

ANNUAL REPORT 2017 - 2018**BOARD OF DIRECTORS**

Ashok C. Shah	Chairman
Shalin A. Shah	Director
Hitesh Donga	Independent Director
Payal Pandya	Independent Director

AUDITORS

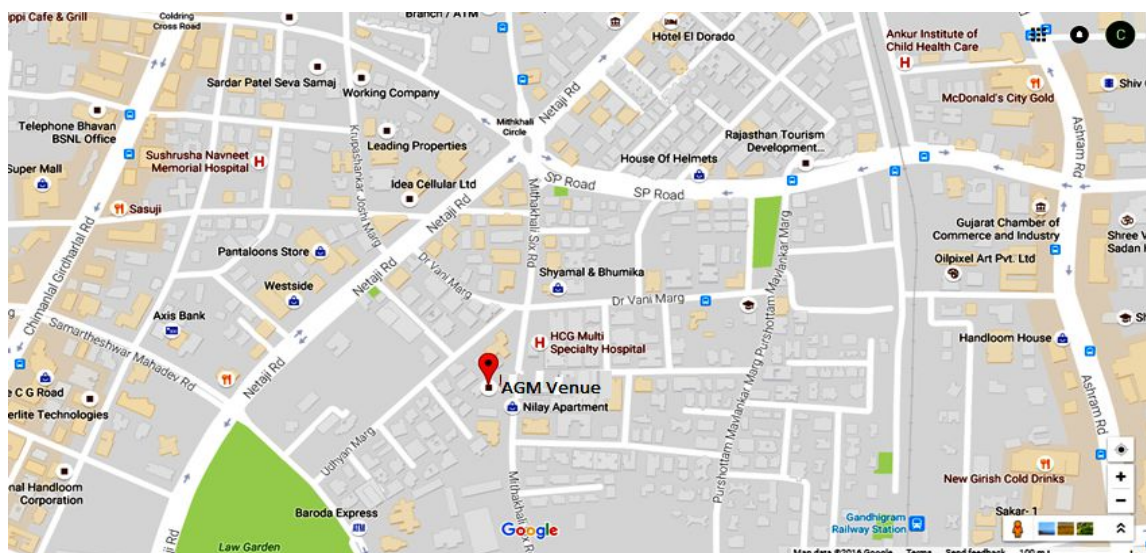
M/s. GMCA & Co.
Chartered Accountants
Ahmedabad

REGISTERED OFFICE

7th Floor, Ashoka Chambers,
Mithakhali Six Roads,
Ahmedabad - 380006

REGISTRAR & SHARE TRANSFER AGENTS

Purva Sharegistry (India) Pvt. Ltd.
Shiv Shakti Industrial Estates, Unit No. 9
J. R. Boricha Marg,
Opp. Kasturba Hospital Lane
Lower Parel (E),
Mumbai - 400 011

ROAD MAP TO AGM VENUE

NOTICE

Notice is hereby given that **Annual General Meeting** of **Lesha Industries Limited** will be held at the registered office of the Company on Friday, 28th Day of September, 2018 at 11:00 a.m. to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2018 including audited Balance Sheet as at 31st March, 2018 and Statement of Profit and Loss and the cash flow statement for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To re-appoint Mr. Shalin A. Shah (DIN: 00297447), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:**3. APPOINTMENT OF MANAGING DIRECTOR**

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

“RESOLVED THAT, pursuant to the provisions of sections 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof or any other law and subject to such consent(s), approval(s) and permission as may be necessary, consent of the members be and is hereby accorded to appoint Mr. Ashok C. Shah (DIN: 02467830) as a Managing Director of the company, who has attained age above 70 years, for a term of 5 years.”

“RESOLVED FURTHER THAT, his appointment as Managing Director is as per the recommendation of Nomination and Remuneration Committee and that he will not draw any remuneration from the Company.”

“RESOLVED FURTHER THAT, the Board of Directors (including any Committee thereof) be and is hereby authorized to do all such other acts, deeds and things as are necessary and expedient in this respect.”

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-
Shalin Shah
Director
DIN: 00297447

Annexure to the Notice of Annual General Meeting
Details of Directors seeking Appointment/Reappointment in Annual General Meeting

Name of the Director	Shalin A. Shah (DIN: 00297447)	Ashok Shah (DIN: 02467830)
Age (Yrs.)	45 Years	74 years
Date of Birth	31/08/1973	07/09/1944
Brief Resume and expertise	He completed his Civil Engineering from L.D. Engineering College, Ahmedabad. He has more than 20 years' experience in various fields like trading, real estate, oil and gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. He has been guiding force behind the growth and business strategy of our Company.	Engineering and Administrative Degree. He has vast experience of more than 40 years in technical and administrative fields.
Designation	Director	Director
Chairman/Member of the Committee of the Board of Directors of the Company	Member of Stakeholders' Relationship committee and Audit Committee.	Chairman of Stakeholders' Relationship committee and Member of Nomination And Remuneration Committee.
No. of Shares held in the Company	149483	57150
Directorship in Other Listed Company	<ul style="list-style-type: none"> • Gujarat Natural Resources Limited • Ashoka Metcast Limited • Ashnisha Industries Limited 	<ul style="list-style-type: none"> • Gujarat Natural Resources Limited • Ashoka Metcast Limited • Ashnisha Industries Limited
Related to other directors	Mr. Shalin Shah and Mr. Ashok C. Shah are related as Son-Father. No other directors are related inter se.	Mr. Ashok C. Shah and Mr. Shalin Shah are related as Father-Son. No other directors are related inter se.

Explanatory Statement as required under Section 102 of the Companies Act, 2013.

Item No. 3 of the Notice

Section 196(3) of the Companies Act, 2013 inter alia, provides that no company shall continue the employment of a person who has attained the age of seventy years, as Managing Director, Whole – time Director or Manager unless it is approved by the members by passing a special resolution.

Keeping in view that Mr. Ashok C. Shah has more than four decades of rich and varied experience in technical and administrative fields and has been involved in the operations of the Company, it would be in the interest of the company to appoint him as the Managing Director of the Company. Hence, approval of shareholders by way of Special Resolution is required as set out in Item No.3 for appointment of Mr. Ashok C. Shah as the Managing Director of the company for a term of five years.

Mr. Ashok C. Shah being appointee is interested in the resolution. Save as aforesaid, none of the Company's Directors, Key Managerial Personnel or their relatives except Mr. Shalin A. Shah has any concern or interest, financial or otherwise, in this resolution. The Board accordingly recommends the resolution as set out in Item No.3 of the Notice for approval of the members.

The draft Agreement between the Company and the Managing Director is available for inspection by the members at the company's Registered office between 10:00 a.m. to 1:00 p.m. on all working day's up to the date of Annual General Meeting.

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-
Shalin Shah
Director
DIN: 00297447

NOTES:

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of commencement of the meeting.
4. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and share transfer books of the Company will remain closed from 25th September, 2018 to 28th September, 2018 (both days inclusive).
6. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting. Shareholders seeking any information with regards to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
8. Updation of Email Id: The Shareholders are requested to intimate their Email Id to the Company or update their email registered with Depository Participants, if the same is changed.
9. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No.3 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2 and 3 of the Notice, are also annexed.
10. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. www.lesha.in.
11. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs/ RTA. The registered e-mail address will be used for sending future communications.
Members whose email ids are already registered may update the changes therein, if any.

12. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address/name, e-mail address, contact numbers, etc. to their Depository Participant (DP) only, and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better services to the Members.
13. Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address / name, etc. to the Company's Registrar & Share Transfer Agent, quoting their Registered Folio Number.
14. Members holding shares in physical form are requested to consider converting their shareholding in dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or the Company's Registrar & Share Transfer Agent for assistance in this regard.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Company's Registrar & Share Transfer Agent.

16. Voting through electronic means:

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

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

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

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on <September 25, 2018, 9:00 a.m.> and ends on < September 27, 2018, 5:00 p.m.> During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 21, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Lesha Industries Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app - CDSL m-Voting available for iphone as well as android and windows based mobiles. Please follow the instructions as prompted by the mobile app while voting on your mobile.

I. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- III. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the Cut-off Date i.e. September 21, 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-Voting then he/she can use his/ her existing User ID and password for casting vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evotingindia.com or contact CDSL at the Toll Free No.: 1800-200-5533.
- V. A person, whose name is recorded in the Register of Members or in the list of Beneficial Owners maintained by the Depositories as on Cut-off Date only shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting through Polling Paper.
- VI. The result of voting at the Meeting including remote e-Voting shall be declared after the Meeting but not later than Forty Eight Hours of the conclusion of the Meeting.
- VII. The result declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company www.lesha.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.
17. For any further assistance, you may contact Mr. Shalin Shah, Director at Telephone No. (079) 2646 3227 or at E-mail Id: info@lesha.in. Address: 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad - 380006.

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their **Annual Report** on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March, 2018.

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

Financial Results		(₹ in Lacs)
Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Total Revenue	1339.64	76.73
Expenditure	1352.45	90.74
Depreciation	1.67	2.64
Profit/(Loss) before Tax	(14.48)	(16.65)
Provision for Taxation	---	---
Profit/(Loss) after Tax	(14.48)	(16.65)

2. PERFORMANCE:

The Management of the Company is taking efforts for the progress of the Company. The performance of the Company is gradually improving with transient time. The improvement is evident from the financial statement of the Company.

3. DIVIDEND:

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

4. TRANSFER TO RESERVE:

Reserves & Surplus at the end of the year stood at ₹ 6,77,86,781/- as compared to ₹ 11,43,55,580/- at the beginning of the year.

5. SHARE CAPITAL:

At present, the Company has only one class of shares – equity shares with face value of ₹ 10/- each. The authorized share capital of the company is ₹ 19,00,00,000/- divided into 1,90,00,000 equity shares of ₹ 10/- each. The paid up share capital of the company as on March 31, 2018 was ₹ 1,13,20,370/- divided into 11,32,037 equity shares of ₹ 10/- each.

6. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

During the period under review, several energy conservation initiatives were adopted and were taken by the Company. There are no plans to import any kind of technology for the project and hence information regarding its absorption is not applicable. There was no research activities carried out during the year as well as no foreign exchange income or outgo during the year.

