AGENT**

**Accurate Securities & Registry Pvt. Ltd,**  
23, 3<sup>rd</sup> Floor, Sarthik Complex,  
Nr. Fun Republic, Iscon Cross Road,  
Satellite, Ahmedabad, Gujarat, 380015, India  
Phone No. & Fax: +91 9033009602-05  
Contact person: Mr. Dixit Parikh  
Website: [www.accuratesecurities.com](http://www.accuratesecurities.com)  
Email: [accuratesecuritiesrta@gmail.com](mailto:accuratesecuritiesrta@gmail.com)



## TABLE OF CONTENTS

SECTION I - GENERAL	Page No.
DEFINITIONS, ABBREVIATIONS & INDUSTRY RELATED TERMS	4
CERTAIN CONVENTIONS; USE OF MARKET DATA	6
FORWARD LOOKING STATEMENTS	7
SECTION II - RISK FACTORS	
RISK FACTORS	8-10
SECTION III - INTRODUCTION SUMMARY	11
GENERAL INFORMATION	12
CAPITAL STRUCTURE	15
CAPITAL EVOLUTION	16
SECTION IV - ABOUT ASHNISHA INDUSTRIES LIMITED	
HISTORY	18
OVERVIEW OF THE INDUSTRY	18
MANAGEMENT	27
GROUP COMPANIES FINANCIAL AND OTHER INFORMATION	30
CORPORATE GOVERNANCE	33
PROMOTER	37
CURRENCY OF PRESENTATION	38
DIVIDEND POLICY	38
SECTION V - FINANCIAL INFORMATION	
FINANCIAL INFORMATION OF THE COMPANY	39
SECTION VI - LEGAL & OTHER INFORMATION	
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	44
SECTION VII - OTHER INFORMATION	
DOCUMENTS FOR INSPECTION	50
DECLARATION	50



## DEFINITIONS, ABBREVIATIONS &amp; INDUSTRY RELATED TERMS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies shall include amendments thereto, from time to time:

Term	Description
"Company" or "Our Company" or Ashnisha Industries Limited	ASHNISHA INDUSTRIES LIMITED (Formerly Ashnisha Alloys Limited), a Public Limited Company incorporated under the Provisions of the Companies Act, 1956.
"We" or "us" and "our"	Refers to ASHNISHA INDUSTRIES LIMITED
Articles/Articles of Association	Articles of Association of ASHNISHA INDUSTRIES LIMITED
Auditors	The Statutory Auditors of ASHNISHA INDUSTRIES LIMITED
Board of Directors/Board/Directors	The Board of Directors of ASHNISHA INDUSTRIES LIMITED
BSE	BSE Limited
Companies Act/ Act	The Companies Act, 1956/ The Companies Act, 2013, as amended from time to time
Current Year	April 1, 2017 to March 31, 2018
DSE	Designated Stock Exchange
EPS	Earnings per equity share
Equity Shares	Equity shares of the Company of Rs. 10/- each unless otherwise specified in the context thereof
Financial year/Fiscal/FY	The twelve months ended 31 <sup>st</sup> March , unless otherwise stated
HUF	Hindu Undivided Family
Scheme or Scheme of Arrangement	Scheme of Arrangement in the nature of demerger of Trading and Investment Business of Lesha Industries Limited and vesting the same into Ashnisha Alloys Private Limited pursuant to sections 391 to 394 and other relevant provisions of the Companies Act, 1956 sanctioned by National Company Law Tribunal (NCLT), Ahmedabad Bench vide its order dated May 29, 2017.

SEBI Guidelines	Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 issued by Securities and Exchange Board of India effective from January 27, 2000, as amended, including instructions and clarifications issued by SEBI from time to time
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Stock Exchanges	BSE Limited
Correspondence Address	7 <sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Ahmedabad, Gujarat-380006
NSDL	National Securities Depository Limited
CDSL	Central Depository Services (India) Limited
RBI	Reserve Bank of India
Information Memorandum	This document filed with the Stock Exchanges is known as and referred to as the Information Memorandum
I.T. Act	The Income-tax Act, 1961, as amended from time to time, except as stated otherwise
Memorandum/Memorandum of Association	The Memorandum of Association of Ashnisha Industries Limited
Banker(s) to the Company	The Bankers of ASHNISHA INDUSTRIES LIMITED



**CERTAIN CONVENTIONS; USE OF MARKET DATA**

Unless stated otherwise, the financial data in this Information Memorandum is derived from our financial statements prepared in accordance with Indian GAAP. The financial information relating to the Company as mentioned in this Information Memorandum pertains to the year commencing on 1<sup>st</sup> April, 2016 and ending on 31<sup>st</sup> March, 2017. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

For definitions, please see the section titled "Definitions, Abbreviations and Industry Related Terms".

All references to "India" contained in this Information Memorandum are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the legal currency of the Republic of India.

Unless stated otherwise, industry data used throughout this Information Memorandum has been obtained from industry publications. Industry publications generally stated that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Information Memorandum is reliable, it has not been independently verified.



**FORWARDLOOKING STATEMENTS**

We have included statements in this Information Memorandum, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements".

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward- looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Inability to gain market acceptance for our products;
- Ability to retain management team and skilled personnel;
- Changes in the value of the Rupee and other currency changes; Changes in Indian or international interest rates;
- Changes in laws and regulations in India; Changes in political conditions in India; and
- Changes in the foreign exchange control regulations in India.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors". By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.



**RISKFACORS**

*An investment in equity shares involves a high degree of risk; you should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.*

**Management Perception**

The prices of the Equity Shares on the Indian stock exchanges may fluctuate after this listing, as a result of several factors including volatility in the Indian and global securities market, the Company's results of operations and performance, performance of the companies in which the Company holds shares, and the perception in the market about investments sector, adverse media reports on the Company or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal regulations.

There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this listing, or that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**> Internal Risk Factors**

- *If governmental regulations affecting our business change, we may need to incur additional costs to comply with the governmental regulations.*
- *If we do not successfully commercialize our products/services under development, or if our commercialization is delayed, it will have a negative impact on operating results.*
- *We would be dependent on our key personnel. If we are not able to continue to attract and retain qualified employees, our operations could be harmed.*

We are dependent on members of our management staff and our employees for the smooth running of our business. Qualified personnel are difficult to attract and retain. We may not be able to continuously attract qualified personnel or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. If we are not able to attract and retain qualified personnel, our results of operations may be adversely affected.

- *If there is a change in accounting or tax policies applicable to us, it may affect our reported results of operations. For example, the government of India has initiated actions to curtail or eliminate certain tax benefits*

New or revised accounting or tax policies promulgated from time to time by relevant Indian authorities may significantly affect our reported results of operations. We are unable to assess at this time the exact implications of the future tax policies. We cannot assure you as to what action the current or future governments of India will take regarding tax aspects applicable to us.

- *Loss making group companies.*

Certain group companies of the Company have incurred loss in the past and may incur loss in future also. However there is no direct impact on the financial condition or financial statements of the Company due to such loss making group companies.





- *If we are unable to gain market acceptance for our products/services, our profitability will be adversely affected.*
- *We operate in a competitive business environment. Competition from Indian and international Companies engaged in business segments that we operate in and consequent pricing pressures may adversely affect our business, financial condition and results of operations.*
- *Volatility in the Rupee against foreign currencies may have an adverse effect on our results of operations.*
- *Significant differences exist between Indian GAAP and other accounting principles, such as IFRS, which may be material to the assessment of our financial condition.*

**External Risk Factors**

- *Down turns or disruptions in the securities markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.*

We are affected directly by national and global economic and political conditions, broad trends in business and finance, disruptions to the securities markets and changes in volume and price levels of securities and future transactions.

- *A significant change in the Indian Government or its economic liberalization and deregulation policies could disrupt our business.*

We are an Indian company and a substantial part of our operations are conducted, and our assets are located in India. The Indian Government has traditionally exercised and continues to exercise a dominant influence over many aspects of the economy. Its economic policies have had and could continue to have a significant effect on private - sector entities, including us, and on market conditions and prices of Indian securities. We cannot assure you that future governments will continue with the same economic policies or the same pace of change. A significant change in government policies could harm business and economic conditions in India in general as well as our business, our future financial performance and the price of our Shares.

- *A slowdown in economic growth in India may adversely affect our business and results of operations.*
- *Increases in interest rates may affect our results of operations.*
- *Compliance with, and changes in, environmental, health and safety laws and regulations may adversely affect our financial condition and results of operations.*
- *If terrorist attacks, communal disturbances or riots erupt in India, or if regional hostilities increase, this would adversely affect the Indian economy, the health of which our business depends upon.*
- *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.*
- *Shareholders bear the risk of fluctuations in the price of our Equity Shares.*

**INTRODUCTION****Summary**

You should read the following summary together with the risk factors and the more detailed information about us and our financial results included elsewhere in this Information Memorandum.

**Industry and Business Overview**

ASHNISHA INDUSTRIES LIMITED (herein after referred as –the Company or –AIL was incorporated on 27<sup>th</sup> July, 2009 with the primary objective of engaging into the business of manufacturing and trading of Steel and Steel alloys. As per the Scheme of Arrangement, now the company will operate into the Trading and Investment Business.

The Company was incorporated as Ashnisha Alloys Private Limited which later on converted to Public Company and thereafter changed to the current name “**Ashnisha Industries Limited**”.

**Main Object**

The following main objects were added to the main objects in the Memorandum of Association of the Company by way of passing special resolution in the Extra Ordinary General Meeting of the Company held on July 30, 2016.

2. To carry on and undertake as its principal business, the business of finance investment and to finance lease operation of all kinds of purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all every kind and description of the purchase of deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale maintenance of any goods, articles or commodities of all and every kind and description upon any land and buildings, plant and machinery equipment, ships, aircraft, automobiles, computers and all consumer commercial and industrial items regardless of whether the property purchased by new and or used and from India or from any part of the world.
3. To finance industrial enterprise and to lend and advance money to entrepreneurs promoters and industrial concerns, (whether directly or indirectly).
4. To acquire and hold shares, stocks, debentures or other securities and to carry on the activities of investment Company.



