

ASHIANA ISPAT LIMITED

23rd ANNUAL REPORT



BOARD OF DIRECTORS

1. Shri Naresh Chand	-	Managing Director
2. Shri Neeraj Kumar Jain	-	Whole Time Director
3. Shri Sanjay Kumar Jain	-	Whole Time Director
4. Shri Puneet Jain	-	Whole Time Director
5. Shri Naman Jain	-	Director
6. Shri Ram Kumar Garg	-	Independent Director
7. Shri T. C. Kansal	-	Independent Director
8. Shri Rajesh Kumar Pal	-	Independent Director
9. Shri Rajinder Parshad Bansal	-	Independent Director
10. Smt. Shruti Jain	-	Independent Director

COMPANY SECRETARY

Harun Rashid Ansari

REGISTERED OFFICE & WORK :

A-1116, Phase-III, RIICO Industrial Area,
Bhiwadi-301 019, Distt. Alwar (Rajasthan)
E-mail : ail@ashianaispat.in

CORPORATE OFFICE :

C-9/36, Sector-8,
Rohini, Delhi-110 085

AUDITORS :

M/s S. Singhal & Company
Chartered Accountants
E-127, Industrial Area,
Bhiwadi-301 019, Distt. Alwar (Rajasthan)

SECRETARIAL AUDITORS :

M/s Bir Shankar & Co.
G-3/5 & 6, III Floor, Sec - 16, Rohini,
New Delhi - 110089

SHARE TRANSFER AGENT :

Link Intime India Private Ltd.
44, Community Centre,
Naraina Industrial Area, Phase-I,
Near PVR Cinema, New Delhi-110028
Ph-011-41410592-94

BANKERS :

State Bank of Bikaner & Jaipur
MID Corporate Branch, Pusa Road,
New Delhi-110005

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ASHIANA ISPAT LIMITED

MANAGING DIRECTOR'S SPEECH



Naresh Chand Jain, Managing Director

Dear Shareholders,

WELCOME TO THE 23rd ANNUAL GENERAL MEETING OF ASHIANA ISPAT LIMITED

It has been my pleasure to once again highlight on the performance of Ashiana Ispat Limited. Ashiana continued to set new benchmarks despite the challenging economic environment. The year 2014-15 was another year for improvement, sustainable growth and operational efficiencies.

India's economy was in the midst of improvement showing signs of recovery with lower inflation. Ashiana managed to deliver the broad-based growth.

When we look at Ashiana today, it can be seen that it has been a year of great transition for the Company.

The Indian economy grew at a rate lower than the trend average of the last 10 years due to overhang of lower capital expenditure and investments, tight monetary policy and sluggish demand conditions in critical sectors such as automotive, infrastructure and construction. There are significant expectations of the new Government to pursue further economic reforms, investments in infrastructure and an inclusive growth agenda to revive the economy. Steel as a foundation industry will play a significant role in this journey and therefore it is very important for policy makers and the government to facilitate a robust supply side framework as an enabler for a vibrant steel industry in the country

I would like to quote a very motivational saying by Swami Vivekananda in this context:-

“Take up one idea. Make that one idea your life – think of it, dream of it and live on that idea. Let the brain, muscles, nerves, every part of your body, be full of that idea, and just leave every other idea alone. This is the way to success that is way great spiritual giants are produced”

Every day we ask ourselves how we can deliver greater value to our clients and shareholders and look for ways to help our clients take on a future of sustainable growth with timely delivery. You will be pleased to know, that your Company was recognized by industry, customers for excellence along many dimensions.

Review of Performance

I am pleased to inform that Ashiana has recorded revenues of Rs. 29909.97 lacs. PBT grew to Rs. 292.80 lacs from Rs. 284.63 lacs during the last fiscal year. The growth in revenues showed increase in demand for the Company's product. The Company's performance during the year was average. But, despite the challenges- both internal and external, the overall financial stability of the Company remains, however, strong. Through the conscious efforts and other ongoing improvement measures, I hope to revive our earlier growth performance in the medium term. Going forward, there is a tremendous potential for growth and improvement. I believe we have a promising year ahead of us in the near term, as an Industry.

As a responsible corporate citizen, Ashiana recognizes and fulfils its duty of serving to the interests of the society as well. The Company is committed to addressing the developmental needs and aspirations of the communities

Opportunity

Steel sector is the backbone of the Indian economy. Government is also providing certain measures to provide thrust to Indian



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Steel sector. The infrastructure sector is the largest consumer of steel, because with the rapid increase in urban population, there is a need to build infrastructure facilities. Historically, steel has been one of the fastest growing commodities and this trend is likely to continue thereby auguring well for overall progress of the Industry.

