

29th
Annual Report
2018-2019



ASHIANA AGRO INDUSTRIES LIMITED



ANNEXURE A TO THE DIRECTORS' REPORT FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

ANNEXURE B TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

ANNEXURE C TO THE DIRECTORS' REPORT

FORM No. MR-3

SECRETARIAL AUDIT REPORT

ANNEXURE D TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

ANNEXURE E TO THE DIRECTORS' REPORT

[Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]



BOARD OF DIRECTORS

ShriPavan Kumar Matli, Whole Time Director

ShriRadeshRangarajan, Director

ShriKranthikumarChimakurthi, Director

Dr.VemareddySruthaKeerthi, Director

ShriVamsidhar Reddy Mandipati, Director

COMPANY SECRETARY

Shri E.D.M.Menon

REGISTERED OFFICE

No.792/5, Eswari Hotel Complex, Bangalore High Road, Sunguvarchatram,
SriperumbudurTaluk, Kancheepuram Dist., Pincode -602 106, Tamil Nadu

Phone: 044-2834 4820

Website: www.aail.in, Email: ashianaagro@gmail.com

CORPORATE OFFICE

New No.16/3, Old No.13/3, Vidyodaya 1st Cross Street,
T.Nagar, Chennai – 600 017

Phone: 044-2834 4820

AUDITORS

M/s.Prasan & Associates

Chartered Accountants,

No.2, Grand Square, Aravamuthan Gardan Street,
Egmore, Chennai - 600 008

REGISTRAR & SHARE TRANSFER AGENTS

M/s.Link Intime India Pvt.Ltd.

Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block,
Near Savitri Market, Janakpuri, New Delhi-110058

Phone: +91 11 49411000| Extn-7106

Fax: +91 11 4141 0591 E-mail ID: delhi@linkintime.co.in



NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Members of the Company will be held on Thursday, the 26th September, 2019 at 11 AM at the Regd. Office of the company situated at 792/5, Eswari Hotel Complex, Bangalore High Road, Sunguvarchatram, Sriperumbudur Taluk, Kancheepuram Distt., Pincode – 602 106, Tamil Nadu to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2019 and the Profit & Loss Account for the year ended on that date together with Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Shri Radesh Rangarajan (DIN:01995154) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s SKBR & Associates, Chartered Accountants, Nellore, as Statutory Auditors.

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

“RESOLVED FURTHER THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s SKBR & Associates, Chartered Accountants, Nellore (Firm Registration No.017755S with the Institute of Chartered Accountants of India) be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting to be held in Sept., 2024, subject to ratification of appointment by shareholders in every Annual General Meeting to be held upto Sept., 2023 on the remuneration as may be mutually agreed between the Audit Committee and the Statutory Auditors”

“RESOLVED FURTHER THAT the Audit Committee be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution”.

SPECIAL BUSINESS

4. To appoint Shri Vamsidhar Reddy Mandipati as an Independent Director

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Act, as amended from time to time, Shri Vamsidhar Reddy Mandipati (DIN:08268843), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for an independent Director as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five years effective from 8th Nov., 2018 or till such earlier date as may be determined to conform with statutes, rules, regulations or guidelines”.

RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution.

By Order of the Board
For ASHIANA AGRO INDUSTRIES LTD.
Sd/-
Pavan Kumar Matli
Whole Time Director

Place: Chennai
Date: 8th August, 2019

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AFORESAID MEETING.
2. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting.
3. Members/proxies attending the meeting are requested to :
 - to bring their copy of Annual Report to the meeting along with the attendance slip.
 - Quote their Folio/Client ID and DP ID numbers in all correspondences.
4. The Register of members and share transfer books of the company shall remain closed for a day, i.e., on 19th Sept., 2019 (Cut- off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut off date will be entitled to cast their votes by evoting or through ballot at the AGM venue. A person who is not a Member on the cut- off date should accordingly treat this Notice as for information purposes only.
5. The members holding shares in identical order of names in more than one folio are requested to write to the Share transfer agent of the Company to consolidate their holding in one folio.
6. The members are requested to communicate to the Registrars and Share Transfer Agents, viz., M/s.LinkIntime India Pvt.Ltd., change in address, if any at the address given in the Annual Report.
7. Members are requested to preferably send their queries to the Regd. Office seven days before the date of AGM.
8. 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.
9. Electronic copy of the Annual Report 2019 will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2019 are being sent in the permitted mode.
10. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report 2019 will also be available on the Company's website www.aail.in for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also sent requests to the Company's investor email id: ashianaagro@gmail.com / ashiana.menon@gmail.com
11. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.