## GENERAL INFORMATION

ASHNISHA INDUSTRIES LIMITED was incorporated on 27/07/2009 under the Companies Act, 1956. The company was originally incorporated in the name of Ashnisha Alloys Private Limited. The name of the company was changed to ASHNISHA INDUSTRIES LIMITED on 29/03/2017.

**Registered Office of Company**

The Registered Office of the company is at:  
7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG  
Hospital, Mithakhali Six Roads, Mithakhali,  
Ahmedabad - 380006

**Address of Registrar of Companies:**

Registrar of Companies, Gujarat,  
ROC Bhavan, Opp. Rupal Park,  
Near Ankur Bus Stand; Naranpura,  
Ahmedabad, Gujarat - 380013

**Corporate Identity Number:**

U74110GJ2009PLC057629

**Correspondence Address:**

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

**BOARD OF DIRECTORS**

Board of Directors as on the date of filing of the draft Information Memorandum

	Name	Category
1.	Mr. Shalin A. Shah	Director
2.	Mr. Ashok C. Shah	Director
3.	Mr. Chandrakant N. Chauhan	Independent Director
4.	Mrs. Daxaben M. Shah	Independent Director

For further details of the Board of Directors of the Company, please see the section titled "Management".

**Compliance Officer/ Company Secretary: Ms. Dimpal J. Solanki**

Address: 18, Gyanmandir Society,  
B/H Telephone Exchange,  
Vasna, Paldi, Ahmedabad-380007  
Ph No.: +079 26463226  
Email: ashnishalimited@gmail.com

**Statutory Auditors of the Company**

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

**SHARE TRANSFER AGENT**

Accurate Securities & Registry Pvt. Ltd,  
23, 3<sup>rd</sup> Floor, Sarthik Complex,  
Nr. Fun Republic, Iscon Cross Road,  
Satellite, Ahmedabad, Gujarat, 380015, India  
Phone No. & Fax: +91 9033009602-05  
Contact person: Mr. Dixit Parikh  
Website: www accuratesecurities.com  
Email: accuratesecuritiesrta@gmail.com

## INDUSTRY OVERVIEW

The information in this section has not been independently verified by us. The information may not be consistent with other information compiled by third parties within or outside India. The information presented in this section has been obtained from publicly available documents from various sources, including the various Society registered in India for industries involved in Trading and Investment business and other officially prepared materials from the Government of India, industry websites/publications, Annual Reports and company estimates. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Certain information contained herein pertaining to prior years is presented in the form of estimates as they appear in the respective reports/ source documents. The actual data for those years may vary significantly and materially from the estimates so contained.

### 1. MARKET INTRODUCTION

Trading of Steel, Shares & Stock, Toys, Information Technology (IT) and Investments

#### Steel Business: Manufacturing and Trading-

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels. India was the world's third-largest steel producer in 2016. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output. Steel industry and its associated sectors have seen a number of major investments and developments in the recent past. According to the data released by Department of Industrial Policy and Promotion (DIPP), they had attracted Foreign Direct Investments in India (FDI). India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy that has been approved by the Union Cabinet in May 2017 is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors. Our Government is also providing initiatives in this sector. The main consumer market for steel is the construction industry, which accounts for approximately 20% of all steel usage worldwide. Steel is used in girders, piping and many other construction applications. Most large buildings are erected around a steel frame for support, and steel is also used to make the nuts and bolts that are essential for any construction project. Steel also enjoys popularity in the automotive industry, with the majority of car bodies being made of steel, and aerospace industry, as well as the cutlery industry. In a similar vein, stainless steel is used in the manufacture of surgical instruments and wrist watches. It is also one of the primary materials for constructing railway tracks, and electricity pylons are frequently constructed out of steel. Steel is also one of the most frequently recycled materials in the world, with around 85% of all steel is being recycled.

#### Trading of Shares, stocks, toys and Information Technology

Most of the trading in the Indian stock market takes place on its two stock exchanges: the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The BSE has been in existence since 1875. The NSE, on the other hand, was founded in 1992 and started trading in 1994. However, both exchanges follow the same



trading mechanism, trading hours, settlement process, etc. Trading at both the exchanges takes place through an open electronic limit order book, in which order matching is done by the trading computer. There are no market makers or specialists and the entire process is order-driven, which means that market orders placed by investors are automatically matched with the best limit orders. As a result, buyers and sellers remain anonymous. The advantage of an order driven market is that it brings more transparency, by displaying all buy and sell orders in the trading system. However, in the absence of market makers, there is no guarantee that orders will be executed. All orders in the trading system need to be placed through brokers, many of which provide online trading facility to retail customers. Institutional investors can also take advantage of the direct market access (DMA) option, in which they use trading terminals provided by brokers for placing orders directly into the stock market trading system. The overall responsibility of development, regulation and supervision of the stock market rests with the Securities & Exchange Board of India (SEBI), which was formed in 1992 as an independent authority. Since then, SEBI has consistently tried to lay down market rules in line with the best market practices. It enjoys vast powers of imposing penalties on market participants, in case of a breach.

Play is a child's "work" and toys are the tools children use in play. Toys do more than entertain and keep children occupied. Properly chosen, they should aid a child's physical, mental, social and emotional development. Play is universally recognized as a vital part of learning and growing and, because toys are such an important ingredient of play, they are invaluable to a child's development into a mature, confident adult.

No less today than through the history of civilization, toys reflect the times and cultures and provide children with the tools that help them relate to the world in which they live. Today's toy manufacturers keep pace with the rapidly changing world and provide youngsters with correspondingly appropriate playthings for their enjoyment and to challenge their creativity and imagination. Hence according to research the industry involved in manufacturing and trading of toy is rapidly flourishing.

India is one of the fastest growing Information Technology industries in the world and India is the largest Information Technology market. Since then, the competition in the Indian Information Technology market has been rigorous due to the influx of various domestic and international players. The Indian IT market has witnessed significant changes over the last decade. Multinationals with better technology, brand names and finances have made inroads in the market. The sector is highly responsible for propelling India's overall development. The Government of India is taking every possible initiative to boost this sector. The financial sector in India, specifically the banking stocks have been doing well over the last five years. The current condition of the Indian banks seems to be strong and a lot of growth is expected in the near future. The IT stocks too have been faring well and they have a good revenue track record.

### **Investment Business**

Investment is referred to as the concept of deferred consumption, which could be in the form of an asset, rendering a loan, keeping the saved funds in a bank account such that it might generate lucrative returns in the future etc. The options of investments are huge; all of them having different risk-reward trade off. This concludes that the investment industry in India is really broad and that is why understanding the core concepts of investments and accordingly analyzing them is essential. Only after thorough understanding of the investment industry, investor create and manage his own investment portfolio such that the returns are maximized with the minimum level of risk. The investment industry in India has been riding high since the last few years. India's equity market has doubled since 2009.



**2. CAPITAL STRUCTURE****The Capital Structure of the Company- Pre Scheme of Arrangement**

Particulars	Amount (Rs.)
Authorised Capital (10,000 equity shares @ Rs. 10/- per share)	1,00,000
Issued, Subscribed And Paid-Up Share Capital (10,000 fully paid up equity shares @ Rs. 10/- per share)	1,00,000

**The Capital Structure of the Company - Post Scheme of Arrangement**

Particulars	Amount (Rs.)
Authorised Capital (30,70,000 equity shares @ Rs. 10/- per share)	3,07,00,000
Issued and Subscribed and Paid up Share Capital (30,18,764 fully paid up equity shares @ Rs. 10/- per share)	3,01,87,640



## DETAILS OF CAPITAL EVOLUTION

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
Incorporation (27/07/2009 )	10,000	10	Incorporation	10,000	Not listed
10/08/2016	40,000	10	Right Issue	50,000	Not listed
21/08/2017	(50,000)	10	Cancellation / Reduction of entire Pre Arrangement Capital as per Clause 14 of the Scheme of Arrangement.	NIL	Not Applicable
21/08/2017	30,18,764	10	Allotment of Shares as per Clause 15.1 of the Scheme of Arrangement in the nature of Demerger	30,18,764	Not listed (Shares for which listing is currently sought )

## Shareholding pattern

Name of Shareholder	No. of shares held	% holding
<b>A. Promoter's</b>		
(1) Indian		
a) Individual/ HUF	6,43,530	21.32
b) Central Govt	-	-
c) State Govt(s)	-	-
d) Bodies Corp.	4,40,381	14.59
e) Banks / FI	-	-
<b>B. Public Shareholding</b>		
1. Institutions		
a) Mutual Funds	-	-
b) Banks / FI	95	0.003
c) Central Govt	-	-
d) State Govt(s)	-	-
e) Venture Capital Funds	-	-

f) Insurance Companies	-	-
g) FII's	-	-
h) Foreign Venture Capital Funds	-	-
<b>2. Non-Institutions</b>		
a) Bodies Corp.	6,35,724	21.06
b) Individuals		
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	8,24,312	27.31
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4,55,388	15.08
c) Others	19,334	0.64
<b>Total</b>	<b>30,18,764</b>	<b>100</b>

**HOLDINGS OF OFFICE --- BEARERS**

Names of Directors, Managing Director, Chairman, President, Secretary, and Manager	Official relationship to the company	Number of shares (or Debenture amount in Rs.)
(1)	(2)	(3)
Mr. Shalin A. Shah	Director	398621
Mr. Ashok C. Shah	Director	152401
Mr. Chandrakant N. Chauhan	Independent Director	17254
Mrs. Daxaben M. Shah	Independent Director	35617

## Notes:

- 1) As on the date of this Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments of the company into equity shares of the Company.
- 2) The Company, its directors, its promoters have not entered in to any buy-back, stand by or similar arrangements to purchase equity shares of the Company from any person.
- 3) There will be no further issue of capital by ASHNISHA INDUSTRIES LIMITED whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner within a period of six months from the date of this information memorandum.
- 4) There shall be only one denomination for the Equity Shares of the Company, subject to applicable regulations and Company shall comply with such disclosure and accounting norms specified by SEBI, from time to time.
- 5) The Company has approximately 7432 members as on the date of filing this Information Memorandum.