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

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

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

The National Company Law Tribunal (NCLT), Ahmedabad Bench had sanctioned the Scheme for Demerger of Trading and Investment Business of Lesha Industries Limited (Demerged Company) and vesting the same into Ashnisha Industries Limited (Erstwhile Ashnisha Alloys Private Limited) (Resulting Company) pursuant to sections 391 to 394 of the Companies Act, 1956, vide its order dated May 29, 2017 and other relevant provisions of the Companies Act. Pursuant to the scheme, trading & investment business of the Company was transferred to Ashnisha Industries Limited.

Further, the issued, subscribed and paid up capital of the Demerged Company was reduced to ₹ 1,13,20,370/- (divided into 11,32,037 equity shares of ₹ 10/- each) and the shareholders of the Demerged company whose name appeared on the Register of Members of the Company on the Record Date 18/08/2017 were issued 3 (Three) new Equity Share of the Demerged Company for every 25 (Twenty Five) Equity shares held by shareholders in the Demerged Company on 18/08/2017.

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

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

There are no Subsidiary/Joint Ventures/Associate Companies.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

12. MEETING OF BOARD OF DIRECTORS:

During the year under the review, 6 (Six) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013 and Rules made thereunder. Details of Board meetings and committee meetings held during the year under review are given in the Corporate Governance Report.

The Board meeting dates are finalized in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

13. EXTRACTS OF ANNUAL RETURN:

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

14. INSURANCE:

All the Properties of the Company are adequately insured.

15. RELATED PARTY TRANSACTIONS:

There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required.

16. DIRECTORATE AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of your company has various executive and non-executive directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

17. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board.

The following were the Evaluation Criteria:

(a) For Independent Directors:

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

(b) For Executive Directors:

- Performance as Team Leader/Member.
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set Goals and achievements
- Professional Conduct, Integrity

- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

18. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director. No remuneration is paid to any of the Directors of the Company.

19. MANAGERIAL REMUNERATION:

The Company had not paid any remuneration to Executive Directors or any sitting fees to Non-Executive Directors for attending any meetings during the financial year ended 31st March, 2018.

20. INDEPENDENT DIRECTORS' MEETING:

Independent Directors of the Company had met during the year under the review on March 29, 2018.

21. COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees.

There are currently **Three Committees** of the Board, Audit Committee, Nomination and Remuneration Committee & Stakeholders' Relationship Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "**Report on Corporate Governance**", a part of this Annual Report.

22. AUDITORS:

A. Statutory Auditors

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

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

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

The Report given by the M/s. GMCA & Co., Auditors on the financial statements for March 2018 of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Patel & Associates, Practising Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure IV**, the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There is no qualification, reservation or adverse remark in the report.

C. Internal Auditors:

The Board of Directors has appointed M/s. Naimish K. Shah & Co., Chartered Accountant (FRN 106828W) as Internal Auditors of the Company for the F. Y. 2018-19.

23. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:

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

24. RISK MANAGEMENT:

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation and Technological Changes. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

25. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

In accordance with Section 177 of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Whistle Blower Policy/ Vigil Mechanism to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed and to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct.

26. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has assigned the responsibilities to Audit Committee. During the year, no complaint with allegations of sexual harassment was filed with the Company.

27. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

28. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that-

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

company at the end of the financial year 31st March, 2018 and of the profit and loss of the company for that period;

- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis;
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. CORPORATE GOVERNANCE:

As per Regulation 15(2) of the SEBI Listing Regulations, compliance with the corporate governance provisions as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V, shall not apply to the Company. Although as a good governance practise a detailed report on Corporate Governance is given as a part of the Annual Report. The Certificate of the non applicability of submission of Report on Corporate Governance is attached to the Report on Corporate Governance. Report on Corporate Governance is given elsewhere in this Annual Report, herewith attached as **ANNEXURE V**.

30. CORPORATE GOVERNANCE CERTIFICATE – NON APPLICABILITY:

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

31. CORPORATE SOCIAL RESPONSIBILITY:

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

32. GENERAL SHAREHOLDER INFORMATION:

General Shareholder Information is given in Report on Corporate Governance forming part of the Annual Report.

33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

34. ACKNOWLEDGEMENT:

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

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

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

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

India was the third-largest steel producer in the world in 2017 and it is expected to become the second largest steel producer in the world by 2018. India's economic growth is contingent upon the growth of the Indian steel industry. The Government has released the National Steel Policy 2017, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Company is in business of trading of steel products, electronics goods and dealing in shares and securities. However Competition in the industry is continuously increasing and management is taking steps to sustain in the tremendously viable market. The steel industry contributes 2% to the GDP of the nation. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour.

➤ **OVERVIEW:**

This Management Discussion & Analysis report presents the key performance highlights of the year 2017-18 pertaining to the business of the Company. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS), complying with the requirements of the Companies Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

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

To take advantage of the various initiatives taken by the Government in the Financial Year 2017. Government is taking many steps to increase per capita consumption of stainless steel products. These will generate a lot of opportunities for the Company which will ultimately lead to achieve the organisation's set goals.

Threats:

Dumping of steel from abroad and increased competition from domestic and international steel companies located in India. Moreover cheap sourcing of steel from countries with which India has Free Trade Agreement. All these factors has eventually exposed enormous strain to the company to survive in this competitive market.

➤ **COMPETITION:**

Competition in the market has intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to capture and protect their market shares, The Company has the plans to penetrate better in to world market, especially through the customer retention and business development in the regions which have not been tapped.

Sharp fluctuations in value of the Indian Rupee and the rising inventory charges have put pressure on the profitability of the Company.

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

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

➤ **RISK AND CONCERN:**

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

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

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

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

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

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

➤ **OUTLOOK:**

In the recent years, the steel industry has seen significant volatility .The profit margins in the industry are under pressure. However, the Company has taken remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, Research & Development, productivity improvement and cost reduction exercise. The market outlook is expected to improve, but with a slow growth.

The Company is pursuing with GIDC, Kerala, Ahmedabad to get clear and marketable title of its industrial plots situated at GIDC, Kerala. The management plans to set up still plant at the said industrial plots on receipt of clear and marketable title of its industrial plots situated at GIDC, Kerala.

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

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

➤ **HUMAN RESOURCE:**

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

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

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

➤ **CAUTIONARY STATEMENT**

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

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

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

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

	2017-18	2016-17
Foreign Exchange Earning	Nil	Nil
Foreign Exchange outgo	Nil	Nil

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-
Ashok Shah
Director
DIN: 02467830

SD/-
Shalin Shah
Director
DIN: 00297447

ANNEXURE – II TO THE DIRECTORS REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading of Steel	46620	99.66%

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

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

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

A) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year as on 31 st March, 2017				No. of Shares held at the end of the year as on 31 st March, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	15,96,583	Nil	15,96,583	16.92	2,41,324	Nil	2,41,324	21.32	(4.40)
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	17,90,640	Nil	17,90,640	18.98	1,65,143	Nil	1,65,143	14.59	4.39
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other Foreign Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A)	33,87,223	Nil	33,87,223	35.91	4,06,467	Nil	4,06,467	35.91	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	297	297	0.00	Nil	36	36	0.00	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	297	297	0.00	Nil	36	36	0.00	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	19,41,979	8,578	19,50,557	20.68	2,33,593	1,037	2,34,630	20.73	0.05
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	12,13,556	4,92,630	17,06,186	18.09	2,56,046	61,899	3,17,945	28.09	10.00
ii) Individual shareholders holding nominal	22,59,361	22,194	22,81,555	24.19	1,62,671	Nil	1,62,671	14.37	(9.82)

share capital in excess of Rs 1 lakh									
c) Others (specify)									
NRI/OCB									
OTHERS									
Non Resident Indians	5,305	Nil	5,305	0.06	505	Nil	505	0.04	(0.02)
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	45,939	Nil	45,939	0.49	3,160	1	3,161	0.28	(0.21)
Hindu Undivided Family	56,576	Nil	56,576	0.60	6,622	Nil	6,622	0.58	(0.02)
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	55,22,716	5,23,402	60,46,118	64.09	6,62,597	62,937	7,25,534	64.09	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	55,22,716	5,23,699	60,46,415	64.09	6,62,597	62,973	7,25,570	64.09	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	89,09,939	5,23,699	94,33,638	100	10,69,064	62,973	11,32,037	100	

B) SHAREHOLDING OF PROMOTER

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 31 st March, 2017			No. of Shares held at the end of the year as on 31 st March, 2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the co.	% of Shares Pledged / encumbered to total shares	No. of Shares*	% of total Shares of the co.	% of Shares Pledged / encumbered to total shares	
1	Shalin A. Shah	831241	8.81	Nil	149483	13.20	Nil	4.39
2	Ashoka Metcast Limited (Formerly Tanya Estates Pvt. Ltd.)	516240	5.47	Nil	61949	5.47	Nil	Nil
3	Ashok C. Shah	476253	5.05	Nil	57150	5.05	Nil	Nil
4	Shree Ghantakarna Rolling Mills Pvt. Ltd.	454950	4.82	Nil	54594	4.82	Nil	Nil
5	Lesha Agro Foods Pvt. Ltd.	405000	4.29	Nil	48600	4.29	Nil	Nil
6	Leena A. Shah	289089	3.06	Nil	34691	3.06	Nil	Nil
7	Ashnisha Alloys Pvt. Ltd.	414450	4.39	Nil	Nil	Nil	Nil	(4.39)

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Shalin A. Shah				
2	At the beginning of the year	831241	8.81	149483	13.20
3	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in Shareholding due to Inter-se transfer of 414450 Equity Shares (4.39%) amongst the Promoters on 04/05/2017. Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
4	At the end of the year	149483	13.20	149483	13.20
5	Ashoka Metcast Limited (Formerly Tanya Estates Pvt. Ltd.)				
6	At the beginning of the year	516240	5.47	61949	5.47
7	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
8	At the end of the year	61949	5.47	61949	5.47
9	Mr. Ashok C. Shah				
10	At the beginning of the year	476253	5.05	57150	5.05
11	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
12	At the end of the year	57150	5.05	57150	5.05
13	Shree Ghantakarna Rolling Mills Pvt. Ltd.				
14	At the beginning of the year	454950	4.82	54594	4.82
15	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
16	At the end of the year	454950	4.82	54594	4.82
17	Lesha Agro Foods Pvt. Ltd.				
18	At the beginning of the year	405000	4.29	48600	4.29