Your Company is confident about the future given the integrated nature of its operations, its ideal location to cater to demand at present as well as domestic demand when it picks up, and the focus on continuous improvement leading to greater efficiency. Over the past few years, we have observed the progressive rise in demand. We focus on value addition at every stage of manufacture and also direct our efforts to high revenue generating markets.

Our People

Our employees are the mainstay of the organization. By their sheer dedication, commitment and hard-work, they have build a platform of security for the future. Our employees put in tremendous efforts at all levels that have helped in shaping and building Ashiana as a trustworthy name among customers. We look to the future with confidence that arises out of our actions and the achievements of our people, as we prepare to face the competitions and challenges of the World.

Acknowledgement

On behalf of the Board of Directors and the Management, I would like to place on record your Company's sincere appreciation of the continuing patronage and support of all stakeholders, without which it will be impossible for the Company to scale new heights and achieve new levels. I would also like to extend my heartfelt gratitude to the employees of the Company for their timeless commitment for enhancing the well-being of the Company. It is the unmatched support of the shareholders and employees that has helped Ashiana climbing the stairs of success.

Sd/-

(Naresh Chand)

Managing Director

DIN : 00004500



ASHIANA ISPAT LIMITED

NOTICE is hereby given that the 23rd Annual General Meeting of the members of M/s. ASHIANA ISPAT LIMITED will be held on Monday, the 28th September, 2015 at 09.30 A.M. at the registered office of the Company at A-1116, Phase-III, RIICO Industrial Area, Bhiwadi-301019, District-Alwar, Rajasthan to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Puneet Jain (holding DIN – 00814312), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s S. Singhal & Company, Chartered Accountants (ICAI Reg. No. 001526C), E-127, Industrial Area, Bhiwadi-301019, Distt. Alwar (Rajasthan) be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration as may be fixed by the Board of Directors and the Audit Committee, apart from reimbursement of out of pocket expenses and taxes as applicable.”

SPECIAL BUSINESS

Item No. 4: Appointment of Mrs. Shruti Jain as an Independent Director for a term of five years

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Mrs. Shruti Jain (having DIN 07129355), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 20.03. 2015 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Shruti Jain as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five consecutive years

commencing from 20th March, 2015.

RESOLVED FURTHER THAT Mrs. Shruti Jain will not be liable to retire by rotation.”

Item No. 5 Appointment of Mr. Naman Jain as Director liable to retire by rotation

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

“RESOLVED THAT Mr. Naman Jain (holding DIN –03436419), who was appointed by the Board as an Additional Director of the Company with effect from 14th November, 2014, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director (Category – Non-Executive Promoter Director) of the Company liable to retire by rotation.”

Item No. 6 To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016 and in this regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re- enactments(s) thereof, for the time being in force), M/s Sanjay Kumar Garg & Co., Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2016 be paid a remuneration of Rs-20,000 plus reimbursement of out of Pocket and other incidental expenses.

**By Order of the Board of Directors
for Ashiana Ispat Limited**

Place: Bhiwadi

Date: May 30, 2015

Sd/-

**Naresh Chand
Managing Director
DIN-00004500**

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE



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COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22nd September, 2015 to Monday, 28th September, 2015 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
4. Members holding shares in demat form are hereby informed that the Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
5. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Link Intime India Private Limited / Investor Service Department of the Company immediately.
6. In accordance with the Articles of Association of the Company, all Directors (except Mr. Naresh Chand, who has been appointed as the Managing Director for a term of 5 years effective 25th January, 2011), retire every year and, if eligible, offer themselves for re-appointment at the Annual General Meeting. As per the provisions of the Companies Act, 2013, Independent Directors are appointed for a term up to five consecutive years and are not liable to retire by rotation. The relevant details of Directors seeking appointment / re-appointment under Item nos. 4 and 5 of this Notice are provided at page nos. 10 of the Annual Report.
7. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting a duly filled-in 'E-

communication Registration Form' available on the website of the Company www.ashianaispat.co.in to M/s. Link Intime India Private Limited or Investor Service Department of the Company. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

8. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.
9. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, 21st September, 2015, i.e. the date prior to the commencement of book closure, are entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Thursday, 24th September, 2015 and will end at 5.00 p.m. on Sunday, 27th September, 2015. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed Mr. Birshankar & Co., Practising Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

The instructions for shareholders voting electronically are as under:

- (I) The voting period begins on 24th September, 2015 at 9.00 A.M. and ends on 27th September, 2015 at 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 (record date) of 21st September, 2015, 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>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 sequence number which is printed on Postal Ballot / Attendance Slip indicated 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 the relevant Ashiana Ispat Limited on which you choose to vote.
- (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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed 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) 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 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



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scrutinizer to verify the same.