## OUR BUSINESS

### HISTORY

ASHNISHA INDUSTRIES LIMITED (herein after referred as –the Company or –AIL was incorporated on 27<sup>th</sup> July, 2009 with the primary objective of engaging into the business of manufacturing and trading of Steel and Steel alloys. As per the Scheme of Arrangement, now the company will operate into Trading and Investment Business. The Company was originally incorporated in the name of Ashnisha Alloys Private Limited. The Company was converted from private limited to public limited on 14/03/2017 and consequently the name of the Company was changed from Ashnisha Alloys Private Limited to Ashnisha Alloys Limited. Thereafter the name of the company was changed to "Ashnisha Industries Limited" on 29/03/2017.

### OVERVIEW OF MANUFACTURING & TRADING STEEL INDUSTRY

The Engineering Industry and consequently the Steel industry is going through a phase of vigorous growth. Steel is the most widely used material in applications, both simple and sophisticated. It is an important component of industrial, agricultural and infrastructural growth of an economy. The production of steel plays an important role in the development of the country. In view of its significant backward and forward linkages, it is considered as one of the core sector industries of the nation.

India stands in the list of nations having lowest per capita consumption of steel in the world and has a lot of potential to improve. Over the last 10 years, India's per capita consumption of steel has increased significantly. The per capita consumption of steel in Japan is as high as 801.60 kg as against 26 20 kg in India. The world's average per capita consumption of steel is around 156.40 kg and that of developing world is about 58 kg. This gap is also indicative of the scope of growth which is still there in this sector.

After a long hibernation, the steel industry is facing the spring of its life time. The change has brought about two major steps i.e. decontrol of price, licensing and distribution and liberalization of luxury industries like automobiles and consumable durables i.e. white goods. Investment in fresh steel capacity, especially in the private sector, has surged and most of it is going into flat products like hot rolled coils, cold rolled coils, and plain corrugated sheets.

### OVERVIEW OF TRADING OF SHARES, STOCKS, TOYS & INFORMATION TECHNOLOGY INDUSTRY

The stock market is one of the most important ways for companies to raise money, along with debt markets which are generally more imposing but do not trade publicly. This allows businesses to be publicly traded, and raise additional financial capital for expansion by selling shares of ownership of the company in a public market. The liquidity that an exchange affords the investors enables their holders to quickly and easily sell securities. This is an attractive feature of investing in stocks, compared to other less liquid investments such as property and other immovable assets. Some companies actively increase liquidity by trading in their own shares. History has shown that the price of stocks and other assets is an important part of the dynamics of economic activity, and can influence or be an indicator of social mood. An economy where the stock market is on the rise is considered to be an up-and-coming economy. The stock market is often considered the primary indicator of a country's economic strength and development. The smooth functioning of all these activities facilitates economic growth in that lower costs and enterprise risks promote the production of goods and services as well as possibly employment. In this way the financial system is assumed to contribute to increased prosperity. The financial system has undergone a remarkable transformation. A portion of the funds involved in saving and financing, flows directly to the financial markets instead of being routed via the traditional bank lending and deposit operations. The general public interest in investing in the stock market, either directly or through mutual funds, has been an important component of this process.

Statistics show that in recent decades, shares have made up an increasingly large proportion of households' financial assets in many countries. In the 1970s, deposit accounts and other very liquid assets with little risk made up almost 60 percent of households' financial wealth, compared to less than 20 percent in the 2000s. The major part of this adjustment is that financial portfolios have gone directly to shares but a good deal now takes



the form of various kinds of institutional investment for groups of individuals, e.g., pension funds, mutual funds, hedge funds, insurance investment of premiums, etc.

The trend towards forms of saving with a higher risk has been accentuated by new rules for most funds and insurance, permitting a higher proportion of shares to bonds. In all developed economic systems, the trend has been the same: saving has moved away from traditional (government insured) "bank deposits to more risky securities of one sort or another".

The term is commonly used as a synonym for computers and computer networks, but it also encompasses other information distribution technologies such as television and telephones. Several industries are associated with information technology, including computer hardware, software, electronics, semiconductors, internet, telecom equipment, and e-commerce.

Technology companies strive constantly to succeed in fiercely competitive, fast-growing markets. Their work enables companies of all sizes and from every industry and country to reach new markets, create jobs, and raise standards of living around the world. By opening markets, reducing barriers, tackling discriminatory rules and regulations, and injecting more certainty and predictability into the marketplace, international trade and investment agreements are important catalysts for this progress. ITI works closely with governments and other stakeholders to support the negotiation of these agreements, with a focus on promoting the free flow of information across borders, prohibiting requirements calling for the localization of data or hardware, and ensuring that technology goods and services are able to access global markets.

## OVERVIEW OF INVESTMENT INDUSTRY

The Government of India has taken significant initiatives to strengthen the economic credentials of the country and make it one of the strongest economies in the world. India is fast becoming home to start-ups focused on high growth areas such as mobility, e-commerce and other vertical specific solutions - creating new markets and driving innovation.

Owing to higher infrastructure spending, increased fiscal devolution to states, and continued reforms in fiscal and monetary policy, the Indian economic outlook has strengthened. The Government of India is striving to move steadily to minimise structural and political bottlenecks, attract higher investment and improve economic performance. As per the Economic Survey 2016-17, India's Gross Domestic Product (GDP) should grow between 6.75 and 7.5 per cent in FY 2017-18.

India has emerged as one of the strongest performers in terms of deals related to mergers and acquisitions (M&A). M&A activity in India more than doubled year-on-year to reach US\$ 61.26 billion in 2016-17. The business-to-business (B2B) startups in India raised around US\$ 98 million across 30 deals in 2016, as against funding of US\$ 16 million across 14 deals in 2015. The deal momentum is likely to see an uptrend in the coming months on account of improving economic growth.

### Investments/developments

With the improvement in the economic scenario, there have been quite a few investments in various sectors along with M&A in India. Some of them are as follows:

- National Aluminium Company (NALCO) plans to invest Rs 12,000 crore (US\$ 1.84 billion) to construct a new smelter at Kamakhyanager in Odisha.
- Cairn India Ltd (CIL) plans to invest US\$ 1 billion in Raageshwari Deep Gas (RDG) project, the enhanced oil recovery (EOR) programme at Aishwariya fields, the EOR programme at Bhagyam and Barmer Hill and Aishwariya Barmer Hill.
- The Indian telecommunication sector attracted over Rs 3.3 trillion (US\$ 50.7 billion) from top business giants like Reliance Industries and Aditya Birla Group, according to Ms. Aruna Sundararajan, Secretary, Ministry of Electronics and Information Technology.

- Altico Capital India Pvt Ltd, a non-banking financial company, has invested around Rs 575 crore (US\$ 85.24 million) across three real estate projects in Mumbai, Pune and Bengaluru, and plans to invest another Rs 600 crore (US\$ 89.77 million) in tier-I cities over the next three months.
- Suzlon Energy Ltd, one of India's leading wind turbine maker, plans to set up 3,000 megawatt (MW) power generation units of solar, wind and hybrid sources in Telangana, with an investment of Rs 1,200 crore (US\$ 179.55 million).
- Indospace, a developer of industrial realty and logistics parks, plans to invest US\$ 1 billion in India over the next five years, increasing its development pipeline in the country from 20 million square feet to 50 million square feet.
- Videocon Industries Ltd plans to set up a mobile handset assembly plant along with manufacturing set top boxes in Punjab for an investment of Rs 500 crore (US\$ 74.81 million) over three years.
- The Union Government has approved setting up of a new Ammonia-Urea Complex of 8.64 Lakh MTA capacity with an estimated investment of Rs 4,500 crore (US\$ 0.67 billion) under Public Private Partnership (PPP), at Namrup in Assam.
- Coal India (CIL) plans to invest US\$ 20-25 billion in next five years to achieve annual output of 1 billion tonnes by 2019-20.

### Government Initiatives

The Government of India has taken several initiatives in various sectors to improve the overall economic condition in the country. Some of these are:

- The Government of Gujarat has signed 54 memorandum of understanding (MoUs) worth Rs 5,022 crore (US\$ 771.56 million) in the biotechnology sector and 89 MoUs worth Rs 16,000 crore (US\$ 2.46 billion) in the information technology (IT) sector, during the Vibrant Gujarat Global Summit-2017.
- Ms. Mamata Banerjee, Chief Minister of West Bengal, has verified that the state has received investment proposals worth Rs 2.35 trillion (US\$ 36.10 billion) across sectors at the third Bengal Global Business Summit, organised by the state government on January 20-21, 2017.
- The dairy and irrigation schemes worth Rs 35,000 crore (US\$ 5.38 billion) introduced in the Union Budget 2017-18, are expected to revive public investments in the agriculture sector, and also help in upgrading the processing infrastructure of dairy sector, as per Mr. Harsh Kumar Bhanwala, Chairman, NABARD.
- The Government of Karnataka has approved three investment proposals worth Rs 2,211 crore (US\$ 0.33 billion), which includes that of PepsiCo and Biocon for setting up their new production facilities in the state, and one expansion project proposal of Manyata Promoters Private Limited.
- The state government of Haryana has signed 38 investment agreements with different companies, involving investment commitments of Rs. 128,740 crore (US\$ 19.15 billion) on the first day of the Haryana Global Investors Summit 2016.
- Government of Karnataka has approved investment proposals worth Rs 23,383 crore (US\$ 3.50 billion) for solar power park, steel plant and a cement plant, ahead of the state's Global Investor Meet.
- During the Invest Karnataka 2016 event for promoting the state among investors and business community, the state government signed 147 projects totaling Rs. 1.33 lakh crore (US\$ 19.90 billion) across several sectors such as energy, steel, pharmaceuticals, IT, biotechnology, agriculture, infrastructure and tourism.
- Prime Minister Mr. Narendra Modi has set up a panel called 'The empowered committee for innovative collaborations' which would look into how government projects can be executed using latest technology and processes. The committee will consider projects in areas such as infrastructure, manufacturing and science and technology involving investments of Rs 2,000 crore (US\$ 299.24 million) and more.
- During the Resurgent Rajasthan Summit, 295 proposals worth Rs 3.3 lakh crore (US\$ 49.38 billion) received over the past one year were announced on the first day of the summit, which are expected to create 250,000 jobs, as per Rajasthan Chief Minister Ms. Vasundhara Raje.