19	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
20	At the end of the year	48600	4.29	48600	4.29
21	Leena A. Shah				
22	At the beginning of the year	289089	3.06	34691	3.06
23	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
24	At the end of the year	34691	3.06	34691	3.06
25	Ashnisha Alloys Pvt. Ltd.				
26	At the beginning of the year	414450	4.39	414450	4.39
27	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in Shareholding due to Inter-se transfer of 414450 Equity Shares amongst the Promoters on 04/05/2017.			
28	At the end of the year	Nil	Nil	Nil	Nil

**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2018:
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRS):**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Hitesh Jagdish Panara	890217	9.43%	Decrease*	*	106826	9.43%
2	Midrina Oil And Gas Services Pvt. Ltd.	419850	4.45%	Decrease*	*	50382	4.45%
3	Shaurya Organics Private Limited	419850	4.45%	Decrease*	*	50382	4.45%
4	Tiw Systems Pvt. Ltd	419850	4.45%	Decrease*	*	50382	4.45%
5	Suryaja Infrastructure Pvt. Ltd.	419850	4.45%	Decrease*	*	50382	4.45%
6	Vishnubhai G. Chauhan	167318	1.77%	Decrease*	*	20072	1.77%
7	Advanced Energy Resources & Management Private Limited	143100	1.52%	Decrease*	*	17172	1.52%

Annual Report 2017-18**Lesha Industries Limited**

8	Janak B. Patel	121257	1.20%	Decrease*	*	13546	1.20%
9	Daxaben Mahendrakumar Shah	111305	1.06%	Decrease*	*	12012	1.06%
10	Kintu Manojbhai Raichura	85122	0.90%	Decrease*	*	10215	0.90%

*Decrease in the number of shares whereas there is no change in the percentage of holding. Pursuant to the Scheme of Arrangement as sanctioned by National Company Law Tribunal, Ahmedabad Bench, vide its order dated May 29, 2017, the shareholders of the Lesha Industries Limited (Demerged Company) whose names appear on the Register of Members of the Company on the Record Date i.e. 18/08/2017 issued 3 (Three) new Equity Share of the Demerged Company for every 25 (Twenty Five) Equity Shares held by the shareholders in the Demerged Company as on the Record Date i.e. 18/08/2017. Therefore, Shares are reduced due to Capital Reduction as per the Scheme of Arrangement.

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Shalin A. Shah				
2	At the beginning of the year	831241	8.81	149483	13.20
3	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	Increase in Shareholding due to Inter-se transfer of 414450 Equity Shares (4.39%) amongst the Promoters on 04/05/2017. Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
4	At the end of the year	149483	13.20	149483	13.20
5	Mr. Ashok C. Shah				
6	At the beginning of the year	476253	5.05	57150	5.05
7	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease in no. of Shares due to Reduction in Share Capital of the Company pursuant to the Scheme of Arrangement in nature of Demerger on the Record Date i.e. 18/08/2017.			
8	At the end of the year	57150	5.05	57150	5.05

*** None of the Directors expect from above hold any shares in the Company.

V. INDEBTEDNESS –

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial				
i) Principal Amount	0.00	10613402.00	0.00	10613402.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	10613402.00	0.00	10613402.00
Change in Indebtedness during the financial				
* Addition	0.00	8269500.00	0.00	8269500.00
* Reduction	0.00	0.00	0.00	0.00
Net Change	0.00	8269500.00	0.00	8269500.00
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	18882902.00	0.00	18882902.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	18882902.00	0.00	18882902.00

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

(₹ in Lacs)

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

B. REMUNERATION TO OTHER DIRECTORS

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

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NIL			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

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

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

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2017-18 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year

(Rs. In Lacs)

Sr. No.	Name of Director/KMP and its Designation	Remuneration to the Director / KMP for the Financial Year 2017-18	Percentage increase / decrease in remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1	Mr. Shalin Shah (Director)	Nil	Nil	Nil
2	Mr. Ashok Shah (Director)	Nil	Nil	Nil
3	Mr. Hitesh Donga (Independent Director)	Nil	Nil	Nil
4	Ms. Payal Pandya (Independent Director)	Nil	Nil	Nil

- iii. Median Remuneration of Employees (MRE) of the Company is ₹ 0.72 Lacs for the Financial Year 2017-18.
- iv. The number of permanent employees on the rolls of the Company is Three for the year ended 31st March, 2018.
- v. There was no increase in the remuneration during the year.
- vi. The remuneration of the Key Managerial Personnel (KMP) is in line with the performance of the company—**N.A.**
- vii. The Market Capitalization as on, 31st March, 2018 was ₹ 97.35 as compared to ₹ 255.65 Lacs as on 31st March, 2017 and Price Earnings Ratio of the Company was (6.72) as on 31st March, 2018 as against (15.05) as on 31st March, 2017.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was Nil. Average percentage increase made in the salary of the managerial personnel in the last Financial Year—**N.A.**
- ix. Variable component in remuneration of Directors of the Company—**N.A.**
- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year—**N.A.**
- xi. Affirmed that the remuneration paid is as per the Remuneration Policy of the Company—**N.A.**

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

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/- Ashok Shah Director DIN: 02467830	SD/- Shalin Shah Director DIN: 00297447
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ANNEXURE – IV TO THE DIRECTORS REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Lesha Industries Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lesha Industries Limited** (hereinafter called the Company) (CIN: L27100GJ1992PLC018607) having its registered office at **7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Lesha Industries Limited** (the Company) for the financial year ended on 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- A) The Company has maintained a Register of Directors' Attendance as prescribed in the Secretarial Standards.
- B) The Directors have signed against their respective names after the meeting has been held.
- C) The Company had received two proxy forms for the Annual General Meeting for the financial year ended 31st March, 2016.
- D) The Company has complied with requirements of at least one-third of the total number of directors as independent directors as stated in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- E) The Company has complied with the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- F) The Company has obtained all necessary approvals under the various provisions of the Act;
- G) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

As explained by the Management the Company had already proposed the appointment of Mr. Ashok C. Shah as Managing Director in the ensuing Annual General Meeting and looking for the suitable candidate to be appointed as CFO & CS, and the Management had given assurance that they will appoint the CFO & CS at the earliest possible on availability of suitable candidate to comply with the provisions of the section 203 of the Companies Act, 2013.

The Company had complied with the all provisions of the section 186 of the Companies Act, 2013, except the non charging of interest as per section 186 (7) in respect of some of the loans granted by the Company.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The following mentioned observations are made:

- A) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- B) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct and ethics for Directors and Management Personnel;

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

I further report that during the period, the Scheme of Arrangement was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated 29th May, 2017. Pursuant to such scheme the Share Capital of the Company was reduced to 1132023 Equity shares of Rs. 10/- each.

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

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

Place: Ahmedabad

Date: August 13, 2018

For, Patel & Associates

Company Secretaries

SD/-

Chintan K. Patel

Partner

Mem. No.: A31987

COP No.: 11959

ANNEXURE - A to the Secretarial Audit Report

**To,
The Members,
Lesha Industries Limited
Our report of even date is to be read along with this letter.**

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

**Place: Ahmedabad
Date: August 13, 2018**

**For, Patel & Associates
Company Secretaries**

**SD/-
Chintan K. Patel
Partner
Mem. No.: A31987
COP No.: 11959**

ANNEXURE V – TO THE DIRECTOR REPORT**REPORT ON CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company adheres to good practices in Corporate Governance in its true spirit and benchmarks it with high standards. Corporate Governance is set of systems and practices to ensure that the operations of the Company are being managed in a way which ensures fairness, integrity, transparency and accountability in its dealings with its customers, stakeholders, dealers, lenders, government and employees. Company has guiding principles laid out through its Code of business conduct, duly adopted by directors and senior management personnel which have been posted on website of Company (www.lesha.in).

1. ETHICS/GOVERNANCE POLICIES:

At Lesha Industries Limited, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- ✓ Code of Conduct
- ✓ Vigil Mechanism
- ✓ Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- ✓ Board Performance Evaluation Policy
- ✓ Familiarization of Independent Directors Policy
- ✓ Policy for Selection of Directors and determining Directors Independence
- ✓ Policy for determining Material Subsidiaries.
- ✓ Risk Management Policy

2. BOARD OF DIRECTORS:➤ **Composition of the Board of Directors**

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors Pursuant Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Board and category of Directors are as follows:

Executive Director	➤ Shalin A. Shah, Promoter Director
Non-Executive	➤ Hitesh Donga, Independent Director ➤ Ashok C. Shah, Promoter Non-Executive Director ➤ Payal Pandya, Independent Director

➤ **Number of Board Meetings and Attendance of Directors:**

During the financial year 2017-18, 6 (Six) Board Meetings were held on 25/05/2017, 21/08/2017, 14/09/2017, 11/10/2017, 14/12/2017 and 14/02/2018.

The Board meeting dates are finalized in consultation with all the directors and agenda papers with detailed notes and other background information, which are essential for the Board to effectively and reasonably perform their duties and functions, are circulated well in advance before the meeting thereby enabling the Board to take informed decisions.

The composition of Directors and the attendance at the Board Meeting during the year 2017-2018 and last Annual General Meeting are as under:

Name of Director	Category	No. of Directorships in other Companies	Membership of Board Committees		No. of Board Meetings Attended	Attendance at last AGM
			Chairman	Member		

Shalin A. Shah	Director	5	Nil	2	6	Yes
Ashok C. Shah	Director	6	1	1	6	Yes
Hitesh M. Donga	Independent Director	Nil	2	1	6	Yes
Payal Pandya	Independent Director	2	Nil	2	6	Yes

3. ANNUAL GENERAL MEETING:

The Annual General Meeting for the financial year ended on 31st March, 2017 was held on 28th September, 2017 and 35 Members were present at Annual general meeting including proxy.

4. BOARD COMMITTEES:

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

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

A. AUDIT COMMITTEE:

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

Main areas are deliberated as under.

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

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

The Committee comprises of three Directors. All members of the Audit Committee are financially literate. In the financial year 2017-18, four meetings were held on 25/05/2017, 14/09/2017, 14/12/2017 and 14/02/2018. Composition of committee and member's attendance at the meetings during the year are as under:

Name	Designation	Category
Mr. Hitesh Donga	Chairman	Non-Executive, Independent
Mr. Shalin A. Shah	Member	Executive Director
Ms. Payal Pandya	Member	Non-Executive, Independent

Attendance of each member of the committee:

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

B. NOMINATION AND REMUNERATION COMMITTEE:

Terms of reference of the committee comprise various matters provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and section 178 of the Companies Act, 2013, and other matters referred by the Board from time to time. The Committee comprises of three Directors.