- (i) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. may follow the same instructions as mentioned above for e-Voting.
- (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

Registered office:

A-1116, Phase-III, RIICO Inds. Area

Bhiwadi-301019, Alwar, Rajasthan

Place: Bhiwadi

Date: 30.05.2015

By Order of the Board

Sd/-

Naresh Chand

Managing Director

DIN-00004500

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

Item No. 4

Pursuant to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors of the Company (the "Board") at its meeting held on 20.03.2015, appointed Mrs. Shruti Jain as an additional director of the Company with effect from 20.03.2015 and she holds office until the date of the Annual General Meeting, in terms of Section 161 of the Companies Act, 2013.

The Board also designated Mrs. Shruti Jain as an Independent Director within the meaning of Section 149 of Companies Act, 2013 for a term of 5 (five) years, not liable to retire by rotation, subject to shareholders approval.

The Company had received a notice in writing from a member along with a deposit of Rs 100,000 (Rupees One lakh only) proposing the candidature of Mrs. Shruti Jain for the office of Director of the Company.

Mrs. Shruti Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. In the opinion of the Board, Mrs. Shruti Jain is competent and well-experienced, and therefore her appointment as Independent Director is justified. In the opinion of the Board, Mrs. Shruti Jain fulfils the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as an Independent Director of the Company and Mrs. Shruti Jain is independent of the Management.

Copy of letter of appointment of Mrs. Shruti Jain as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during 10:00 A.M. to 3:00 P.M. on all working days.

The Board considered that her continued association would be immense beneficial to the Company and is desirable to continue to avail services of Mrs. Shruti Jain as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Shruti Jain as an Independent Director, for the approval by the shareholders of the Company.

Mrs. Shruti Jain does not hold any Shares of the Company in her own name.

None of the Directors or Key Managerial Personnel and their relatives, except Mrs. Shruti Jain, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 4 for approval of the Members.

The Board of Directors recommends the passing of this Resolution by ordinary resolution.

Item No. 5

Pursuant to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors of the Company (the "Board") at its meeting held on November 14, 2014, appointed Mr. Naman Jain as an additional director of the Company with effect from 14.11.2014 and he holds office until the date of the Annual General Meeting, in terms of Section 161 of the Companies Act, 2013

The Company had received a notice in writing from a member along with a deposit of Rs 100,000 (Rupees One lakh only) proposing the candidature of Mr. Naman Jain for the office of Director of the Company liable to retire by rotation.

Mr. Naman Jain is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Naman Jain as a Director, liable to retire by rotation for the approval by the shareholders of the Company.

Mr. Naman Jain holds 100000 Equity Shares of the Company in his own name.

Apart from Mr. Naman Jain, being the appointee, Mr. Neeraj Kumar Jain, Mr. Sanjay Kumar Jain being relative are related and deemed to be concerned or interested, financial or otherwise, in the resolution.

The Board of Directors recommends the passing of this Resolution by ordinary resolution.

Item No. 6

M/s Sanjay Kumar Garg & Co., Cost Accountants conducted the cost audit of the Company for the year 2013-14. The Audit Committee at its meeting held on 30th May,



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2014 has recommended for their appointment as the Cost Auditors of the Company to conduct the Cost Audit of the Company for the financial year 2014-15 at a remuneration of Rs- 20,000 plus out of Pocket and other incidental expenses.

The Board recommends the resolution for the appointment of M/s Sanjay Kumar Garg & Co, Cost Accountants for your approval for the financial year 2015-16 at a remuneration of Rs- 20,000 plus out of Pocket and other incidental expenses.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the said Resolution.

PROFILE OF DIRECTORS

(Seeking Appointment / Re-appointment)

Mr. Naman Jain [DIN-03436419]

Mr. Naman Jain, aged 28 years, is BBA (International Business, Finance & Economics) from Manchester (UK). Mr. Naman Jain has been associated with different business concern since the completion of his academic career. He is also director of PURSHOTTAM INVESTOFIN LIMITED, which is listed on Bombay Stock Exchange.

Mr. Naman Jain is also the Director of several other Companies as per details given below:

S.No.	CIN/LLPIN	Name of the Company/ LLP
1	U27100DL2011PTC217911	LUBOK INDUSTRIES PRIVATE LIMITED
2	U36996DL2007PTC159368	LOIRE IMPEX PRIVATE LIMITED
3	L65910DL1988PLC033799	PURSHOTTAM INVESTOFIN LIMITED
4	U65921DL2010PLC209145	Catalyst International Limited
5	U51909DL2011PTC223304	IDREAMS IMPEX PRIVATE LIMITED
6	AAA-8302	LUBOK CARBON LLP

Dr. Shruti Jain: [07129355]

Dr. Shruti Jain is a graduate from Punjab University and has also completed her Master of Business Administration from most reputed The ICFAI University, Dehradun in the year 2010. She has also completed Doctor of Philosophy in Management from Singhania University, Rajasthan. She belongs to the family having very successful business entity manufacturing Jai Bharat Saria.