- The Union Cabinet cleared redevelopment of 400 railway stations, through open invitation from interested parties with their designs and business ideas, including permitting commercial development of real estate by the zonal Railways.
- The Cabinet gave its approval for the development of the six-laning of Eastern peripheral expressway in Haryana and Uttar Pradesh. The cost is estimated to be Rs 7,558 crore (US\$ 1.13 billion).
- Union Ministry of Shipping plans to raise US\$ 15.8 billion in dollar equivalents at the interest rate of three per cent, for developing ships, building ports and improving inland waterways.
- The Cabinet approved the creation of an intra-state transmission system in Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra and Rajasthan at an estimated cost of Rs 8,549 crore (US\$ 1.28 billion). The plan involves setting up of 48 new grid sub-stations of different voltage levels in these seven states.
- Ministry of environment and forests has granted environment clearance for 35-km coastal road connecting south and north Mumbai. The coastal road project is part of the US\$ 9.52 billion transport infrastructure projects being undertaken by the state government and is expected to require an investment of US\$ 1.34 billion.
- The Government of India will provide soft loan of US\$ 1 billion to sugar mills to help them clear part of their US\$ 3.33 billion dues to farmers. The money shall be directly credited to the farmer's bank accounts through the Pradhan Mantri Jan-Dhan Yojana.



**OUR BUSINESS****Steel Manufacturing and Trading Sector:**

Steel industry is a key driver for the Indian economy. Increased spending in this sector has a multiplier effect on overall economic growth as it necessitates industrial growth and manufacturing.

Being the basic product having its application in various sectors, the product proposed by the company offers bright prospects and seeing the wide scope of growth in this particular industry, the promoters have decided to expand the base & its existing activities and accordingly this project has been conceived by the promoters.

The Company is a significant manufacturer in India providing standard and customised products of steel and steel alloys to clients across industries. Having experience and expertise in serving the industrial clients, the Company with its wide range of steel and steel products is fully capable of serving Iron & Steel Industries. With the team of competent engineers, the Company is capable to offer standardized products without carrying out major modification in the existing setup.

**Trading of Shares, Stocks, Toys, Information Technology**

The share market is place for raising money. In exchange for the money, companies issue shares. Owning a share is akin to holding a portion of the company. These shares are then traded in the share market. Shares are thus, a certificate of ownership of a corporation. Thus, as a stockholder, you share a portion of the profit the company may make as well as a portion of the loss a company may take. As the company keeps doing better, your stocks will increase in value.

Once new securities have been sold in the primary market, these shares are traded in the secondary market. This is to offer a chance for investors to exit an investment and sell the shares. Secondary market transactions are referred to trades where one investor buys shares from another investor at the prevailing market price or at whatever price the two parties agree upon. Normally, investors conduct such transactions using an intermediary such as a broker, who facilitates the process.

Stock markets are risky. Hence, they need to be regulated to protect investors. The Security and Exchange Board of India (SEBI) is mandated to oversee markets. SEBI has the responsibility of both development and regulation of the market. It regularly comes out with comprehensive regulatory measures aimed at ensuring that end investors benefit from safe and transparent dealings in securities.

Its basic objectives are:

- Protecting the interests of investors in stocks
- Promoting the development of the stock market
- Regulating the stock market

India is the world's largest sourcing destination for the information technology (IT) industry. More importantly, the industry has led the economic transformation of the country and altered the perception of India in the global economy. India's cost competitiveness in providing IT services. However, India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centres in India. The IT industry has also created significant demand in the Indian education sector, especially for engineering and computer science. The Indian IT and ITeS industry is divided into four major segments – IT services, Business Process Management (BPM), software products and engineering services, and hardware. The Company gaining quick evolution in this sector.

**Investment Business**

- As stated earlier, Investment industry is huge, the sector is the driver of economy's growth. The overall investment objective of the Organization is to maximize the return on invested assets while minimizing risk and expenses. This is done through prudent investing and planning, as well as through the maintenance of a diversified portfolio. The Organization is expected to operate in perpetuity. Interim fluctuations should be viewed with appropriate perspective. The Organization should determine its own credit quality standards and prohibited transactions, based on its investment objectives and risk tolerance. The Organization will maintain a reasonable diversification of investment assets between asset classes and investment categories at all times. Performance objectives are to be met on a net of fees basis. The investment performance of each asset allocation class will be measured on two levels: against inflation objectives for the total Organization and against index objectives for individual portfolio components. Investment performance shall be measured no less than quarterly on a net of fees basis. Performance shall be evaluated on a three to five year basis to allow for market fluctuations and volatility.

#### **Business strategy of the Company in near future:**

Business strategy is the firm's working plan for achieving its vision, prioritizing objectives, competing successfully, and optimizing financial performance with its business model. The choice of objectives is the heart of the strategy, but a complete strategy also describes specifically *how* the firm plans to meet these objectives. As a result, the strategy explains in practical terms how the firm differentiates itself from competitors, how it earns revenues, and where it earns margins. Strategies reflect the firm's strengths, vulnerabilities, resources, and opportunities. And, they also reflect the firm's competitors and its market. Our Company had formed the business strategy to compete in the today' world of innovation, modernization, evolution, upgradation and transformation.

**MAIN OBJECT**

1. To carry on the business of manufacturer, importer, exporter, trading of stainless steel, special steel, alloy steel, ferrous and non-ferrous metals from scrap of iron ore or any other similar raw materials and to manufacture in the foundry casting ingots or billets, pipes and tubes.
2. To carry on and undertake as its principal business, the business of finance investment and to finance lease operation of all kinds of purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all every kind and description of the purchase of deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale maintenance of any goods, articles or commodities of all and every kind and description upon any land and buildings, plant and machinery equipment, ships, aircraft, automobiles, computers and all consumer commercial and industrial items regardless of whether the property purchased by new and or used and from India or from any part of the world.
3. To finance industrial enterprise and to lend and advance money to entrepreneurs promoters and industrial concerns, (whether directly or indirectly).
4. To acquire and hold shares, stocks, debentures or other securities and to carry on the activities of investment Company.

**CORPORATE GOVERNANCE & INTERNAL CONTROL SYSTEM**

Our **Core Values** have been developed for our customers, Stake holders, financial institutions, society and for our colleagues. They revolve around Value offering, Client satisfaction, Employee T & D, Innovation and Social Responsibility.

We aspire to have our client know and say the following about us:

- They are interested in working out what is ideal for me.
- They make available what is desired by me.
- The prices are affordable.
- They make things work in an organized manner.
- They deal with inquiries/queries satisfactorily.

For our colleagues, we believe there are four core values that constitute who we are, as individuals and as a team:

- We love to make our clients happy and gratified
- We know our stuff
- We love to work here
- We deliver

The group is having **HR PROCESSES** to make the company most competitive in the market in terms of human resources and aim to have professionally managed company.

1. **HIRING** - We hire the right people who match with our requirements through our variety of possible interview techniques, including telephone interviews, written test, technical interview, HR interview, panel interviews (higher position).
2. **WELCOMING** - We conduct an exhaustive induction program to train our employees with the complete processes of the organization and introduce to his/her colleagues. Also provide with an orientation kit.
3. **COMMUNICATING** - Through **portals** and **webmaster mails**, all employees are adequately informed regarding any new updates in the organization. We believe in communicating the right information to all our employees to maintain the trust they have in us.
4. **LISTENING** - We have an open culture where anyone is free to approach seniors without following the defined hierarchy. Transparency is maintained between the employees and the management. '**Employee Suggestion Program**' ensures performance/ quality improvisation.
5. **DEVELOPING** - According to the skill gaps identified, trainings are organized regularly to enhance the learning of the employees. We try to cover every employee of the organization to attend relevant trainings. Trainers from best in the market are invited for taking workshops and sessions.
6. **CELEBRATING** - We include family members of all employees to be a part of the celebrations.
7. **SHARING** - We distribute Bonus during the time of Diwali along with a box of sweets. We follow the policy and motto "**All are equal**".
8. **LEAVE BENEFITS**-We provide monthly two paid leaves to our employees that is 24 leaves in a year and



if not availed by employee the same can be encashed by the employee at the end of the year. Apart from that we also deliver paid holidays for Independence Day, Republic Day, Holi, Dussera, and Diwali. We also allow our employees to take time off without pay or let them use vacation days for religious holidays.

9. **PERQUISITES-** We offer our employees yearly health check-ups and reimbursement of medical expenses on submission of medical invoices. We also reimburse transportation cost borne by employee for official visit and lunch taken during their official call. We also offer to reimburse monthly Mobile bills of the employees. Beside this, the Company also pay extra remuneration on overtime done by the employees.