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

Name	Designation	Category
Mr. Hitesh Donga	Chairman	Independent Director
Mr. Ashok C. Shah	Member	Non- Executive Director
Ms. Payal Pandya	Member	Independent Director

Committee Members	Meetings held	Meetings attended
Mr. Hitesh Donga	1	1
Mr. Ashok C. Shah	1	1
Ms. Payal Pandya	1	1

C. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Stakeholders' Relationship Committee performs various functions provided under Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and section 178 of the Companies Act, 2013. The Committee comprises of three Directors out of which one is independent. It is headed by Mr. Ashok C. Shah, a Director.

Name	Designation	Category
Mr. Ashok C. Shah	Chairman	Non – Executive Director
Mr. Shalin A. Shah	Member	Executive Director
Mr. Hitesh Donga	Member	Independent Director

Attendance of each member of the committee:

Committee Members	Meetings held	Meetings attended
Mr. Ashok C. Shah	4	4
Mr. Shalin A. Shah	4	4
Mr. Hitesh Donga	4	4

The Stakeholders' Relationship Committee has been constituted to administer the following activities:

- a. Transfer of shares
- b. Transmission of shares
- c. Issue of Duplicate Share Certificates
- d. Change of Status
- e. Change of Name
- f. Transposition of Shares
- g. Sub-Division of Share Certificates
- h. Consolidation of folios

- i. Shareholders' requests for Dematerialization of shares
- j. Shareholders' requests for Rematerialization of shares

The Committee meets from time to time and approves the transfer and transmission of shares, deletion of names, issue of duplicate share certificates etc. The Committee facilitates prompt and effective redressal of investors' complaints and the reporting of the same to the Board of Directors.

The Board has delegated the power of Share Transfer to Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd, who processes the transfers.

- ✓ No. of shareholders' complaints received – **NIL**
- ✓ No. of shareholders' complaints resolved - **NIL**
- ✓ No. of complaints not solved to the satisfaction of shareholders -- **NIL**.
- ✓ No. of pending share transfers -- **NIL**.
- ✓ As at 31st March, 2018 no equity Shares were pending for transfer.

5. INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:

As per requirements under the Listing Agreement read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company undertook familiarization Programme for Independent Directors in order to familiarize them with business model, management structure, product portfolio, Industry overview, internal control system and processes, risk management framework, functioning of various divisions, HR Management etc. The policy on familiarization Programme for Independent Directors has been uploaded on the Company's website at the following link-

http://www.lesha.in/PDF_Reports/Policies/Familiarization%20Program%20for%20Independent%20Director.pdf

6. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for fair disclosure and prevention of Insider Trading in order to regulate, monitor and control trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

7. SUBSIDIARY/ASSOCIATE COMPANY:

No Subsidiary/Associate Company.

8. POSTAL BALLOT AND E-VOTING:

No special resolution was passed by the Company through Postal Ballot during the financial year ended March 31, 2018.

9. ANNUAL GENERAL MEETINGS AND EXTRA ORDINARY GENERAL MEETING:

Details of last three AGMs held-

Year	Date	Time	Venue	No. of Special Resolutions passed
2014-15	29/09/2015	01:00 p.m.	7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad – 380 006	1
2015-16	29/09/2016	03:00 p.m.	7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad – 380 006	1
2016-17	28/09/2017	11:00 a.m	7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad – 380 006	-

Resolutions were passed through E-voting and poll at the Annual General Meeting for the financial year ended on 31st March, 2015, 31st March, 2016 and 31st March, 2017.

(b) No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2018.

(c) No Resolution was passed during the financial year ended March 31, 2018 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.

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

10. DEMAT / REMAT OF SHARES

Details of Shares Dematerialized / Rematerialized during the last financial year is as below:

a) Number of Demat requests approved	Nil
b) Number of Shares Dematerialized	Nil
c) Percentage of Shares Dematerialized	Nil
d) Number of Remat requests approved	Nil
e) Number of Shares Rematted	Nil

Representatives of the Company are constantly in touch with M/s. Purva Sharegistry (India) Pvt. Ltd., Share Transfer Agents of the Company and review periodically the outstanding matters.

11. SHAREHOLDING OF NON-EXECUTIVE NON-PROMOTER DIRECTORS

Mr. Hitesh Donga and Ms. Payal Pandya (Independent Directors) do not hold any shares in the Company.

12. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. Ashok C. Shah, Non-Executive Director is the father of Mr. Shalin A. Shah, Director. No other Director of the Company is related to any other Director.

13. DISCLOSURES:

- A. There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- B. There were no instances of non-compliance nor have any penalties/strictures imposed by Stock Exchanges or SEBI or any other statutory authority on any matters related to capital market, during last 3 financial years.
- C. Whistle Blower Policy
In terms of Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has established vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.
(http://lesha.in/PDF_Reports/Policies/Whistle%20Blower%20Policy.pdf)
- D. The Company has no subsidiaries and has adopted policy on dealing with related party transactions
(http://lesha.in/PDF_Reports/Policies/Related%20Party%20Transaction%20Policy.pdf)
- E. Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Mandatory requirements:

The Company complies with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, with regard to corporate governance.

Non-Mandatory requirements:

- a) Office for non-executive Chairman at company's expense: No
- b) Half-yearly declaration of financial performance to each household of shareholders: Not complied
- c) Audit Qualifications: Complied as there are no audit qualifications
- d) Separate posts of Chairman & CEO: Not applicable
- e) Reporting of Internal Auditors directly to Audit Committee: Complied

F. CEO certification:

The Director of the Company has certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the certificate forms part of Annual Report.

G. Accounting treatment

The financial statements of the Company have been prepared in accordance with the Ind-AS to comply with the Indian Accounting Standards notified under the Act. The financial statements have been prepared on accrual basis under the historical cost convention.

14. MEANS OF COMMUNICATION:

Board of Directors approves and takes on record Unaudited Quarterly Results and Audited Annual Results in the prescribed form and announces forthwith the results and intimate to the Bombay Stock Exchanges Ltd. where the Company's shares are listed. The results are also published in two newspapers, one in English and the other in Regional Language.

15. ADDITIONAL INFORMATION TO SHAREHOLDERS**a. Annual General Meeting:**

Date: 28th September, 2018

Time: 11:00 a.m.

Address: 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad – 380 006.

b. Calendar of Financial Year ended 31st March, 2018

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31st March, 2018 were held on the following dates:

First Quarter Results:	14 th September, 2017
Second Quarter and Half Yearly Results:	14 th December, 2017
Third Quarter Results:	14 th February, 2018
Fourth Quarter and Annual Report:	29 th May, 2018

c. Tentative Calendar for financial year ending 31st March, 2019

Unaudited Results for the quarter ended 30/06/2018	On or Before 14 th August, 2018
Unaudited Results for the quarter ended 30/09/2018	On or Before 14 th November, 2018
Unaudited Results for the last quarter ended 31/12/2018	On or Before 14 th February, 2019
Audited Results for the quarter ended 31/03/2019	On or Before 30 th May 2019
Annual General Meeting for the year ending 31st March, 2019	On or Before 30 th September, 2019

d. Date of Book Closure

25th September, 2018 to 28th September, 2018 (both days inclusive) for Annual General Meeting.

e. Registered Office

7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad – 380 006

f. Equity shares of the Company are listed on Bombay Stock Exchange situated at P. J. Towers, Dalal Street, Fort, Mumbai-400001.**g. Scrip Code:- 533602 (BSE), Scrip ID: LESHAIND, ISIN : INE050L01022**

h. Stock Market Data (in ₹ / Per Share)

Month	Market Price Equity Share	
	Month's High	Month's Low
Apr 2017	3.00	2.45
May 2017	2.60	1.99
June 2017	2.86	1.72
July 2017	4.04	2.76
Aug 2017	4.51	3.73
Dec 2017	21.30	12.50
Jan 2018	24.60	18.40
Feb 2018	18.35	9.75
Mar 2018	9.75	8.53

Indicative Comparison of Market Price Equity Share of the Company with BSE Sensex



The trading of the Company was suspended from 16/08/2017 to 13/12/2017, due to procedural reasons pursuant to the Scheme for Demerger of Trading and Investment Business of Lesha Industries Limited (Demerged Company) and vesting the same into Ashnisha Industries Limited (Erstwhile known as Ashnisha Alloys Private Limited) (Resulting Company) pursuant to sections 391 to 394 of the Companies Act, 1956, vide its order dated May 29, 2017. Due to such reason the trading statistics are not available for September 2017 - November 2017.

i. Share Transfer System

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company, Purva Sharegistry (India) Pvt. Ltd. All valid transfers are processed within 15 days from the date of receipt

j. Shareholding pattern as on 31-03-2018 is as given below :

Sr. No.	Category	No. of Shares	% of holding
1	Promoters	406467	35.91
2	Persons acting in Concert	--	--
3	Mutual Funds, UTI, Banks, Financial Institutions, Insurance Companies Central /State Govt., Government institutions	36	--
4	FII's	--	--
5	NRIs	505	0.04
6	Bodies Corporate	234630	20.73
7	Others	490399	43.32
	Grand Total	1132037	100.00

k. Distribution of Shareholding as on 31st March, 2018 is as under:

Slab of Share Holding of Nominal Value of	No. of Shareholders	% of Shareholders	Amount (In Rs.)	% of Capital
1-5000	7201	98	1493280.00	13.19
5001-10000	70	0.95	497150.00	4.39
10001-20000	33	0.45	451530.00	3.99
20001-30000	16	0.22	387950.00	3.43
30001-40000	4	0.05	148520.00	1.31
40001-50000	3	0.04	135360.00	1.20
50001-100000	5	0.07	303700.00	2.68
100001 and above	16	0.22	7902880.00	69.81
TOTAL	7348	100.00	11320370.00	100.00

I. Dematerialization of Shares and liquidity

The shares of the company are permitted for demat on NSDL and CDSL

Issued, Subscribed and Paid up Capital as on March 31, 2018: 1132037

A. Electronic Holding in NSDL	:	282124
B. Electronic Holding in CDSL	:	786940
C. Physical Holding	:	62973

m. Outstanding GDRs / ADRs / Warrants or Conversion instruments, Conversion date and like impact on equity-

Not applicable

n. Investors' correspondence:

For transfer / dematerialization of shares, Change of Address, Change in Status of investors, payment of dividend on shares and other query relating to the shares of the Company:

M/S. PURVA SHAREGISTRY (INDIA) PVT. LTD. (Unit : Lesha Industries Limited), Shiv Shakti Industrial Estates, Unit No. 9, J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400 011.

o. Compliance Officer of the Company: Mr. Shalin Shah**p.** There are no shares lying in the demat suspense account or unclaimed suspense account.

