



Formerly Known as,
AHIMSA INDUSTRIES PVT. LTD.
Ahimsa Industries Ltd.

102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction,
S. G. Highway, Ahmedabad - 380 015 (INDIA).

T. +91 79 27445901 / 02

info@ahimsaind.com | ahimsagreenpet@ymail.com

CIN: L25200GJ1996PLC028679

To,
National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai-400051

NSE Scrip Symbol: **AHIMSA**

Dear Sirs,

**Subject: Certified true copy of Annual Report of Ahimsa Industries Limited for the
F. Y. 2015-16 has approved and adopted in the Annual General Meeting held
on 30th June, 2016**

As per the requirement of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 please find attached herewith the certified true copy of the Annual Report of Ahimsa Industries Limited for the Financial year 2015-16 has approved and adopted in the 21st Annual General Meeting of the company held on Thursday, 30th June, 2016 at 5:00 P.M. at Registered office of the company at 102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction, S.G. Highway, Ahmedabad-380015(INDIA)

We request you to kindly take the above said information on record.

Thanking You,

Yours faithfully

For **Ahimsa Industries Limited**

P. P. Panchal

Poonam P. Panchal
Company Secretary

Date: 05/07/2016

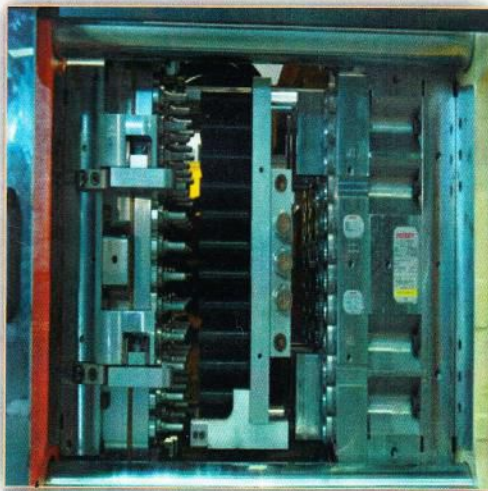
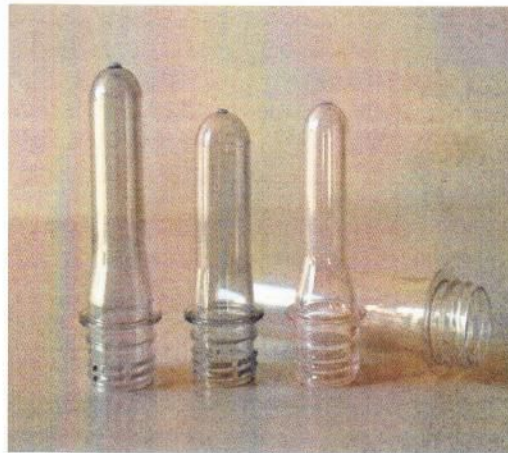
Place: Ahmedabad




greenpetTM AHIMSA
preform INDUSTRIES LIMITED

CIN: L25200GJ1996PLC028679

ANNUAL REPORT 2015-16



ABOUT AHIMSA INDUSTRIES LIMITED

Ahimsa Industries Limited is one of the leading PET Performs manufacturers under brand name  (Trademark is being applied for registration); PET performs are produced on world Class- Husky H- PET Injection Molding machines & on brand new Husky Molds.

We, at Ahimsa, shall always strive to achieve the highest level of customer satisfaction and shall aim to share a long lasting & growing relationship with our customers. To achieve this, we shall use innovative technology in developing better products industries and develop capabilities competent with the global standards at a cost, which is value for money. We shall constantly have a pursuit for value addition, continual improvement and dedicated service provisions in all aspects of our business.

One of the significant aspects of Ahimsa's manufacturing functions has been its emphasis on increasing productivity on a continuing basis through improvements in manufacturing processes. One in- house machine tools manufacturing facility has contributed significantly to this. The company has laid emphasis on indigenization & adaptation of techniques acquired from better technologies which has helped in productivity improvements.