Dr. Shruti Jain is highly qualified and having rich academic experience of Business Management and Administration. Her presence on the Board has been immensely beneficial to the Company keeping in view of her brilliant academic career and family background.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty Third Annual Report of your Company along with the Audited financial statements for the financial year-ended 31st March, 2015.

Financial results:		₹ In lacs	
Sl. No.	Particulars	2014-2015	2013-2014
1	Gross Sale	29909.97	29699.68
2	Profit before Depreciation interest and Tax	1046.11	1047.08
3	Interest	600.76	605.45
4	Depreciation	152.55	157.00
5	Profit/ (Loss) for the year before tax	292.80	284.63
6	Balance (Cr.) brought forward from the previous year	1641.16	1421.43
7	Balance (Cr.) carried forward to the Balance Sheet	1831.48	1641.16

OPERATIONS

During the year under review, your Company has recorded revenue of ₹ 29909.97 Lacs thereby showing an increase by 0.71%. Because of the increase in revenues, PBT registered a significant growth and remain at ₹ 292.80 Lacs. However, PAT showed a decline by 9.43%.

The financial year 2014-15 has been quite a successful year for the company as far as revenues are concerned. The increase in revenues showed rising demand for steel. The factors which contributed for a better market for steel includes an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million and emergence of the rural market.

DIVIDEND

Keeping in view the future fund requirements of the company for achieving the long term growth objectives, the Board of Directors has not recommended any dividend and transferred all the distributable profit to the general reserve account of the company.

Responsibility Statement:

The Directors confirm that:

- In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards have been followed and that there are no material departures from the same,
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2015 and of the profit of the Company for that period.



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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation

In accordance with the relevant provisions of the Act, Mr. Puneet Jain, Director of the Company retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible has offered himself for re-appointment.

Inductions:

During the year, the Board of Directors appointed Mrs. Shruti Jain as an Additional Director with effect from 20.03.2015, to hold office up to the date of forthcoming Annual General Meeting. Being eligible, Mrs. Shruti Jain offered herself to be appointed as the Independent Director of your company.

Board also appointed Mr. Naman Jain as a Non-executive, Additional Director, on the recommendation of nomination and remuneration committee, thus making total of 10 members on the Board as on 31st March 2015, out of which 5 are independent directors. The Company had received a notice in writing from a member along with a deposit of Rs 100,000 (Rupees One lakh only) proposing the candidature of Mr. Naman Jain for the office of Director of the Company liable to retire by rotation.

The Board periodically reviews its composition for determining any change in the size and structure.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years, but shall be eligible for reappointment on passing of an ordinary resolution by the Company and shall not be liable to retire by rotation. All other Directors, except the Managing Director, will retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-election.

The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013.

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees forms part of this Annual Report as Annexure-A.

The Company has formulated a policy for performance evaluation of Independent Directors.

AUDITORS

A. STATUTORY AUDITORS

M/s. S. Singhal & Company, Chartered Accountants (ICAI Reg. No. 001526C) are proposed to be appointed as Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company held thereafter, subject to ratification of the appointment by the members at every AGM held after the ensuing AGM.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written Consent from S. Singhal & Company, Chartered Accountants, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 141 of the Companies Act, 2013 and the rules made there under, as may be applicable.

B. COST AUDITOR

The Board has appointed M/s Sanjay Garg & Co., Cost Accountants as cost auditors of the Company for the financial year 2015-16.

C. SECRETARIAL AUDITOR

M/s Bir Shankar & Co., Practising Company Secretary was appointed as the Secretarial Auditor of the Company for the year 2014-15.

The Board has appointed M/s Bir Shankar & Co., Practising Company Secretary to conduct secretarial audit for the financial year 2015-16.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Your company is doing its best efforts to give high priority to energy conservation by opting for more power efficient replacements.

Particulars of Energy Conservation/ Technology Absorption and Foreign Exchange earnings and out go as per Section 134(3)(m) of Companies Act, 2013 are given as an Annexure-B to this report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the remuneration and other details is being annexed to this report as Annexure-C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Clause 49 of the Listing Agreements with Stock Exchanges, the Management discussion and Analysis Report is enclosed as a separate part of this report.

CORPORATE GOVERNANCE

The Company is committed to adhere to the best practices of corporate governance requirements as set out under Clause 49 of the listing agreement. This is ensured by taking business decisions in conformity with ethical standards and conducting business

The report on corporate governance as stipulated under clause 49 of the listing agreement with the stock exchange forms an integral part to the Annual Report.

The certificate from the Auditors confirming compliance with the provisions of Corporate Governance has been attached