Additional information, pursuant to the Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to appointment of the Statutory Auditors of the Company as proposed under Item No.3 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.
12. Route map of the AGM venue, pursuant to the Secretarial Standard on General Meetings, is also annexed.
13. Voting through electronic means

In Compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes at 29th AGM by electronically through the electronic voting service facility arranged by Link Intime India Private Limited(LIPL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given below. The business may be transacted through e-voting services provided by Link Intime India Private Limited(LIPL). The company has appointed Mr.T.Durga Prasad, Practising Company Secretary as scrutinizer for the e voting process.

**The instructions for shareholders voting electronically are as under:****Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

The voting period begins on 23.09.2019 at 9.30 AM and ends on 25.09.2019 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 19.09.2019(record date) to cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
DOB/ DOI	<p>Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.</p>
Bank Account Number	<p>Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number.</p> <ul style="list-style-type: none"> Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.
8. If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

- **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

By Order of the Board
For ASHIANA AGRO INDUSTRIES LTD.

Sd/-

Pavan Kumar Matli
Whole Time Director

Place: Chennai
Date: 8th August, 2019

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES' ACT, 2013****ITEM NO.3****Appointment of Statutory Auditors**

As per Regulations, M/s.Prasan& Associates, Chartered Accountants, presently statutory auditors of the company are entitled to a five year term and accordingly will complete their present term on conclusion of the forthcoming AGM as per Section 139 of the Companies Act, 2013.

The Board on the recommendations of the Audit Committee has identified M/s.SKBR&Associates, Chartered Accountants, No.3-1-539 TulasiNilayam, Lakshmipuram, Stonehousepet, Nellore-524002 (AP) (Firm Regn.No.017755S) for appointment as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting to be held in Sept., 2024, subject to ratification of appointment by shareholders in every Annual General Meeting to be held upto Sept., 2023 on the remuneration as may be mutually agreed between the Audit Committee and the Statutory Auditors. M/s.SKBR&Associates, Chartered Accountants, Nellore, vide their letter dt. 1st August, 2019 have confirmed that they fulfill the conditions prescribed under Section 141 of the Companies Act, 2013 and willing to be considered as Statutory Auditors of our Company if approved by the Members in the forthcoming AGM.

The Resolution is recommended for the approval of Members by way of Ordinary Resolution.

None of the Directors and key managerial personnel of your Company nor any of their relatives are interested in the aforesaid Resolution, except as a Member, if any of the Company.

ITEM NO.4**Appointment of Independent Directors**

The Company had pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges where the company's shares are listed, appointed ShriVenkitakrishnan Shankar as Independent Director in compliance with the requirements of the clause upto 24th Sept., 2019. Owing to personal reasons, ShriVenkitakrishnan Shankar resigned as an Independent Director with effect from 08th Nov., 2018. Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one third of the total number of directors as independent directors, who are not liable to retire by rotation. The Company has identified ShriVamsidhar Reddy Mandipati, an MCA who is a Senior Consultant and appointed him on 08th Nov., 2018 and he holds office only upto the forthcoming AGM. The Board recommends the appointment of ShriVamsidhar Reddy Mandipati (DIN:08268843), as an Independent Director for a term of five years from the date of appointment. He has given a declaration to the Board that he meets the criteria of independent director as provided under Section 149(6) of the Act. In the opinion of the Board, ShriVamsidhar Reddy Mandipati fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of this director as Independent Director is now being placed before the Members for their approval. ShriVamsidhar Reddy Mandipati being the appointee is interested in the Resolution. None of the other Directors are interested or concerned directly or indirectly in the Resolution. The resolution is recommended for the approval of Members by way of Ordinary Resolution.