**MANAGEMENT**

Under our Articles of Association, our Company required to have not less than 3 Directors and not more than 15 Directors. Currently, our Company has 4 Directors out of which 2 is Independent Director. The composition of the Board of Directors is governed by the provisions of the Companies Act and Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

**Board of Directors**

As on the date of this Information Memorandum, our Board comprises of:

Name	DOB	DIN No./PAN No.	Address	Designation	Date of Appointment	Date of expiration of term	Directorship in other Companies
Mr. Shalin A. Shah	31/08/1973	00297447	98, Lavanya Society, New Vikasgruh Road, Ahmedabad, 380007, Gujarat	Director	27/07/2009	Nil	1.Gujarat Natural Resources Limited 2.Lesha Industries Limited 3.Lesha Agro Foods Private Limited 4.Shree Ghantakarna Rolling Mills Private Limited 5.Ashoka Metcast Limited (Formerly Tanya Estates Private Limited)
Mr. Ashok C. Shah	07/09/1944	02467830	98, Lavanya Society, New Vikasgruh Road, Ahmedabad, 380007, Gujarat	Director	27/07/2009	Nil	1.Gujarat Natural Resources Limited 2.Lesha Industries Limited 3.Lesha Agro Foods Private Limited

							4.Shree Ghantakarna Rolling Mills Private Limited 5.COE Infosystems Private Limited 6. Ashoka Metcast Limited (Formerly Tanya Estates Private Limited)
Mr. Chandrakant N. Chauhan	12/07/1993	08057354	A-8, Shastrinagar Society, Kadi Kalol Road, Opp. Esar Petrol Pamp, Mehsana, Gujarat - 382715	Independent Director	08/02/2018	07/02/2023	Nil
Mrs. Daxaben M. Shah	27/06/1951	08054390	24, Maulik Apartment, Nr. Sukhipur, Paldi, Ahmedabad-380007, Gujarat	Independent Director	08/02/2018	07/02/2023	Nil

**Shareholding of Directors in the Company as on date of this Information Memorandum:**

Name of the Directors	Number of Shares held	Percentage of holding (%)
Mr. Shalin A. Shah	398621	13.20
Mr. Ashok C. Shah	152401	5.05
Mr. Chandrakant N. Chauhan	17254	0.57
Mrs. Daxaben M. Shah	35617	1.18

**BRIEF PROFILE OF DIRECTORS:****MR. SHALIN A. SHAH**

Shri. Shalin A. Shah aged around 44 years, an Engineering Graduate is the Promoter and Director of the Company. He looks after day to day affairs of the Company. He is also the Promoter and Director of Lesha Industries Limited as well as Gujarat Natural Resources Limited, Listed entities. He is the Managing Director of the Group Company Gujarat Natural Resources Limited and Ashoka Metcast Limited. He has rich experience in the areas of Management, Finance and Corporate Laws. He can efficiently look after the administration activities of the Company. He has a very sound background of Commercial and operations of a large scale organization. He is the man behind the overall growth of the Group and his entrepreneurial spirit has made the group to its present position of success and eminence.

**MR. ASHOK C. SHAH**

Shri Ashok C. Shah aged about 73 years, has studied in USA is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merry II Lynch Corp., USA. He has around 20 years experience in Steel Trading and Manufacturing Business in India. He is the Promoter and Director of the Company. He is also the Promoter and Director of Lesha Industries Limited as well as Gujarat Natural Resources Limited, Listed Group Companies. He is the Chairman of Gujarat Natural Resources Limited. His support and decision making ability has paved way for further advancement and expansion of the entire Business group.

**MR. CHANDRAKANT N. CHAUHAN**

Mr. Chandrakant N. Chauhan is engaged in the marketing activity and has varied experience moreover he has dynamic qualities and rich managerial skills therefore his involvement in the Company will be beneficial for the future growth and development of the Company.

**MRS. DAXABEN M. SHAH**

Mrs. Daxaben M. Shah has very sound knowledge of management and administration. Through continuous efforts and sincere practice she had been capable of managing business activities and taking important decision in the interest of the Company.

**Compensation to Managing Director / Whole Time Director**

No remuneration is paid to the Managing Director /Whole time Directors of the Company.

## OUR GROUP COMPANIES

Pursuant to Clause (IX) (C) of Part A of Schedule VIII of the SEBI (ICDR) Regulations, 2009, the financial and other information of the group companies are given below:

Following are the Group Companies:

## 1) LESHA INDUSTRIES LIMITED

Lesha Industries Limited was incorporated on 23/11/1992 under the Companies Act, 1956 has its Registered Office at 7<sup>TH</sup> Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006 Gujarat. The Company's shares are listed on BSE.

## BOARD OF DIRECTORS AS ON DATE

Name	Position
Mr. Shalin Ashok Shah	Director
Mr. Ashok Chinubhai Shah	Director
Mr. Hiteshkumar Madhubhai Donga	Independent Director
Ms. Payal Pandya	Independent Director

## SHAREHOLDING PATTERN AS ON 31/03/2017

Sr. No.	Name of the Shareholders	No. of Shares Held	% Holding
1.	Promoter & Promoter Group Holding	33,87,223	35.91
2.	Public Holding	60,46,415	64.09
	<b>Total</b>	<b>94,33,638</b>	<b>100</b>

## FINANCIAL PERFORMANCE

Particulars	For the Financial Years ended on 31 <sup>st</sup> March	
	2017	2016
Sales	76,40,566	8,96,29,908
Other Income	32,837	40,815
PAT/ (loss)	(16,64,545)	(5,93,455)
Equity Share Capital	9,43,36,380	9,43,36,380
Reserves & Surplus	11,43,55,581	11,60,20,126
EPS per Share of Rs. 10	(0.18)	(0.06)

## 2) GUJARAT NATURAL RESOURCES LIMITED

Gujarat Natural Resources Limited was incorporated on 23/08/1991 under the companies Act, 1956, has its Registered Office at 8, Sigma Corporate, Nr. Mann Party Plot, S. G. Highway, Bodakdev, Ahmedabad-380054, Gujarat. The Company's shares are listed on BSE.

## BOARD OF DIRECTORS AS ON DATE

Name	Position
Mr. Shalin Ashok Shah	Managing Director
Mr. Ashok Chinubhai Shah	Chairman & Director
Mr. Malav Ajitbhai Mehta	Director
Mr. Pravinbhai Vrajlal Trivedi	Independent Director
Ms. Sarika Kulkarni	Independent Director
Ms. Payal Pandya	Independent Director

## SHAREHOLDING PATTERN AS ON 31/03/2017

Sr. No.	Name of the Shareholders	No. of Shares Held	% Holding
1.	Promoter Holding	92,54,362	23.88
2.	Public Holding	2,94,97,283	76.12
	<b>Total</b>	<b>3,87,51,645</b>	<b>100</b>

## FINANCIAL PERFORMANCE

Particulars	For the Financial Years ended on 31 <sup>st</sup> March	
	2017	2016
Sales	-	-
Other Income	12737543.00	1673288.00
PAT/ (loss)	4134438.20	(3415874.50)
Equity Share Capital	387516450.00	387516450.00
Reserves & Surplus	437134599.71	436875326.51
EPS per Share of Rs. 10	0.11	(0.09)

## 3) ASHOKA METCAST LIMITED (Formerly known as TANYA ESTATES PRIVATE LIMITED)

Ashoka Metcast Limited (Formerly known as Tanya Estates Private Limited) was incorporated on 29/07/2009 under the companies Act, 1956 has its Registered Office at 7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Mithakhali, Ahmedabad-380006, Gujarat. The Company is listed on the SME platform of BSE.

## BOARD OF DIRECTORS AS ON DATE

Name	Position
Mr. Shalin Ashok Shah	Managing Director
Mr. Ashok C. Shah	Director
Ms. Chitra J. Thaker	Independent Director
Ms. Payal Pandya	Independent Director



## SHAREHOLDING PATTERN AS ON 31/03/2017

Sr. No.	Name of the Shareholders	No. of Shares Held	% Holding
1.	Promoter Holding	10000	100
2.	Public Holding	-	-
	<b>Total</b>	<b>10000</b>	<b>100</b>

## FINANCIAL PERFORMANCE

Particulars	For the Financial Years ended on 31 <sup>st</sup> March	
	2017	2016
Sales	9,85,000	0
Other Income	0	35,000
PAT/ (loss)	106659.91	13690.78
Equity Share Capital	100000.00	100000.00
Reserves & Surplus	30156.69	(76503.22)
EPS per Share of Rs. 10	10.67	1.37

## 4) SHREE GHANTAKARNA ROLLING MILLS PRIVATE LIMITED

Shree Ghantakarna Rolling Mills Private Limited was incorporated on 26/06/1984 under the Companies Act, 1956 has its Registered Office at 7<sup>th</sup> Floor, Ashoka Chambers, Rasala Marg, Mithakhali, Ahmedabad - 380006, Gujarat. The Company's shares are not listed on any Stock Exchange in India.

## BOARD OF DIRECTORS AS ON DATE

Name	Position
Mr. Shalin Ashok Shah	Director
Mr. Ashok Chinubhai Shah	Director

## SHAREHOLDING PATTERN AS ON 31/03/2017

Sr. No.	Name of the Shareholders	No. of Shares Held	% Holding
1.	Promoter Holding	12050	100
2.	Public Holding	0	0
	<b>Total</b>	<b>12050</b>	<b>100</b>

## FINANCIAL PERFORMANCE

Particulars	For the Financial Years ended on 31 <sup>st</sup> March	
	2017	2016
Sales	0	0
Other Income	6000.00	50500.00
PAT/ (loss)	(2943314.11)	(1481167.80)
Equity Share Capital	1205000.00	1205000.00
Reserves & Surplus	(8366053.68)	(5422739.57)
EPS per Share of Rs. 10	(244.26)	(122.92)





**5) LESHAGRO FOODS PRIVATE LIMITED**

Leshagro Foods Private Limited was incorporated on 06/02/2012 under the Companies Act, 1956, has its Registered Office at 7<sup>th</sup> Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad - 380006, Gujarat. The Company's shares are not listed on any Stock Exchange in India.