Place: Ahmedabad

Date: August 13, 2018

For and on behalf of the Board

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

DECLARATION

All Board Members and Senior Management personnel have affirmed compliance with the code of conduct of Directors and Senior Management as approved by the Board.

Place: Ahmedabad

Date: August 13, 2018

For and on behalf of the Board

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

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

To the Members of the **LESHA INDUSTRIES LIMITED**

This is to certify that in order to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with, Regulation 15 (2) (a) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Paid up capital of the Company Lesha Industries Limited is not exceeding Rs. 10 Crores i.e. Rs. 1,13,20,370/- (Rupees One Crore Thirteen Lacs Twenty Thousand Three Hundred Seventy only) and the Networth is less than Rs. 25 Crores i.e. Rs. 7,91,07,152/- (Rupees Seven Crore Ninety One Lacs Seven Thousand One Hundred Fifty Two Only) as on the last day of the previous financial year i.e. 31st March, 2018. Therefore it is not required to submit Report on Corporate Governance.

Place: Ahmedabad

Date: August 13, 2018

For and on behalf of the Board

SD/-
Shalin A. Shah
Director
DIN: 00297447

CEO CERTIFICATION

**To,
The Board of Directors,
LESHA INDUSTRIES LIMITED
Ahmedabad.**

We hereby certify that:

- i. We have reviewed the financial statements and the cash flow statement of the Financial Year 2017-18 and that to the best of our knowledge and belief.
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violated of the Company's code of conduct.
- iii. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we hereby disclose to the Auditors and the Audit Committee that there have been no inefficiencies in the design or operation of internal controls, prevailing in the company.
- iv. We hereby certify that :
 - a. There have been no significant changes in internal control during the year.
 - b. There have been no significant changes in accounting policies during the year and
 - c. No instances of fraud were observed in the Company by the management or an employee having a significant role in the company's internal control system.

**Place: Ahmedabad
Date: August 13, 2018**

For and on behalf of the Board

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

Independent Auditor's Report

To the Members of Lesha Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **LESHA INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Matter of Emphasis:

- The company has in past granted/renewed loans and advances to other companies, which has been identified as non- performing asset. Accordingly, company has not recognized any income from the same. In the opinion of directors, the process of recovery is going on and the same is not fully doubtful of recovery. However in our opinion company needs to make provision for such long outstanding nonperforming assets amounting to **Rs. 42.03 lacs**. Due to non-provision in this regard the debit balance of profit & loss account is under stated and balance of loans and advances is overstated by the said sum. This matter has been already emphasized by previous auditor.
- The company is carrying "P & P Expenses and issue related expenses of Rs.9,59,198/- as "other current assets" which in our opinion needs to be written off. And Due to the same Profit & Loss account is under stated. So the amount of **Rs. 9,59,198/-** needs to be written off in the forthcoming financial years.

Our opinion is not qualified in respect of this matter.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended
 - e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

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

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

Place : Ahmedabad
Date : 29/05/2018

REPORTS UNDER THE COMPANIES (AUDITOR'S REPORT) ORDER, 2016 (CARO 2016) FOR THE YEAR ENDED ON 31ST MARCH 2018

To,

The Members of LESHA INDUSTRIES LIMITED

(1) In Respect of Fixed Assets

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

(2) In Respect of Inventories

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

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

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

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

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

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

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

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

(6) Maintenance of cost records

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

(7) Deposit of Statutory Dues

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax, Cess and any other material statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty were in arrears, as of 31st March, 2018 for a period of more than six months from the date they became payable.

(8) Repayment of Loans and Borrowings

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

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

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

(10) Reporting of Fraud During the Year

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

(11) Managerial Remuneration

Managerial Remuneration has not been provided by the Company

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

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

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

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

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

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

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

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

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

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

For, G M C A & Co.

Chartered Accountants

FRN: 109850W

CA. Mitt S. Patel

(Partner)

Membership No. 163940

Place : Ahmedabad

Date : 29/05/2018

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

We have audited the internal financial controls over financial reporting of **LESHA INDUSTRIES LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both

issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018.

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

Place : Ahmedabad
Date : 29/05/2018

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

BALANCE SHEET AS AT 31/03/2018

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipment	1	7,40,94,521	7,47,37,924	7,50,01,811
(b) Other Intangible assets		-	-	-
(c) Capital work in progress		-	-	-
(d) Intangible assets under development		-	-	-
(e) Financial Assets :				
i) Investments	2	-	1,19,17,310	1,19,17,310
ii) Loans		-	-	-
iii) Other Financial Assets		-	-	-
(f) Deferred tax assets (Net)		-	-	-
(g) Other non-current assets	3	1,24,18,089	3,13,04,288	1,42,54,288
Total Non-current Assets		8,65,12,610	11,79,59,522	10,11,73,409
2 Current Assets				
(a) Inventories	4	2,97,596	4,68,031	2,66,899
(b) Financial Assets :				
i) Investments				
ii) Trade Receivables	5	20,99,437	9,76,29,359	11,47,62,281
iii) Cash & Cash Equivalents	6	6,48,091	1,77,844	52,811
iii) Loans	7	1,66,00,000	4,29,21,056	6,20,70,209
iii) Other Financial Assets				
(c) Other Current Assets	8	11,73,473	11,69,929	9,59,198
Total - Current Assets		2,08,18,597	14,23,66,219	17,81,11,398
Total Assets		10,73,31,207	26,03,25,741	27,92,84,807
I. Equity & Liabilities				
1. Equity				
(a) Share Capital	9	1,13,20,370	9,43,36,380	9,43,36,380
(b) Other Equity	10	6,77,86,781	11,43,55,580	11,60,20,126
Total Equity		7,91,07,151	20,86,91,960	21,03,56,506
2. Liabilities				
A) Non Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	11	15,02,902	15,02,902	15,02,902
(b) Deferred Tax Liabilities (Net)	12	30,45,072	30,45,072	30,45,072
(c) Other Non Current Liabilities		-	-	-
Total Non- Current Liabilities		45,47,974	45,47,974	45,47,974
B) Current Liabilities				
(a) Financial Liabilities				
i) Borrowings	13	1,73,80,000	91,10,500	94,31,000
ii) Trade Payables	14	57,42,367	3,73,66,301	5,43,04,816
iii) Other Financial Liabilities		-	-	-
(b) Other Current Liabilities	15	5,53,715	6,09,006	6,44,511
(c) Short Term Provisions		-	-	-
Total Current Liabilities		2,36,76,082	4,70,85,807	6,43,80,327
Total Equity & Liabilities		10,73,31,207	26,03,25,741	27,92,84,807
Contingent Liabilities & Commitments	Nil			

For Lesha Industries Limited

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

Ashok C. Shah

Director

DIN : 02467830

Place : Ahmedabad

Date : 29/05/2018

Hitesh M. Donga

Director

DIN : 03393396

CA. Mitt S. Patel

Partner

Membership No. 163940

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 01-04-2017 TO 31-03-2018

Particulars	Note No.	2017-18	2016-17
I Revenue From Operations	16	13,37,19,766	76,40,566
II Other Income	17	2,43,696	32,837
III Total Revenue (I+II)		13,39,63,462	76,73,403
IV Expenses			
Purchase of Stock in Trade	18	13,32,10,377	78,24,463
Changes in Inventories	19	1,70,435	(2,01,132)
Employee Benefit Expenses	20	3,82,150	2,83,150
Finance Costs	21	3,418	9,329
Depreciation & Amortisation Expenses	22	1,65,844	2,63,887
Other Expenses	23	14,79,318	11,65,351
Total Expenses		13,54,11,542	93,45,048
V Profit Before Exceptional & Extraordinary Items & Tax (III-IV)		(14,48,080)	(16,71,645)
VII Exceptional Items			-
VIII Profit Before Extraordinary Items & Tax		(14,48,080)	(16,71,645)
Extraordinary Items			-
IX Profit Before Tax		(14,48,080)	(16,71,645)
X Tax Expenses			
Current Tax/ Interest on Income Tax/ Deferred Tax			-
XI Profit/(Loss) for the period from Continuing Operations(IX-X)		(14,48,080)	(16,71,645)
XII Profit/(Loss) from Discontinuing Operations			
XIII Tax Expense of Discontinuing Operations			
XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XV Profit/(Loss) for the Period(XI+XIV)		(14,48,080)	(16,71,645)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year, net of tax		(14,48,080)	(16,71,645)
XVI Earning Per Equity Share			
Basic		(0.57)	(0.18)
Diluted		(0.57)	(0.18)

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

For Lesha Industries Limited

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

Ashok C. Shah
 Director
 DIN : 02467830
 Place : Ahmedabad
 Date : 29/05/2018

Hitesh M. Donga
 Director
 DIN : 03393396

CA. Mitt S. Patel
 Partner
 Membership No. 163940

Statement of changes in equity for the period ended March 31, 2018

Amount in Rs.

A. Equity Share Capital

Particulars	2017-18		2016-17	
	No. Shares	Amount	No. Shares	Amount
i) Opening Balance at the beginning of Financial Year	94,33,638	9,43,36,380	94,33,638	9,43,36,380
Changes in equity share capital during the year	(83,01,601)	(8,30,16,010)	-	-
Closing Balance at the end of Financial Year	11,32,037	1,13,20,370	94,33,638	9,43,36,380

B. Other Equity

Amount in Rs.