AIL Advantages:




- Vast experience of plastics
- Equipments from the world leader Husky
- Commitment, Just in time Delivery, safety and uncompromising quality
- Well organized infrastructure with High Preform and resin storage capacity
- Experience of serving Organised nationalized players
- Infrastructure built keeping in mind future expansion
- Skilled and properly trained staff and workforce

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Ashutosh D. Gandhi (DIN: 00654563) Managing Director
 Mrs. Sneha A. Gandhi (DIN: 00654675), Whole time Director
 Mr. Jignesh A. Shah (DIN: 00006339), Non-Executive Director
 Mr. Ashish N. Shah (DIN: 00089075), Non- Executive and Independent Director
 Mr. Bhadresh A. Trivedi (DIN: 07218969), Non- Executive and Independent Director
 Mr. Kiritkumar H. Trivedi (DIN: 07506870), Director

	<p>Mr. Ashutosh Damubhai Gandhi, aged 49 years, is the Promoter and Managing Director of our Company. He is a highly qualified and dynamic personality who is helping the Company to achieve new heights in business .He is a Plastic Engineer (With In-Plant Training) from Technical Examinations Board, Gujarat State, Ahmedabad. From 1988-1989 he worked with Jyoti Plastic Industries at Vatva. Thereafter till year 1990 he worked with SDC Polyurethane Private Limited as a Design Engineer and as a Site in-charge. After that he worked as Consultant in Overseas Project Consultancy for Polymer processing at African countries from 1990-1995.From 1996 he started his own business under the name of M/S. Ahimsa Industries Private Limited.</p>
	<p>Mrs. Sneha Ashutosh Gandhi, aged 47 years, is the Whole-time Director of our Company. She is a Bachelor of Arts from University of Gujarat. She is working in Administration department of M/S. Ahimsa Industries Limited from 1996. She was also worked in Marketing department of M/s. General Additives Private Limited.</p>

	<p>Mr. Jignesh Anubhai Shah, aged 45 years, is the Non-Executive Director of our Company. He is a Bachelor of Commerce from Gujarat University, and a Company Secretary from the Institute of Company Secretaries of India. From 1996 to 1999 he worked for Metrochem Industries Limited as Assistant Company Secretary thereafter he worked with Alka Spinners Limited, from 1999 to 2001 Thereafter he started his own Practice from 2001 onwards.</p>
	<p>Mr. Ashish Navnitlal Shah, aged 52 Years, is the Non-Executive & Independent Director of our Company. He is a Bachelor of Engineering in Mechanical Branch from L.D Engineering College, Gujarat university from Ahmedabad. From 1984 to 1992 he worked for HPCL as Sales Officer in marketing division at Mumbai. In the year 1992 he co-founded Dalal & Shah Fiscal Services Ltd at Ahmedabad. Thereafter in the year 2002, he founded Wealth First Portfolio Managers Pvt Ltd. at Ahmedabad in the area of financial services & wealth management & broking.</p>
	<p>Mr. Bhadresh Arvindbhai Trivedi, aged 50 Years is the Non-Executive & Independent Director of our Company. He is Bachelor of Arts from Gujarat University. He worked in Electrical Project site, stores handling, labour handling and material purchasing of the Ahmedabad Electricity Limited from 1987 to 2000. Thereafter he worked in stores department of Torrent Power Limited from 2000 to 2005 after that he was shifted to LTMD department till 2014, Currently he is working in the Key Accounts Management department of Torrent Power Limited. He is also working as an agent of Life Insurance Corporation of India since January 1987. He is also a member of Chairman Club of LIC for last 15 years.</p>

BANKERS

1. Corporation Bank
S. G. Highway Branch
Ahmedabad
2. HDFC Bank Limited
Prahladnagar Branch,
Ahmedabad

AUDITORS

M/S Mistry & Shah
Chartered Accountants
Ahmedabad

REGISTRAR AND TRANSFER AGENT

Bigshare Services Private Limited
E2 Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri East,
Mumbai-400072
Tel. No: +91 22 40430200

REGISTRATION OFFICE

102, Iscon Elegance, Nr. Shapath-5,
Prahladnagar Junction,
S. G. Highway, Ahmedabad – 380015,
Gujarat, India
Ph. No.- +91 79 27445901 / 02
Email Id:- legal@greenpet.in &
info@ahimsaind.com

FACTORY ADDRESS

160, Devraj Industrial Park,
Piplaj Pirana Road, Village Piplaj,
Ahmedabad- 382405,
Gujarat, India
Ph. No.- +91 79 29708292
Email Id:- ceo@greenpet.in