**BOARD OF DIRECTORS AS ON DATE**

Name	Position
Mr. Shalin Ashok Shah	Director
Mr. Ashok Chinubhai Shah	Director

**SHAREHOLDING PATTERN AS ON 31/03/2017**

Sr. No.	Name of the Shareholders	No. of Shares Held	% Holding
1.	Promoter Holding	10000	100
2.	Public Holding	-	-
	<b>Total</b>	<b>10000</b>	<b>100</b>

**FINANCIAL PERFORMANCE**

Particulars	For the Financial Years ended on 31 <sup>st</sup> March	
	2017	2016
Sales	0	0
Other Income	2500.00	0
PAT/ (loss)	(5600.00)	(16902.16)
Equity Share Capital	100000.00	100000.00
Reserves & Surplus	(72290.92)	(66690.92)
EPS per Share of Rs. 10	(0.56)	(1.69)

## CORPORATE GOVERNANCE

The provisions of the Listing Regulations with respect to corporate governance will be applicable to the Company immediately upon the listing of its Equity Shares on the Stock Exchanges subject to the provisions of Regulation 15(2)(a) of Chapter IV of Listing Regulations. The Company is fully compliant with the provisions of the Listing Regulations.

The Company has formed the following committees:

**1. Audit Committee**

- |                               |  |
|-------------------------------|--|
| a. Mr. Chandrakant N. Chauhan | Chairperson, Independent,<br>Non-executive |
| b. Mrs. Daxaben M. Shah       | Independent, Non-executive                 |
| c. Mr. Shalin A. Shah         | Non-Independent, Non-Executive             |

**2. Nomination and Remuneration Committee**

- |                               |  |
|-------------------------------|--|
| a. Mrs. Daxaben M. Shah       | Chairperson, Independent,<br>Non-executive |
| b. Mr. Chandrakant N. Chauhan | Independent, Non-executive                 |
| c. Mr. Shalin A. Shah         | Non-Independent, Non-Executive             |

**3. Stakeholders' Relationship Committee**

- |                               |  |
|-------------------------------|--|
| a. Mrs. Daxaben M. Shah       | Chairperson, Independent,<br>Non-executive |
| b. Mr. Chandrakant N. Chauhan | Independent, Non-executive                 |
| c. Mr. Ashok C. Shah          | Executive                                  |

**Board of Directors**

As on the date of this Information Memorandum, our Board comprises of:

Name	DOB	DIN No./PAN No,	Address	Designation	Date Of Appointment	Date of expiration of term	Directorship in other Companies
Mr. Shalin A. Shah	31/08/1973	00297447	98, Lavanya Society, New Vikasgruh Road, Ahmedabad, 380007, Gujarat	Director	27/07/2009	Nil	1.Gujarat Natural Resources Limited 2.Lesha Industries Limited 3.Lesha Agro Foods Private Limited 4.Shree Ghantakarna



							Rolling Mills Private Limited  5.Ashoka Metcast Limited (Formerly known as Tanya Estates Private Limited)
Mr. Ashok C. Shah	07/09/1944	02467830	98, Lavanya Society, New Vikasgruh Road, Ahmedabad, 380007, Gujarat	Director	27/07/2009	Nil	1.Gujarat Natural Resources Limited 2.Lesha Industries Limited 3.Lesha Agro Foods Private Limited 4.Shree Ghantakarna Rolling Mills Private Limited 5.COE Infosystems Private Limited 6.Ashoka Metcast Limited (Formerly known as Tanya Estates Private Limited)
Mr. Chandrakant N. Chauhan	12/07/1993	08057354	-8, Shastrinagar Society, Kadi Kalol Road, Opp. Esar Petrol Pamp, Mehsana, Gujarat - 382715	Director	08/02/2018	07/02/2023	Nil
Mrs. Daxaben M.	27/06/1951	08054390	24, Maulik Apartment, Nr.	Director	08/02/2018	07/02/2023	Nil

Shah			Sukhipur, Paldi, Ahmedaba d-380007, Gujarat.				
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**Shareholding of Directors in the Company as on date of this Information Memorandum:**

Name of the Directors	Number of Shares held	Percentage of holding (%)
Mr. Shalin A. Shah	398621	13.20
Mr. Ashok C. Shah	152401	5.05
Mr. Chandrakant N. Chauhan	17254	0.57
Mrs. Daxaben M. Shah	35617	1.18

**Remuneration of Directors:**

No remuneration is payable or paid to the directors by the Company.

**Related Party Transactions:**

No Related Party Transactions has been entered into by the Company during the 3 years immediately preceding the date of this information memorandum

## PROMOTERS

## OUR PROMOTER

As on date of this Information Memorandum, the Promoters hold 35.91% of the equity shares of our Company.

## Details of the Promoter

Sr. No.	Name	Brief Profile of Promoters
1	Mr. Shalin A. Shah	<p>Mr. Shalin A. Shah is the Promoter-Director of the company. He is an Engineering Graduate having more than 20 years of experience as a leading business entrepreneur in various sectors. Objective of Promoter's Company and group Companies is to have sustainable competitive advantage in the highly dynamic and fierce competitive market. He is the man behind the overall growth of the Group and his entrepreneurial spirit has made the group to its present position of success and eminence.</p> <p>Brief description about the companies involved and implemented by Mr. Shalin A. Shah:</p> <p><b>Lesha Industries Limited</b> The Company is primarily in to the business of trading of various steel products and in the business of Information Technology and allied services. The Company also operates in the capital market in shares and stocks. The Company is listed on Bombay Stock Exchange.</p> <p><b>Gujarat Natural Resources Limited</b> Gujarat Natural Resources Limited (GNRL) is an Indian Company with primary focus in upstream oil &amp; gas sector in India. GNRL is a public limited company having its equity shares being actively traded on Bombay Stock Exchange. GNRL, through its step-down subsidiary GNRL Oil &amp; Gas Limited (formerly Heramec Limited), has participating interests in 6 producing blocks in Cambay basin. GNRL Oil &amp; Gas Limited is also operator in four of these blocks.</p> <p><b>Ashoka Metcast Limited (Formerly known as Tanya Estates Private Limited)</b> The Company was formed to provide the services as promoters, organisers and developers of lands, buildings, shopping office complex, hotels and to deal with and improve such properties either as owner or as agents. The Company provides entire gamut of real estates and infrastructure business, right from concept to the commission of Project. For any specific requirement - they provides complete services with necessary Co-ordination with Solicitors, Legal advisers and other relevant</p>





		<p>professionals all over Gujarat. Recently the Company had widened its arena of operations and started new activity of trading of steel and steel alloys, their products and by-products.</p> <p><b>Shree Ghantakarna Rolling Mills Private Limited</b> The Company was formed with the name "Shivani Rolling Mills Private Limited" on 26<sup>th</sup> day of June, 1984 to deal as manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, buyers, sellers, agents, or merchants in all kinds and forms of steel and iron casting, steel including mild, high carbon, spring, high speed, tool, alloys, stainless and steel, iron, metals and alloys.</p> <p><b>Lesha Agro Foods Private Limited</b> Lesha Agro Foods Private Limited ("LAFPL") was incorporated on February 06, 2012 under the Companies Act, 1956 having its registered office at 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Mithakhali, Ahmedabad - 380006, Gujarat with an object of farming, agriculture, horticulture and its branches and to deal in its products.</p>
2	Mr. Ashok C. Shah	<p>Shri Ashok C. Shah aged about 74 years, has studied in USA is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merryll Lynch Corp., USA. He has around 20 years experience in Steel Trading and Manufacturing Business in India. He is the Promoter - Director of the Company. He is also the Promoter and Director of Lesha Industries Limited as well as Gujarat Natural Resources Limited, Listed Group Companies. He is the Chairman of Gujarat Natural Resources Limited. His support and decision making ability has paved way for further advancement and expansion of the entire Business group.</p>

#### CURRENCY OF PRESENTATION

In this Information Memorandum all references to 'Rupees' and 'Rs' are to Indian Rupees, the legal currency of India.

#### DIVIDEND POLICY

There is no set dividend payment policy. Dividend is intended to be declared based on the quantum and availability of future profits and will be disbursed based on shareholder approval based on the recommendation of the Board of Directors. We have not paid any dividend in the past.

**FINANCIAL INFORMATION**  
**Balance Sheet**

PARTICULARS	SCHE. No.	CURRENT YEAR	PREVIOUS YEAR
		31ST MARCH 2017	31ST MARCH 2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>(1) Shareholder's funds</b>			
(a) Capital	1	5,00,000	1,00,000
(b) Reserve & Surplus	2	(2,26,006)	(90,514)
<b>(2) Share application money allotment Pending</b>			
<b>(3) Non Current Liabilities</b>			
(a) Long term borrowings	3	2,12,42,816	2,11,22,816
<b>(4) Current Liabilities</b>			
(a) Short term borrowings			
(b) Trade payable	4	30,47,184	1,47,40,377
(c) Other current liabilities			
(d) Short term provisions	5	39,750	27,500
<b>TOTAL</b>		<b>2,46,03,744</b>	<b>3,59,00,179</b>
<b>Assets</b>			
<b>(1) Non current Assets</b>			
(a) Fixed assets			
(i) Tangible assets			
(ii) Intangible assets			
(b) Long Term Investment	6	2,09,36,500	1,84,36,500
(c) DTA (Net)			
<b>(2) Current Assets</b>			
(a) Inventories			
(b) Trade receivables	7	30,37,847	1,47,56,387
(d) Cash & Cash equivalents	8	1,56,397	2,526,431
(e) Short Term Loans & Advances	9	4,73,000	1,73,761
(f) Other Current Assets	10		7,100
<b>TOTAL</b>		<b>2,46,03,744</b>	<b>3,59,00,179</b>