Particulars	Reserves and Surplus			Total
	Security Premium	General reserve	Retained Earnings	
Balance as at 1st April, 2016	63046000	70402862	(1,74,28,737)	11,60,20,125
Change during the Year	-	-	(16,64,545)	(16,64,545)
Balance as at March 31, 2017	63046000	70402862	(1,90,93,282)	11,43,55,580
Change during the Year	-	(4,51,20,719)	(14,48,080)	(4,65,68,799)
Other comprehensive income	-	-	-	-
Total Comprehensive Income / (loss) for the year	-	(4,51,20,719)	(14,48,080)	(4,65,68,799)
Balance as at March 31, 2018	6,30,46,000	2,52,82,143	(2,05,41,362)	6,77,86,781

See accompanying notes to the financial statements

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

Ashok C. Shah
Director
DIN : 02467830
Place : Ahmedabad
Date : 29/05/2018

Hitesh M. Donga
Director
DIN : 03393396

CA. Mitt S. Patel
Partner
Membership No. 163940

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	2017-18	2016-17
A Cash flow from Operating Activities		
Net Profit Before Tax	(14,48,080)	(16,71,645)
Adjustments for:		
Add Depreciation	1,65,844	2,63,887
Less Dividend Income	(30,417)	(1,425)
Add Interest Expenses	421	-
Less Short Term Capital Gain (Mutual Fund)	(1,35,683)	-
Operating Profit / (Loss) before Working Capital Changes	(14,47,915)	(14,09,183)
Adjustments for:		
Increase/(Decrease) in Trade Payables	(3,16,23,934)	(1,69,38,515)
Increase/(Decrease) in Short term Borrowing	82,69,500	
Increase/(Decrease) in other current liabilities	(55,291)	(3,56,005)
(Increase)/Decrease in Trade Receivables	9,55,29,922	1,71,32,922
(Increase)/Decrease in short term loans & advances	2,63,21,056	1,89,38,419
(Increase)/Decrease in inventories	1,70,435	(2,01,132)
(Increase)/Decrease in other current assets	(3,544)	-
Cashflow generated from Operating Activities	9,71,60,229	1,71,66,506
Income Tax Paid (Net of Refund)	-	-
Net Cashflow generated from Operating Activities A	9,71,60,229	1,71,66,506
B Cash flow from Investment Activities		
Purchase of Property , Plant and Equipment	-	-
Sale of Property , Plant and Equipment	4,77,559	
Sale of Investments	2,40,52,993	-
Purchase of Investments	(1,20,00,000)	-
Share Application Money Received Back	-	-
Dividend Income	-	1,425
Net Cashflow generated from Investments Activities B	1,25,30,552	1,425
C Cash flow from Financing Activities		
Interest Expenses	(421)	
Dividend Income	30,417	
Share Capital Redemption	(12,81,36,729)	
(Increase)/Decrease in other non-current assets		
(Increase)/Decrease in Long term loans & advances	1,88,86,199	(1,70,50,000)
Increase/(Decrease) in non current liabilities	-	-
Net Change in Unsecured Loans Taken	-	-
Movement in Loans & Advances Granted		
Net Cashflow generated from Financing Activities C	(10,92,20,534)	(1,70,50,000)
Net Change in Cash & Cash Equivalents (A+B+C)	4,70,247	1,17,931
Opening Cash & Cash Equivalents	1,77,844	52,811
Closing Cash & Cash Equivalents	6,48,091	1,77,844

For Lesha Industries Limited

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

Ashok C. Shah
Director
DIN : 02467830
Place : Ahmedabad
Date : 29/05/2018

Hitesh M. Donga
Director
DIN : 03393396

CA. Mitt S. Patel
Partner
Membership No. 163940

➤ **Significant Accounting Policies**

Company Overview

Lesha Industries Limited ("the company") is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading of various steel products, electronic items and Dealing in Shares & Security. The company is listed on Bombay Stock Exchange.

Basis for Preparation of Financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. The comparative figures in the Balance Sheet as at March 31, 2017 and April 1, 2016 and Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2017 have been restated accordingly. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

• **Property, plant and Equipment**

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

Depreciation is recognized based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2017-18. For year 2016-17.

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

Transition to Ind AS

For transition to Ind AS, the Company has opted to adopt the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Financial Instruments

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

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

Financial assets**Initial recognition and measurement**

All financial assets, are recognized initially at fair value.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Financial liabilities at amortized cost

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

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

Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

Fair value measurement

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

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

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

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

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Borrowing costs

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

Taxation

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

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

Deferred tax

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

Earnings per share

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

First Time Adoption of Ind AS

The Company has prepared the opening standalone balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain mandatory exceptions under Ind AS 101 and certain optional exemptions permitted under Ind AS 101 availed by the Company as detailed below:

1. Mandatory exceptions to retrospective application of other Ind AS**(a) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) unless there is an objective evidence that those estimates were in error.

The company has not made any changes to estimates made in accordance with Previous GAAP.

(b) Ind AS 109 - Financial Instruments (Derecognition of previously recognized Financial Assets/ Financial Liabilities)

An entity shall apply the derecognition requirements in Ind AS 109 prospectively for the transactions occurring on or after date of transition to Ind AS.

The Company has applied the derecognition requirements prospectively.

(c) Ind AS 109 "Financial Instruments" (Classification and Measurement of Financial Assets/ Financial Liabilities)

Classification and measurement of Financial Assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of Financial Assets and accordingly has classified and measured financial assets on the date of transition.

(d) Ind AS 109 "Financial Instruments" (Impairment of Financial Assets): Impairment requirements under Ind AS 109 should be applied retrospectively based on reasonable and supportable information that is available on the date of transition without undue cost or effort.

The borrowings of the Company outstanding as at the transition date, consists of loans whose disbursements have taken place in multiple tranches in different financial years with varying interest rates. In some cases, the rate of interest on the loans are variable in nature and draw of the loans have been made in multiple instalments with each draw to be treated as a separate transaction for the purpose of computing the amortised cost. Implementing the requirement of amortised cost retrospectively is impracticable and also the amount is expected to be immaterial and hence the Company has considered the fair value of the financial liability at the date of transition to Ind AS as new amortised cost of that financial liability at the date of transition to Ind AS i.e. 1 April 2016.

2. Optional exemptions**(a) Deemed cost for property, plant and equipment, and intangible assets**

Ind AS 101 permits a first-time adopter to opt to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets".

Accordingly, the Company has opted to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.

(b) Investments in subsidiaries, joint ventures and associates

IND AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, joint ventures and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109.

Accordingly, the Company has opted to measure such investments at cost in accordance with Ind AS 27.

(c) **Determining whether an arrangement contains a lease**

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement contains a lease on the basis of facts and circumstances existing at the transition date.

The Company has leases of land. The classification of each land as finance lease or operating lease at the date of transition to Ind AS is done based on the basis of facts and circumstances existing as at that date.

1	Property, Plant and Equipment	GROSS BLOCK				DEPRECIATION				NET BLOCK			
		At 01.04.2017	Addition	Deduction	At 01.04.2018	At 01.04.2017	Depreciation Charge	Deduction	At 01.04.2018	At 01.04.2017	At 01.04.2018	At 01.04.2017	At 01.04.2018
	Office Equipments	2,14,894	-	91,328	1,23,566	1,73,440	-	61,463	1,11,977	41,454	11,589		
	Furniture	8,12,068	-	8,12,068	-	4,29,443	-	4,29,443	-	3,82,625	-		
	Factory Building	2,36,74,073	-	-	2,36,74,073	7,90,714	-	-	7,90,714	2,28,83,359	2,28,83,359		
	Vehicles	47,620	-	-	47,620	28,516	4,232	-	32,748	19,104	14,872		
	Office Premises	74,69,585	-	-	74,69,585	11,30,669	1,61,612	-	12,92,281	63,38,916	61,77,304		
	Electric Installations	70,924	-	-	70,924	63,527	-	-	63,527	7,397	7,397		
	Land	4,50,00,000	-	-	4,50,00,000	-	-	-	-	4,50,00,000	4,50,00,000		
	Pump	36,000	-	36,000	-	9,878	-	9,878	-	26,122	-		
	Tower	92,825	-	92,825	-	53,878	-	53,878	-	38,947	-		
	Total Tangible Assets	7,74,17,989	-	10,32,221	7,63,85,768	26,80,065	1,65,844	5,54,662	22,91,247	7,47,37,924	7,40,94,521		

2 Non Current Investments

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(A) Other Investments - Quoted	-	29,09,845	29,09,845
(1) Investment in Equity Shares			
(a) Associate Concerns			
298900 Equity Shares of Rs 10/- Each of Gujarat Natural Resources Limited	-	29,09,845	29,09,845
(B) Other Investments - Un Quoted	-	90,07,465	90,07,465
(1) Investment in Equity Shares			
(a) Others			
8,00,000 Equity Shares of Rs 10/- Each of EZI Ventures Private Limited	-	80,00,000	80,00,000
(2) Investment in Mututal Funds			
(a) Others			
HDFC Bank Mutual Fund	-	10,07,465	10,07,465
Total	-	1,19,17,310	1,19,17,310
Market Value of the Quoted Shares	-	1,05,06,335	1,67,38,400
Market Value of the Un Quoted Shares	-	80,00,000	80,00,000

3 Other Non-Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Security Deposit	6,52,000	6,52,000	6,52,000
Unsecured, Considered Good	6,52,000	6,52,000	6,52,000
Other Long Term Loans & Advances	1,17,66,089	3,06,52,288	1,36,02,288
Other Advances	50,000	1,88,79,113	18,29,113
Capital Advances	75,00,000	75,00,000	75,00,000
Advance to Suppliers	42,03,189	42,03,189	42,03,189
Balance with Government Authorities	12,900	69,986	69,986
Total	1,24,18,089	3,13,04,288	1,42,54,288

4 Inventories

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Stock In Trade		-	
Shares	2,97,596	4,68,031	2,66,899
Total	2,97,596	4,68,031	2,66,899

5 Trade Receivables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Outstanding for less than 6 months from the due date	20,99,437	9,35,92,421	11,07,25,343
Unsecured, considered good			
Outstanding for more than 6 months from the due date	-	40,36,938	40,36,938
Unsecured, considered good	20,99,437	9,76,29,359	11,47,62,281

6 Cash & Cash Equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks	1,42,164	82,275	43,680
In Current Account	1,42,164	82,275	43,680
Cash on Hand	5,05,927	95,569	9,131
Total	6,48,091	1,77,844	52,811

7 Current Loans

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Other Loans & Advances			
Unsecured, Considered good			
Loan to Corporate Bodies	-	2,39,21,056	2,58,56,556
Loan to Related Parties		-	-
Other Loans	1,66,00,000	1,90,00,000	3,62,13,653
VAT Credit		-	
Total	1,66,00,000	4,29,21,056	6,20,70,209