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NOTICE

21st ANNUAL GENERAL MEETING

Notice is hereby given that 21st Annual General Meeting of the members of the company will be held on Thursday, 30th June, 2016 at 5:00 P.M. at the registered office of the company at 102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction, S. G. Highway, Ahmedabad – 380015, Gujarat, India to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the company for the financial year ended March 31, 2016 together with the Report of Board of Directors and Report of Auditor thereon.
2. To appoint Mrs. Sneha A. Gandhi(DIN: 00654675), who retires by rotation and being eligible, offers herself for re-appointment.
3. To reappoint Auditors of the company to hold office from the conclusion of 21st AGM until the conclusion of the 26th AGM and to fix their remuneration and to pass the following resolution thereof.

“RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules made there under, M/s Mistry & Shah, Chartered Accountants, Gandhinagar (Firm Registration No. 122702W), be and are hereby reappointed as the Statutory Auditors of the Company, to hold office from the conclusion of 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be determined by the Board of Directors of the Company on a year to year basis”.

SPECIAL BUSINESS

4. **Appointment of Mr. Kiritkumar H. Trivedi as Non- Executive Director of Company:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013

("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and in pursuance to the provisions of SEBI(Listing Obligation and Disclosure Requirements) Regulation, 2015, Mr. Kiritkumar H. Trivedi (DIN: 07506870), who was appointed as an Additional Director of the Company with effect from May 26, 2016, under Section 161 of the Companies Act, 2013, who is eligible for appointment and signifying his intention to appoint as Non- Executive Director of Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

5. Revision in the remuneration of Managing 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 recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and in accordance with the provisions of Sections 196, 197, 198, 203, and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Article of Association of the Company, approval of the members of the Company be and is hereby accorded to the continuation of Mr. Ashutosh D. Gandhi (DIN: 00654563), as Managing Director, for period of Five years with effect from December 18, 2014 on the same terms and condition including remuneration as passed by the Members of the Company at the Extra- ordinary General Meeting held on 18th December, 2014 and approval of the members of the Company to the revision of remuneration payable to Mr. Ashutosh D. Gandhi (DIN: 00654563), as Managing Director with effect from April 1, 2016 on the salary, allowance and perquisites on the terms and conditions including remuneration as mentioned below:

Details of remuneration are:

Salary:

Mr. Ashutosh Gandhi: Rs. 19,50,000 per annum

Total Salary payable includes:

- Basic salary
- Commission payable, if any
- House Rent Allowance(HRA)
- Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.

- Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company.
- Other benefits like Gratuity, Provident Fund, Leave etc. as applicable as per rules of the Company.
- Other perquisites and benefits as per the rules of Company.

Salary mentioned above includes perquisites payable to Mr. Ashutosh D. Gandhi (DIN: 00654563) but in any case the total managerial remuneration shall not exceed the maximum limit prescribed under the Companies Act.

6. Revision in the Remuneration of Whole time 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 recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and in accordance with the provisions of Sections 196, 197, 198, 203, and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Article of Association of the Company, approval of the members of the Company be and is hereby accorded to the continuation of Mrs. Sneha A. Gandhi (DIN: 00654675), as Whole Time Director, for period of Five years with effect from December 18, 2014 on the same terms and condition including remuneration as passed by the Members of the Company at the Extra- ordinary General Meeting held on 18th December, 2014 and approval of the members of the Company to the revision of remuneration payable to Mrs. Sneha A. Gandhi (DIN: 00654675), as Whole Time Director, with effect from April 1, 2016 on the salary, allowance and perquisites on the terms and conditions including remuneration as mentioned below:

Details of remuneration are:

Salary:

Mrs. Sneha Gandhi: Rs. 13,00,000 per annum

Total Salary payable includes:

- Basic salary
- Commission payable, if any
- House Rent Allowance(HRA)
- Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.

- Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company.
- Other benefits like Gratuity, Provident Fund, Leave etc. as applicable as per rules of the Company.
- Other perquisites and benefits as per the rules of Company.

Salary mentioned above includes perquisites payable to Mrs. Sneha A. Gandhi(DIN: 00654675) but in any case the total managerial remuneration shall not exceed the maximum limit prescribed under the Companies Act.

7. Appointment of Statutory Auditor to fill casual vacancy:

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(8) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, Messrs. Mistry and Shah, Chartered Accountants (Firm Registration No: 122702W) be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. K. H. Trivedi & Company, Chartered Accountants, (Firm Registration No: 111054W).”