## Profit and Loss

PARTICULARS	SCH.	CURRENT YEAR	PREVIOUS YEAR
		31ST MARCH 2017	31ST MARCH 2016
I Revenue from Operations	11	54,39,842	1,40,53,701
II other Income	12	5,0000	0
<b>III TOTAL REVENUE (I +II)</b>		<b>54,44,842</b>	<b>1,40,53,701</b>
<b>EXPENSES</b>			
Purchase of Stock in Trade	13	54,24,634	1,40,28,930
Changes in Inventories			
Employee Benefit Expenses			
Finance Costs			
Depreciation and Amortization Expenses			
Other Expenses	14	1,55,700	33,632
<b>IV TOTAL EXPENSES</b>		<b>55,80,334</b>	<b>1,40,62,562</b>
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		(1,35,492)	(8,861)
VI Exceptional Items			
<b>VII Profit before Extraordinary Items and Tax</b>		<b>(1,35,492)</b>	<b>(8,861)</b>
<b>X Tax Expense</b>			
Current Tax			
Deferred Tax			
		(1,35,492)	(8,861)
<b>XI Profit/(Loss) for the period from continuing Operations(IX-X)</b>			
XII Profit/(Loss) from discontinuing Operations			
XIII Tax Expense of Discontinuing Operations			
XIV Profit/(Loss) from Discontinuing Operations(after tax)(XII-XIII)			
<b>XV Profit/(Loss) for the Period (XI + XIV)</b>		<b>(1,35,492)</b>	<b>(8,861)</b>
XIV Earnings per Equity Share			
-Basic		(3.91)	(0.89)
-Diluted		(3.91)	(0.89)

## Schedules

Schedules to Balance Sheet		31ST MAR'17	31ST MAR'16
<b>1. SHARE CAPITAL</b>			
<b>Authorised</b>			
Equity Shares of Rs. 10/- each	<b>TOTAL</b>	5,00,000	1,00,000
		5,00,000	1,00,000
<b>Issued, subscribed &amp; paid up</b>			
Equity Shares of Rs. 10/- each	<b>TOTAL</b>	5,00,000	1,00,000
		5,00,000	1,00,000
<b>GRAND TOTAL</b>		5,00,000	1,00,000
<b>2. RESERVE AND SURPLUS</b>			
<b>Surplus</b>			
Opening Balance		(90,513.79)	(81,653.00)
(+) Net Profit/(Net Loss) for the Current Year		(1,35,492.21)	(8860.79)
Closing Balance		(2,26,006.00)	(90513.79)
<b>GRAND TOTAL</b>		(2,26,006.00)	(90513.79)
<b>3. NON CURRENT LIABILITIES</b>			
<b>Long Term Borrowings</b>			
<b>Unsecured Loan</b>			
Loan from Corporate Body		1,15,52,000.00	1,24,92,000.00
Loan from Directors		36,40,816.00	61,30,816.00
Loan from Others		60,50,000.00	25,00,000.00
<b>GRAND TOTAL</b>		21,242,816.00	2,11,22,816.00
<b>4. Trade payable</b>			
Trade Payable for Goods		29,95,865.00	1,47,30,377.00
Trade Payables for Expenses		51,318.00	10,000.00
<b>GRAND TOTAL</b>		30,47,183.70	1,47,40,377.00

<b>5. Short Term Provisions</b>			
<b>Others</b>			
Unpaid Audit Fees		18,625.00	15,000.00
Unpaid Legal Fees		21,125.00	12,500
<b>GRAND TOTAL</b>		<b>39,750.00</b>	<b>27,500.00</b>
<b>6. Long Term Investment</b>			
<b>Equity Shares-Quoted</b>			
Lesha Industries Limited (4,14,450 Shares)		76,75,000.00	76,75,000.00
India Infraspace Limited (10,76,150 Shares)		1,07,61,500.00	1,07,61,500.00
		<b>1,84,36,500.00</b>	<b>1,84,36,500.00</b>
<b>Market Value of Quoted Investment</b>			
Lesha Industries Limited		11,23,159.50	13,59,396.00
India Infraspace Limited		1,94,24,507.50	8,07,11,250.00
		<b>2,05,47,667.00</b>	<b>8,20,70,646.00</b>
<b>Unquoted Investments</b>			
Birla Sun Life Cash Manager-1		10,00,000.00	-
Birla Sun Life Cash Manager-2		15,00,000.00	-
<b>GRAND TOTAL</b>		<b>39,750.00</b>	<b>-</b>
<b>7. Trade Receivable</b>			
Outstanding for less than 6 months from the due date			
Outstanding for more than 6 months from the due date			
		30,37,847.00	1,47,56,387.00
<b>GRAND TOTAL</b>		<b>30,37,847.00</b>	<b>1,47,56,387.00</b>
<b>8. Cash &amp; Cash Equivalent</b>			
<b>Balances with Banks</b>			
ICICI Bank		21,093.62	25,10,833.13
Union Bank		5,340.00	6,135.00
Cash on hand		1,29,963.00	9,463.00
<b>GRAND TOTAL</b>		<b>1,56,396.62</b>	<b>25,26,431.13</b>



<b><u>9. Short Term Loans and Advances</u></b>			
Deposits		20,000.00	20,000.00
Advance to Corporate Bodies		4,53,000.00	1,53,761.00
<b>GRAND TOTAL</b>		<b>4,73,000.00</b>	<b>1,73,761.00</b>
<b><u>10. Other Current Assets</u></b>			
Preliminary Expenses			7,100.00
<b>GRAND TOTAL</b>			<b>7,100.00</b>
<b><u>11. Revenue from Operations</u></b>			
Sale of Steel products		54,39,842.00	1,40,53,701.00
<b>GRAND TOTAL</b>		<b>54,39,842.00</b>	<b>1,40,53,701.00</b>
<b><u>12. Miscellaneous Income</u></b>			
Excess Provision reserved		5,000	
<b>GRAND TOTAL</b>		<b>5,000</b>	
<b><u>13. Purchase of Stock in Trade</u></b>			
Purchase of Steel products		54,24,634.00	1,40,28,930.00
<b>GRAND TOTAL</b>		<b>54,24,634.00</b>	<b>1,40,28,930.00</b>
<b><u>14. Other Expenses</u></b>			
<b>Payment to Auditors</b>			
-As Auditor		8,625.00	10,000.00
-For Taxation matter		-	-
Legal and Professional Fees		28,625.00	18,736.00
Applications Fees		34,500.00	-
Processing Charges		54,050.00	-
Other Expenses		29,900.21	4,895.79
<b>GRAND TOTAL</b>		<b>1,55,700.21</b>	<b>33,631.79</b>



## LEGAL &amp; OTHER INFORMATION

- **LITIGATIONS**

Details of outstanding litigations against and filed by the Company, its promoter, directors and group companies are as under:

**LITIGATIONS INVOLVING OUR DIRECTORS****A. LITIGATIONS AGAINST OUR DIRECTORS*****Litigation involving Criminal Matters*****Mr. Shalin Shah**

Director Shalin Ashok Shah is involved in the following criminal matters filed against him as a Director of Gujarat Natural Resources Limited:

- (a) Criminal Case No.CC/20049/2004 has been filed for contravention of the provisions of Section 217(3) read with Section 217(5) of the Companies Act, 1956 in respect of absence of Internal Audit System and failure to explain main account headings in the Balance Sheet of financial year 2000-2001. This case is currently pending before the Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (b) Criminal Case No.36/2013 has been filed in respect of offences punishable under Sections 406, 409, 420, 465, 467, 471 and 120B of the Indian Penal Code for non-delivery of share certificate lodged for transfer to the complainant. Further, stay order from further proceedings in this case has been issued by the Hon'ble High Court of Gujarat at Ahmedabad *vide* its order dated February 19, 2014.

**Mr. Ashok Shah**

Director Ashok Chinubhai Shah is involved in the following criminal matters filed against him as a Managing Director of Gujarat Natural Resources Limited:

- (a) Criminal Case No.CC/200447/1998 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (b) Criminal Case No.CC/200271/2000 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (c) Criminal Case No.CC/200437/2003 has been filed for contravention of the provisions of Section 292 read with Section 629A of the Companies Act, 1956 in respect of granting loans and making investments in other body corporate without passing resolutions under Section 292 of the Companies Act, 1956. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (d) Criminal Case No.CC/200435/2003 has been filed for contravention of the provisions of Sections 269, 309 read with Section 629A of the Companies Act, 1956 in respect of default in filing Form-25C appointing Mr. Ashok Shah as Managing Director. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (e) Criminal Case No.CC/20049/2004 has been filed for contravention of the provisions of Section 217(3) read with Section 217(5) of the Companies Act, 1956 in respect of non-maintenance of

- Internal Audit System in the company and failure to explain main account headings in the Balance Sheet of financial year 2000-2001 . This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (f) Criminal Case No.CC/20054/2006 has been filed for contravention of the provisions of Section 68 read with Section 628 of the Companies Act, 1956 in respect of making false statement in the prospectus issued with regard to public issue of its equity shares. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (g) Criminal Case No.CC/200446/1998 has been filed for contravention of the provisions of Section 73(2A) read with Section 73(2B) of the Companies Act, 1956 in respect of delay in issuing refund orders/ allotment letters to unsuccessful allottees / applicants within 10 weeks from the date of the closure of the public issue by the company. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (h) Criminal Case No. 36/2013 has been filed in respect of offences punishable under Sections 406, 409, 420, 465, 467, 471 and 120B of the Indian Penal Code for non-delivery of share certificate to the complainant lodged for transfer. Further, stay order from further proceedings in this case has been issued by the Hon'ble High Court of Gujarat at Ahmedabad *vide* its order dated February 19, 2014.

## B. LITIGATIONS FILED BY OUR DIRECTORS

### *Litigation involving Criminal matters*

- (i) Director Shalin Ashok Shah and Ashok Chinubhai Shah has filed Criminal Misc. Application No. 474/2013 before the Hon'ble High Court of Gujarat for quashing Criminal Case No. 36/2013 filed against the Directors and Gujarat Natural Resources Limited. The Hon'ble High Court of Gujarat at Ahmedabad has *vide* order dated February 19, 2014 stayed further proceedings of Criminal Case No. 36/2013. This case is currently pending before Hon'ble High Court of Gujarat at Ahmedabad.
- (ii) Director Ashok Chinubhai Shah has filed an appeal before the Hon'ble High Court of Gujarat for quashing Criminal Case No. No.CC/20054/2006 filed against the Gujarat Natural Resources Limited and its Directors.