8 Other Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Preliminary Expenses	3,12,068	3,12,068	3,12,068
Pre-Operative Expenses	6,47,130	6,47,130	6,47,130
Other Statutory Advances	2,14,277	2,10,734	-
Total	11,73,475	11,69,932	9,59,198

9 Share Capital

1.1 Authorized, Issued, Subscribed and Paidup share capital

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital						
Equity Shares of Rs. 10 Each	1,90,00,000	19,00,00,000	1,90,00,000	19,00,00,000	1,90,00,000	19,00,00,000
Total						
Issued Share Capital						
Equity Shares of Rs. 10 Each	11,32,037	1,13,20,370	94,33,638	9,43,36,380	94,33,638	9,43,36,380
Total	11,32,037	1,13,20,370	94,33,638	9,43,36,380	94,33,638	9,43,36,380
Subscribed & Fully Paid						
Equity Shares of Rs. 10 Each	11,32,037	1,13,20,370	94,33,638	9,43,36,380	94,33,638	9,43,36,380
Total	11,32,037	1,13,20,370	94,33,638	9,43,36,380	94,33,638	9,43,36,380

1.2 Details of the Shares for the Preceding Five Years

Particulars	01-04-2013 to 31-03-2018					
Number Of Equity Shares Bought Back						-
Number Of Preference Shares Redeemed						-
Number of Equity Share Issue as Bonus Share						-
Number of Preference Share Issue as Bonus Share						-
Number of Equity Shares Allotted For Contracts						-
Without Payment Received In Cash						-
Number of Preference Shares Allotted For Contracts						-
Without Payment Received In Cash						-

1.3 Reconciliation of Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity Shares (Face Value Rs. 10.00)						
Shares Outstanding at the Beginning of the Year	94,33,638	9,43,36,380	94,33,638	9,43,36,380	94,33,638	9,43,36,380
Shares issued during the year	-	-	-	-	-	-
Shares cancelled during the year	83,01,601	8,30,16,010	-	-	-	-
Shares Outstanding at the End of the Year	11,32,037	1,13,20,370	94,33,638	9,43,36,380	94,33,638	9,43,36,380

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

1.5 Share Holders Holding More than 5% Share

Name of the Share Holders	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Shalin Ashok Shah	1,49,483	13.20	8,31,241	8.81	8,31,241	8.81
Ashok Metcast limited (formerly known as Tanya Estate Pvt. Ltd.)	61,949	5.47	5,16,240	5.47	5,16,240	5.47
Ashok Chinubhai Shah	57,150	5.05	4,76,253	5.05	4,76,253	5.05
Chintan Narendra Shah	-	-	-	-	8,91,000	9.44
Hitesh J Panara	1,06,920	9.44	891000	9.44	-	-

10 Other Equity

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Securities Premium Account			
Opening balance	6,30,46,000	6,30,46,000	6,30,46,000
+/- Allotment of Shares		-	-
Closing Balance	6,30,46,000	6,30,46,000	6,30,46,000
General Reserve			
Opening balance	7,04,02,862	7,04,02,862	7,04,02,862
(-) Adjustment during the year on account of Demerger	(4,51,20,719)		
+ Adjustment in pursuant to the scheme of Demerger		-	-
Closing Balances	2,52,82,143	7,04,02,862	7,04,02,862
Profit & Loss A/c			
Opening balance	(1,90,93,282)	(1,74,28,737)	(1,68,35,282)
(-) Transfer of Current Year Loss	(14,48,080)	(16,64,545)	(5,93,454)
Closing balance	(2,05,41,362)	(1,90,93,282)	(1,74,28,736)
Total	6,77,86,781	11,43,55,580	11,60,20,126

11 Non Current Borrowing

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred Payment Credit			
Deferred Payment Credit from Gujarat Industrial Development Corporation Ltd. (Towards Leasehold Land)	15,02,902	15,02,902	15,02,902
	-	-	-
Total	15,02,902	15,02,902	15,02,902

12 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred Tax Liabilities			
Due to Depreciation	30,45,072	30,45,072	30,45,072
Total	30,45,072	30,45,072	30,45,072

13 Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured Loans repayable on Demand			
Loan from Directors	8,27,500	6,82,000	92,000
Loan From Body Corporate	1,65,52,500	84,28,500	93,39,000
Total	1,73,80,000	91,10,500	94,31,000

14 Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Due to Micro & Small Enterprises			-
Others	57,42,367	3,73,66,301	5,43,04,816
Total	57,42,367	3,73,66,301	5,43,04,816

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

- Amount due and outstanding to suppliers as at the end of the accounting year;
- interest paid during the year;
- interest payable at the end of the accounting year;
- interest accrued and unpaid at the end of the accounting year;

have not been given, the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.

15 Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Statutory Dues	-	-	26,995
Other Payables	5,53,715	6,09,006	6,17,516
Total	5,53,715	6,09,006	6,44,511

16 Revenue from Operations

Particulars	2017-18	2016-17
(A) Sale of Products & Services	13,37,19,766	76,40,566
(1) Sale of Steel Products	13,32,64,139	65,46,026
(2) Sale of Shares	4,55,627	10,94,540
(3) Sale of Electronic Items	-	-
(B) Profit/(Loss) on F&O Trading	-	-
Total	13,37,19,766	76,40,566

17 Other Income

Particulars	2017-18	2016-17
Dividend Income	30,417	1,425
Miscellaneous Income	32,268	28,077
Short Term Capital Gain	1,35,683	-
Interest on Income Tax Refund	45,328	-
Prior Period Income	-	3,335
Total	2,43,696	32,837

18 Purchase of Stock in Trade

Particulars	2017-18	2016-17
(A) Purchase of Products		
(1) Purchase of Steel	13,29,90,338	65,27,500
(2) Purchase of Shares	2,20,039	12,96,963
(3) Purchase of Electronic Items	-	-
Total	13,32,10,377	78,24,463

19 Change in Inventories

Particulars	2017-18	2016-17
(A) Opening Stock	4,68,031	2,66,899
Finished Goods		
(1) Equity Shares	4,68,031	2,66,899
(2) Electronic Items		-
(A) Closing Stock	2,97,596	4,68,031
Finished Goods		
(1) Equity Shares	2,97,596	4,68,031
(2) Electronic Items		-
Total	1,70,435	-2,01,132

20 Employee Benefit Expenses

Particulars	2017-18	2016-17
Salary & Wages	3,82,150	2,83,150
Total	3,82,150	2,83,150

21 Finance Costs

Particulars	2017-18	2016-17
Interest Expense	421	-
Bank Charges	2,997	9,329
Total	3,418	9,329

22 Depreciation & Amortization Expenses

Particulars	2017-18	2016-17
Depreciation	1,65,844	2,63,887
Total	1,65,844	2,63,887

23 Other Expenses

Particulars	2017-18	2016-17
Payment to Auditors *	41,300	34,500
Rates & Taxes (Excluding Income-Tax)	89,626	1,08,100
Miscellaneous Expenses	13,48,392	10,22,751
Preliminary Expenses Write Off		-
Telephone Exps	64,603	81,081
Legal & Professional Charges	2,75,650	1,21,550
Annual Custody Fees	69,002	60,000
Share Listing Exp	62,336	67,750
ROC Exp	8,200	7,100
Listing Processing Exps	2,87,500	2,00,000
Other Miscellaneous Expenses	5,81,101	4,85,270
Total	14,79,318	11,65,351
* Payment to Auditors		
For Audit Fees	41,300	34,500
For Others		-

24. Notes on Accounts➤ **Contingent Liabilities**

There is no contingent liability as informed by management.

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

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

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

Sr. No.	Name	Relationship
1	Shalin A. Shah	Director
2	Ashok C. Shah	Director
3	Hitesh M Donga	Independent Director
4	Payal Pandya	Independent Director
5	Gujarat Natural Resources Ltd.	Group Company

➤ **Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2017 to March 31, 2018 with related parties by the company stated below.

Sr. No.	Name	Nature of the Transaction	Amount Outstanding
1	Shalin A. Shah	Loan Taken	739500
		Loan Repaid	594000
		Closing Balance	677500
2	Ashok C. Shah	Loan Taken	150000
		Loan Repaid	150000
		Closing Balance	150000
3	Gujarat Natural Resources Ltd. (For Expenses)	Loan Taken	Nil
		Loan Repaid	25325
		Closing Balance	Nil

➤ **Payment to the Auditors**

Particulars	2017-18	2016-17
Audit Fees	41300	34500
Company Matter	0	0
Income Tax Fees	0	0
Others	0	0
Total	41300	34500

➤ **Segment Reporting:**

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision

Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has four principal operating and reporting segments;

- Steel
- Shares/Commodity
- Electronic Item
- Others

(Amount in Lacs)

Particulars	Steel		Shares/ Commodities		Electronic Items		Others		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue	1332.64	65.46	4.55	10.94	-	-	-	-	1337.19	76.41
External Turnover	1332.64	65.46	4.55	10.94	-	-	-	-	1337.19	76.41
Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
Gross Turnover	1332.64	65.46	4.55	10.94	-	-	-	-	1337.19	76.41
Less: Service Tax Recovered	-	-	-	-	-	-	-	-	-	-
Gross Turnover	1332.64	65.46	4.55	10.94	-	-	-	-	1337.19	76.41

Particulars	Steel		Shares/ Commodities		Electronic Items		Others		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Results before Interest & Taxes	2.74	0.18	0.66	(0.01)	-	-	2.44	0.33	5.84	0.50
Less: Finance Cost & Other un-allocable Expenditure	-	-	-	-	-	-	-	-	(20.32)	(17.15)
Net Profit / (Loss) before Tax	-	-	-	-	-	-	-	-	(14.48)	(16.65)
Less: Taxes	-	-	-	-	-	-	-	-	-	-
Net Profit / (Loss) After Tax	2.74	0.18	0.66	(0.01)	-	-	2.44	0.33	(14.48)	(16.65)

➤ **Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares

used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of IndAS-33.

Particulars	31-03-2018	31-03-2017
Net Profit Attributable to share holders	(14,48,080)	(16,64,545)
Weighted average number of equity shares (Nos.)	2512172	94,33,638
Basic and diluted earnings per share (Rs.)	(0.57)	(0.18)
Nominal value of equity share (Rs.)	10	10

➤ **Details of loan made during the year 2017-18 as per section 186(4) of The Companies Act 2013**

(Amount in Rs.)