BRIEF PROFILE OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 29th ANNUAL GENERAL MEETING AS REQUIRED IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

At the ensuing AGM ShriRadesh Rangarajan (DIN:01995154) retires by rotation and is eligible for re-election. ShriVamsidhar Reddy Mandipati (DIN:08268843) has been appointed by the Board as an Independent Director on 08th Nov., 2018 for a term of five years subject to approval of shareholders in the forthcoming AGM.

Brief profile of these Directors under Corporate Governance code are as under:-**1. ShriRadesh Rangarajan (DIN:01995154)**

ShriRadesh Rangarajan holds an MBA from IIM, Ahmedabad (PGP 1988-90) and is a first generation entrepreneur. His Bachelor degree in Physics was from Loyola College, Chennai. His work experience started with Eicher Group and Blowplast where he did the hardcore grind of dealer management and sales across four states for consumer and industrial products.

Shri Radesh started off in business with as a DSA for GE Countrywide and added ANZ Grindlays bank products to his portfolio. His firm was rated as the top performer in South India and one of the best in the country in the years 96-97 at GE Countrywide.



Radesh successfully set up a website Dealwala.com in 2000 for a top industrial group leading a crack team of graduates from IIMA and XLRI. It was one of the very few websites to register sales revenues from Scratch. With dotcoms floundering for capital, dealwala.com managed to morph into a non-voice BPO that now has over 700 employees. Radesh put together a CXO level team before moving on.

In 2002, Radesh and Govind founded Mindspace HR Consulting services, later to become a pvt.ltd. company. Radesh continues on the Board of Directors of Mindspace, even as the company has diversified beyond HR to Finance.

Since 2007, Radesh has been active in the Investment Advisory Services. He is an Executive Committee Member in the IIM Ahmedabad and Alumini Association, Chennai.

Companies other than Ashiana Agro Industries Ltd. in which RadeshRangarajan holds Directorship and Committee Membership

Directorship:

Mind Space Consulting & Services Pvt. Ltd.,	– Director
Serengeti Holdings Pvt. Ltd.	– Director
Plutus Investment Advisory Services Pvt. Ltd.	– Managing Director
Sunstar Hotels & Estates Pvt. Ltd	– Director
Glo Life care Equipments Pvt. Ltd	– Director
AMAM Technologies Pvt Ltd	– Director
Srinivas Multipack Pvt Ltd	– Director
Chairman of Board Committees	– Nil
Member of Board Committees	– Nil
Shareholding in Company	– Nil

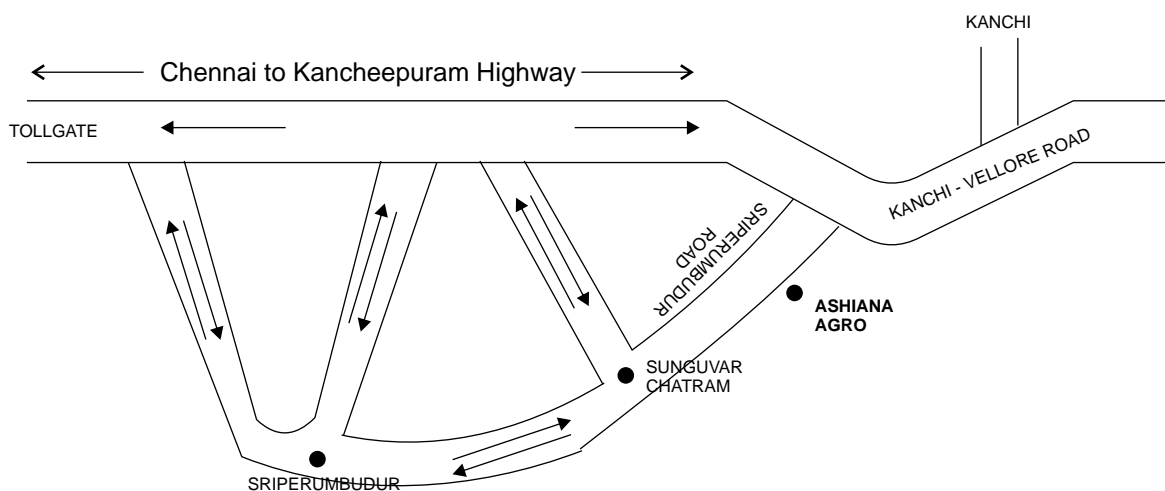
2. ShriVamsidhar Reddy Mandipati(DIN DIN:08268843)