## C. LITIGATIONS AGAINST OUR GROUP COMPANIES

### GUJARAT NATURAL RESOURCES LIMITED

#### 1. *Litigation involving Criminal matters*

- a. The following cases are filed against Gujarat Natural Resources Limited, our group Company:
- (a) Criminal Case No.CC/200447/1998 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (b) Criminal Case No.CC/200271/2000 has been filed for contravention of the provisions of Section 113 (1) & (2) of the Companies Act, 1956 in respect of non-delivery of share certificate lodged for transfer within two months from the date of lodgment. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.



- (c) Criminal Case No.CC/200437/2003 has been filed for contravention of the provisions of Section 292 read with Section 629A of the Companies Act, 1956 in respect of granting loans and making investments in other body corporate without passing resolutions under Section 292 of the Companies Act, 1956. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (d) Criminal Case No.CC/200435/2003 has been filed for contravention of the provisions of Sections 269, 309 read with Section 629A of the Companies Act, 1956 in respect of default in filing Form-25C appointing Mr. Ashok Shah as Managing Director. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (e) Criminal Case No.CC/20049/2004 has been filed for contravention of the provisions of Section 217(3) read with Section 217(5) of the Companies Act, 1956 in respect of non-maintenance of Internal Audit System in the company and failure to explain main account headings in the Balance Sheet of financial year 2000-2001. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (f) Criminal Case No.CC/20054/2006 has been filed for contravention of the provisions of Section 68 read with Section 628 of the Companies Act, 1956 in respect of making false statement in the prospectus issued with regard to public issue of its equity shares. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (g) Criminal Case No.CC/200446/1998 has been filed for contravention of the provisions of Section 73(2A) read with Section 73(2B) of the Companies Act, 1956 in respect of delay in issuing refund orders/ allotment letters to unsuccessful allottees / applicants within 10 weeks from the date of the closure of the public issue by the company. This case is currently pending before Court of Additional Chief Metropolitan Magistrate, Ahmedabad.
- (h) Criminal Case No.36/2013 has been filed in respect of offences punishable under Sections 406, 409, 420, 465, 467, 471 and 120B of the Indian Penal Code for non-delivery of share certificate to the complainant lodged for transfer. Further, stay order from further proceedings in this case has been issued by the Hon'ble High Court of Gujarat at Ahmedabad *vide* its order dated February 19, 2014.

## 2. Litigations involving Tax Liabilities:

### (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	Income-tax Department	1	10.43/-
	<b>TOTAL</b>	<b>1</b>	<b>10.43/-</b>

Income-tax Department has imposed penalty of Rs. 10,43,356/- under Section 271(1)(c) of the Income-tax Act, 1961 for the Assessment Year 2012-13.

## 3. Other pending litigations:



The below mentioned matters are currently pending against Gujarat Natural Resources Limited at National Company Law Tribunal, Ahmedabad Bench:-

- (i) TP No. 5/111A/NCLT/Ahmedabad/2016 for breach of the provisions of Section 111A of the Companies Act, 1956, for transfer of shares and delivery of duly transferred shares wherein the Company had rejected transfer of shares of the petitioner due to signature mismatch.
- (ii) TP No. 6/111A/NCLT/Ahmedabad/2016 for breach of the provisions of Section 111A of the Companies Act, 1956, for transfer of shares and delivery of duly transferred shares wherein the Company had rejected transfer of shares of the petitioner due to signature mismatch.
- (iii) TP No. 7/111A/NCLT/Ahmedabad/2016 for breach of the provisions of Section 111A of the Companies Act, 1956, for transfer of shares and delivery of duly transferred shares wherein the Company had rejected transfer of shares of the petitioner due to signature mismatch.

### LESHA INDUSTRIES LIMITED

#### *Litigation involving Tax Liabilities*

- (i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
1.	Income-tax Department	1	1.50/-
	<b>Total</b>	<b>1</b>	<b>1.50/-</b>

Income-tax Department has imposed penalty of Rs. 1,50,156/- under Section 271(1)(c) of the Income-tax Act, 1961 for the Assessment year 2014-15.

#### **D. LITIGATIONS FILED BY OUR GROUP COMPANIES**

##### GUJARAT NATURAL RESOURCES LIMITED

#### *1. Litigation involving Criminal matters*

Company and its Directors have filed Criminal Miscellaneous Application No.474 of 2013 before the Hon'ble High Court of Gujarat for quashing Criminal case no. 36/2013. The Hon'ble High Court of Gujarat has *vide* order dated February 19, 2014 stayed further proceedings of Criminal case no. 36 of 2013. This case is currently pending before the Hon'ble High Court of Gujarat at Ahmedabad.

#### *2. Litigations involving Tax Liabilities*

Direct Tax Liabilities

The Company has filed appeal before Commissioner of Income Tax (Appeals) against imposition of penalty of ₹ 10,43,356/- by the Income Tax Department. The appeal is pending before Commissioner of Income Tax (Appeals).

##### LESHA INDUSTRIES LIMITED

#### *1. Litigation involving Tax Liabilities*



## Direct Tax Liabilities

The Company has filed appeal before Commissioner of Income Tax (Appeals) against imposition of penalty of ₹ 1,50,156/- by the Income Tax Department. The appeal is pending before Commissioner of Income Tax (Appeals).

**E. FINE IMPOSED AND COMPOUNDING OF OFFENCES OF GROUP COMPANIES****GUJARAT NATURAL RESOURCES LIMITED**

- (i) Criminal Case No. 444/2003 was filed by the Registrar of Companies, Gujarat in respect of non-maintenance of Internal Audit System by the company and a fine of ₹ 5,000 was imposed. This Criminal complaint was compounded and stands withdrawn as on the date of this Report.
- (ii) Criminal Case No. 438/2003 was filed by the registrar of Companies, Gujarat in respect of non-maintenance of register of contracts showing details of contract and arrangement and fine of ₹ 10,000 was imposed. This Criminal complaint was compounded and stands withdrawn as on the date of this Report.
- (iii) Criminal Case No.CC/200401/1998 was filed for contravention of the provisions of Section 220(3) of the Companies Act, 1956 in respect of non-filing of Balance Sheet and Profit & Loss Account for the financial year 1994-95. The Balance Sheet and Profit & Loss Account for the financial Year 1994-95 was filed subsequently. On 10/01/2018 the Additional Chief Metropolitan Magistrate, Ahmedabad had imposed fine of ₹ 88,320/- on the Company and ₹ 885/- on Mr. Ashok C. Shah, the Company and Mr. Ashok C. Shah had made payment of the same.
- (iv) Criminal Case No.CC/200404/1998 was filed for contravention of the provisions of Section 162 read with Section 159 of the Companies Act, 1956 for non-filing Annual Return for the financial year 1994-95. The Annual Return for the financial year 1994-95 was filed subsequently. On 10/01/2018 the Additional Chief Metropolitan Magistrate, Ahmedabad had imposed fine of ₹ 87,855/- on the Company and ₹ 880/- on Mr. Ashok C. Shah and the Company and Mr. Ashok C. Shah had made payment of the same.

- **Inquiry, Inspection and Investigation**

There are no inquiry, inspection and investigation initiated or conducted under the Companies Act against the Company and no fine imposed or compounding of offences done, in the last 3 years immediately preceding the date of this information memorandum.

- **GOVERNMENT APPROVALS**

No further approvals from any Government authority/Reserve Bank of India (RBI) are required by the Company to undertake the existing activities, save and except those approvals, which may be required to be taken in the normal course of business from time to time.

- **Filing**

Copies of this Information Memorandum have been filed with BSE.

- **Expert Opinions**

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

- **Disposal of Investor Grievances**

Accurate Securities and Registry Private Limited are the Registrars and Transfer Agents of the Company. Documents/Letters are also received from the Investors directly at its registered office at Ahmedabad by courier/post.

All documents are received at the inward department, where the same are classified based on the nature of the queries/actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units.

The Company has appointed **Ms. Dimpal J. Solanki**, as the Compliance Officer and she may be contacted in case of any queries. She can be contacted at the following address:

- **Compliance Officer & Company Secretary**

**Ms. Dimpal J. Solanki,**

**Address:** 18, Gyanmandir Society, B/H Telephone Exchange,  
Vasna, Paldi, Ahmedabad-380007

**Email:** ashnisha@ashnisha.com

**Phone:** 079-26463227

**Website:** www.ashnisha.in

- **ARTICLES OF ASSOCIATION**

Articles of Association comply with the requirements of the Companies Act, other relevant laws and the requirements of the Listing Regulations.

- **NATURE AND EXTENT OF INTEREST OF DIRECTORS**

Mr. Shalin A. Shah and Mr. Ashok C. Shah are the promoter directors of the Company. No director is interested in any immovable property acquired by the Company in the two years preceding the date of this information memorandum or any immovable property proposed to be acquired by the Company, except as promoter or member of the Company.

**OTHER INFORMATION**

**Documents available for Inspection during business hours at the registered office of the Company:**

1. Memorandum and Articles of Association, as amended till date.
2. Certificate of incorporation dated 27<sup>th</sup> July, 2009 and all changes thereto till date.
3. Certificate of Incorporation dated 14<sup>th</sup> March, 2017 consequent upon conversion to Public Limited Company.
4. Certificate of Incorporation dated 29<sup>th</sup> March, 2017 pursuant to change of name

**DECLARATION:**

To the best of knowledge and belief of the Board of Directors of the Company,

- All statements made in this Information Memorandum are true and correct.
- all the applicable provisions of Companies Act and the rules and regulations made thereunder has been duly complied with, and
- nothing in this information memorandum is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR, ASHNISHA INDUSTRIES LIMITED**

*Shalin A Shah*

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



**Date: March 12, 2018**