Name of the Entity	Nature of Transaction	Amount (Outstanding)	Purpose of Loan	Period
Shivansh Estate Pvt Ltd	Loan Given	15389000	Business	Short Term Advances – On Demand

➤ **Capital Management**

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

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
- Total equity attributable to the equity share holders of the company	1,13,20,370	9,43,36,380	9,43,36,380
- As percentage of total capital	40.35%	91.35%	90.96%
- Current loans and borrowings	1,73,80,000	91,10,500	94,31,000
- Non-current loans and borrowings	0	0	0
- Total loans and borrowings	17380000	9110500	9431000
- Cash and cash equivalents	648091	177844	52811
- Net loans & borrowings	16731909	8932656	9378189
- As a percentage of total capital	59.65%	8.65%	9.04%
Total capital (loans and borrowings and equity)	2,80,52,279	10,32,69,036	10,37,14,569

➤ Fair Value measurements

A. Financial instruments by category

Particulars	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Asset									
Investment	-	-	-	-	29,09,845	-	-	29,09,845	-
Loans	1,66,00,000	-	-	4,29,21,056	-	-	6,20,70,209	-	-
Trade receivables	20,99,437	-	-	9,76,29,359	-	-	11,47,62,281	-	-
Cash & Cash Equivalents	6,48,091	-	-	1,77,844	-	-	52,811	-	-
Other Financial Asset	-	-	-	-	-	-	-	-	-
Total Financial Asset	1,93,47,528	-	-	14,07,28,259	29,09,845	-	17,68,85,301	29,09,845	-
Financial Liabilities									
Borrowings	1,73,80,000	-	-	91,10,500	-	-	94,31,000	-	-
Trade Payables	57,42,367	-	-	3,73,66,301	-	-	5,43,04,816	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	-
Total Financial Liabilities	2,31,22,367	-	-	4,64,76,801	-	-	6,37,35,816	-	-

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

Fair value hierarchy

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

B. Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2018

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	-	-	-	-

Financial assets measured at fair value at March 31, 2017

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	29,09,845	-	-	29,09,845

Financial assets measured at fair value at April 1, 2016

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	29,09,845	-	-	29,09,845

Notes:

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

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

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

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

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

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

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

➤ **Financial risk management**

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

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

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

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

(a) Credit risk

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

Trade Receivables

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

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

Particulars	Gross Carrying Amount	Expected credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods				
0-12 Months	0	0	0	0
More than 1 Year	20,99,437	0	0	20,99,437
Total	20,99,437	0	0	20,99,437

(b) Liquidity risk

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

Liquidity Table

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

As at March 31, 2018

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

As at March 31, 2017

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
Non-current financial liabilities			
Borrowings	-	15,02,902	15,02,902
Current financial liabilities			
Borrowings	91,10,500	-	91,10,500
Trade Payables	3,73,66,301	-	3,73,66,301
Other Financial Liability	0	-	0
	4,64,76,801		4,64,76,801
Total financial liabilities	4,64,76,801	15,02,902	4,79,79,703

(c) Market Risk

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

- Interest rate risk

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

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest Free Loan	15,02,902	15,02,902	15,02,902

(d) Price Risk

Exposure

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

➤ Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as on March 31, 2017

Particulars	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	7,47,37,924	0	7,47,37,924
(b) Other Intangible assets	0	0	0
(c) Capital work in progress	0	0	0
(d) Intangible assets under development	0	0	0
(e) Financial Assets :			
i) Investments	1,19,17,310	0	1,19,17,310
ii) Loans	0	0	0
iii) Other Financial Assets	0	0	0
(f) Other non-current assets	3,13,04,288	0	3,13,04,288
2 Current Assets			
(a) Inventories	4,68,031	0	4,68,031
(b) Financial Assets :			
i) Investments	0	0	0
ii) Trade Receivables	9,76,29,359	0	9,76,29,359
iii) Cash & Cash Equivalents	1,77,844	0	1,77,844
iii) Loans	4,29,21,056	0	4,29,21,056
iii) Other Financial Assets	0	0	0
(c) Other Current Assets	11,69,929	0	11,69,929
Total Assets	26,03,25,741	-	26,03,25,741
I. Equity & Liabilities			
1. Equity			
(a) Share Capital	9,43,36,380	0	9,43,36,380
(b) Other Equity	11,43,55,580	0	11,43,55,580
2. Liabilities			
A) Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	15,02,902	0	15,02,902
(b) Deferred Tax Liabilities (Net)	30,45,072	0	30,45,072
(c) Other Non Current Liabilities	0	0	0
B) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	91,10,500	0	91,10,500
ii) Trade Payables	3,73,66,301	0	3,73,66,301
iii) Other Financial Liabilities	0	0	0
(b) Other Current Liabilities	6,09,006	0	6,09,006
Total Equity & Liabilities	26,03,25,741	-	26,03,25,741

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of equity as on April 1, 2016

Particulars	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	7,50,01,811	0	7,50,01,811
(b) Other Intangible assets	0	0	0
(c) Capital work in progress	0	0	0
(d) Intangible assets under development	0	0	0
(e) Financial Assets :			
i) Investments	1,19,17,310	0	1,19,17,310
ii) Loans	0	0	0
iii) Other Financial Assets	0	0	0
(f) Other non-current assets	1,42,54,288	0	1,42,54,288
2 Current Assets			
(a) Inventories	2,66,899	0	2,66,899
(b) Financial Assets :			
i) Investments	0	0	0
ii) Trade Receivables	11,47,62,281	0	11,47,62,281
iii) Cash & Cash Equivalents	52,811	0	52,811
iii) Loans	6,20,70,209	0	6,20,70,209
iii) Other Financial Assets	0	0	0
(c) Other Current Assets	9,59,198	0	9,59,198
Total Assets	27,92,84,807	0	27,92,84,807
I. Equity & Liabilities			
1. Equity			
(a) Share Capital	9,43,36,380	0	9,43,36,380
(b) Other Equity	11,60,20,126	0	11,60,20,126
2. Liabilities			
A) Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	15,02,902	0	15,02,902
(b) Deferred Tax Liabilities (Net)	30,45,072	0	30,45,072
(c) Other Non Current Liabilities	0	0	0
B) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	94,31,000	0	94,31,000
ii) Trade Payables	5,43,04,816	0	5,43,04,816
iii) Other Financial Liabilities	0	0	0
(b) Other Current Liabilities	6,44,511	0	6,44,511
Total Equity & Liabilities	27,92,84,807	0	27,92,84,807

Reconciliation of total comprehensive income for the period March 31, 2017

Particulars	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Revenue From Operations	76,40,566	0	76,40,566
Other Income	32,837	0	32,837
Total Revenue	76,73,403	0	76,73,403
Expenses			
Purchase of Stock in Trade	78,24,463	0	78,24,463
Changes in Inventories	(2,01,132)	0	(2,01,132)
Employee Benefit Expenses	2,83,150	0	2,83,150
Finance Costs	9,329	0	9,329
Depreciation & Amortisation Expenses	2,63,887	0	2,63,887
Other Expenses	11,58,251	0	11,58,251
Total Expenses	93,37,948	0	93,37,948
Profit Before Exceptional & Extraordinary Items & Tax	(16,64,545)	0	(16,64,545)
Exceptional Items	0	0	0
Profit Before Extraordinary Items & Tax	(16,64,545)	0	(16,64,545)
Extraordinary Items	0	0	0
Profit Before Tax	(16,64,545)	0	(16,64,545)
Tax Expenses			
Current Tax/ Interest on Income Tax/ Deferred Tax	0	0	0
Profit/(Loss) for the period from Continuing Operations	(16,64,545)	0	(16,64,545)
Other comprehensive income			
Items that will not be reclassified to profit or loss	0	0	0
Total comprehensive income for the year, net of tax	(16,64,545)	0	(16,64,545)

Notes to reconciliation between Indian GAAP and Ind AS

(i) Revenue Recognition

Under Indian GAAP revenue is disclosed net of excise duty. However under Ind AS revenue is disclosed including excise duty.

(ii) Amortisation of processing charges

Under Indian GAAP ancillary cost of borrowing is recognised as expense or capitalized (in case of qualifying asset) in the year in which it is incurred. Under Ind AS the ancillary cost of borrowing is expensed or capitalised at effective interest rate over the period of loan.

➤ Others

- As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013.
- Confirmation of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made

when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.

- In the opinion of board of directors the value of loans and advances and other current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in balance sheet.
- As regarding loans from GIDC , the said amount is outstanding since long, the management has provided us with the explanation that as the GIDC has not allotted them their land, the said loan is not repayable and the repayment will start once the GIDC will allot the plot to the company.
- There is carry forward of losses, the company need not to recognize deferred tax assets in the event of non-availability of convincing evidence as to future income.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For Lesha Industries Limited

Ashok C. Shah
Director
DIN : 02467830
Place : Ahmedabad
Date : 29/05/2018

Hitesh M. Donga
Director
DIN : 03393396

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

CA. Mitt S. Patel
Partner
Membership No. 163940

LESHA INDUSTRIES LIMITED

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

CIN: L27100GJ1992PLC018607

ATTENDANCE SLIP

Name of the attending Shareholder/Proxy : _____

Shareholder's Folio No./Client ID : _____

No. of Shares held : _____

I/We hereby record my/our presence at the Annual General Meeting held on Friday, September 28, 2018 at the Registered Office of the Company at 11:00 A.M.

Signature of the Attending Shareholder/Proxy: _____

Notes : 1. Share holder/Proxy holder wishing to attend the meeting must bring the attendance slip to the Meeting and hand it over at the entrance duly signed.

2. Share holder/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting

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LESHA INDUSTRIES LIMITED

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

CIN: L27100GJ1992PLC018607

PROXY FORM

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

CIN: L27100GJ1992PLC018607

Name of the company: LESHA INDUSTRIES LIMITED

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

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

Registered address: _____ DP ID: _____

E-mail Id: _____

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 28th Day of September, 2018 At 11:00 a.m. at 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006 and at any adjournment thereof in respect of such resolutions as are indicated in the notice.

Signed this ____ Day of ____ 2018

Signature _____

Signature of Proxy Holder(s) _____

Affix Revenue Stamp

Notes:

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

To,

If undelivered please return to:

LESHA INDUSTRIES LIMITED

7th Floor, Ashoka Chambers,
Near Mithakhali Six Roads,
Ahmedabad – 380006, Gujarat, India.