MrVamsidhar Reddy Mandipati is an MCA with experience in data management, servers and is a senior consultant on various computer related matters.

Companies other than Ashiana Agro Industries Ltd. in which Dr.VamareddySruthaKeerthi holds Directorship and Committee Membership

Directorship:	– Nil
Chairman of Board Committees	– Nil
Member of Board Committees	– Nil
Shareholding in Company	– Nil

ROUTE MAP



**DIRECTORS' REPORT**

To The Members

Your Directors take pleasure in presenting their 29th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

The summarized financial results for the year ended 31st March, 2019 are as follows:-

	Rupees in Lacs			
	2018-19		2017-18	
Total Income	102.85		67.99	
Profit before Interest & Depreciation	(-)3.47		(-)4.08	
Interest:	-		-	
Depreciation:	0.01	(-) 0.01	0.01	(-) 0.01
Profit before tax	(-)3.48		(-)4.09	
Less: Tax Expenses	-		-	
Profit/Loss(-) for the Year	(-)3.48		(-)4.09	
Balance Loss (-) brought forward from previous year	(-) 219.65		(-) 215.56	
Balance carried to Balance Sheet (Loss)	(-) 223.13		(-) 219.65	

Keeping in view the accumulated losses and the losses for the year under review, the directors are unable to recommend payment of any dividend for the year under review.

As regards "other notes to Accounts", the directors wish to clarify that the loan has been advanced to Diadem enterprises duly complying with the relevant provisions of the Companies' act, 2013 and is within the permissible limit laid down under the provisions of the said Act. Pending deployment of funds in other Projects, the company could earn interest to meet its day to day expenses and other liabilities. The loan is repayable on demand. The Company is in the process of identifying Projects wherein it can invest its funds for the long term for the benefit of its shareholders.

OPERATIONS

Commercial operations started by the company during the year under review. The new management has identified Packaging Materials business as a new area. The new management has the expertise and experience to run this type of business. The Members have passed necessary Resolution to amend the Memorandum of Association of the Company enabling the company to take up the new business.

DIRECTORS

Shri RadeshRangarajan, Director retires by rotation and is eligible for re-election. Shri Kranthikumar Chimakurthi was appointed as Independent Director in 2018 AGM w.e.f. 09th Aug., 2018. Shri V.Shankar, one of the independent directors resigned with effect from 08th Nov.,2018. Shri Vamsidhar Reddy Mandipati has been appointed by the Board as an Independent Director for a term of five years on 8th Nov., 2018. He holds office upto the Annual General Meeting. The Board recommends to Members his appointment as an independent director for a term of five years effective from 08th Nov., 2018. There is no other change in directorship.

BOARD MEETINGS

During the Financial Year ended 31.3.2019, Board Meetings held on 12.4.2018, 21.5.2018, 9.8.2018, 27.9.2018, 8.11.2018 and 11.2.2019. Shri V.Shankar, one of the independent directors, has resigned with effect from 8th Nov., 2018. Shri Vamsidhar Reddy Mandipati, has been appointed by the Board as an Independent Director on 8.11.2018 for a term of five years. He holds office upto the Annual General Meeting. The Board recommends to Members his appointment as an independent director for a term of five years from the date of appointment.

Your Company has a policy of appointing adequately qualified persons only to the Board keeping in view the requirements of listing agreement with the stock exchanges and the Corporate Governance guidelines.