“Resolved further that M/s. Mistry and Shah, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from 02nd April, 2016, until the conclusion of the 21st Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.”

For, AHIMSA INDUSTRIES LIMITED

Place: Ahmedabad
Date: 26th May, 2016

Poonam P. Panchal
Company Secretary
(Membership No. A44616)

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item 4, Item 5, Item 6 and Item 7 of the Notice is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. The instrument appointing a proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. The record Date for the purpose of determining the eligibility of the Members to attend the 21st Annual General Meeting of Company will be 23rd June, 2016.
6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
7. The Notice of 21st Annual General Meeting and the Annual Report 2015-2016 of the Company, circulated to the members of the Company, will be made available on the Company's website at **www.ahimsa-ind.com** and **www.greenpet.in**
8. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
9. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the

information regarding change of address and bank particulars should be given to their respective Depository Participant.

10. 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 details to the Company / Registrar and Transfer Agent.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
12. Non-Resident Indian Members are requested to inform Registrar and Transfer Agent, immediately of:
 - i. Change in their residential status on return to India for permanent settlement.
 - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Electronic copy of the Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.

Contact Details:

Company: Ahimsa Industries Limited (CIN: L25200GJ1996PLC028679),
102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction, S. G. Highway,
Ahmedabad – 380015, Gujarat, India
E-mail ID: info@ahimsaind.com, legal@greenpet.in

Registrar and Transfer Agent: Bigshare Services Private Limited
E2 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East,
Mumbai-400072
Tel. No: +91 22 40430200

ANNEXURE TO NOTICE

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

For Item no: 4

Mr. Kiritkumar H. Trivedi was appointed as Additional Director by the Board of Directors in its meeting held on 26th May, 2016. Pursuant to Section 161 of the Companies Act, 2013 ('Act'), Mr. Kiritkumar H. Trivedi is entitled to hold office upto the date of 21st Annual General Meeting. Mr. Kiritkumar H. Trivedi, aged 65 years, is Chartered Accountant with vast experience in his field of Chartered Accountant. The Company has received from Mr. Kiritkumar H. Trivedi consent in writing to act as Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Mr. Kiritkumar H. Trivedi proposed to be appointed as Non-Executive Director fulfils the conditions specified in the Act and Rules made thereunder. A copy of the draft letter of appointment of Mr. Kiritkumar H. Trivedi as an Non- Executive Director setting out the terms and conditions is available for inspection at the registered office of the Company during normal business hours on all working days upto the date of Annual General Meeting. Except Mr. Kiritkumar H. Trivedi, no other Director or key managerial personnel of the Company or their relatives is concerned or interested in the proposed resolution. The resolution seeks approval of the members for the appointment of Mr. Kiritkumar H. Trivedi as Non-Executive Director of the Company for a term of five consecutive years pursuant to provisions of the Act and Rules made thereunder and that he shall be liable to retire by rotation as per Articles of Association of the Company.

The Board recommends the resolution set forth in item No.4 for the approval of the members.

For Item no: 5 and 6

The member may approve that the based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of Company at their meeting held on 26th May, 2016, approved the increase of Remuneration of Mr. Ashutosh D. Gandhi (DIN: 00654563), as Managing Director and Mrs. Sneha A. Gandhi (DIN: 00654675), as Whole Time Director under the provisions of Sections 196, 197, 198, 203, and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Article of Association of the Company to Rs. 19,50,000 p.a to Mr. Ashutosh D. Gandhi and Rs. 13,00,000 p.a. to Mrs. Sneha A. Gandhi with effect from April 1, 2016 on the salary, allowance and perquisites on the terms and conditions including remuneration.

Salary mentioned above includes perquisites payable to Mr. Ashutosh D. Gandhi (DIN: 00654563) and Mrs. Sneha A. Gandhi (DIN: 00654675) but in any case the total managerial remuneration shall not exceed the maximum limit prescribed under the Companies Act.

Mr. Ashutosh D. Gandhi (DIN: 00654563), as Managing Director and Mrs. Sneha A. Gandhi (DIN: 00654675), as Whole Time Director, both are interested in the resolution of revision of Remuneration respectively.

The Board recommends the Resolution at Item No.: 5 and 6 for approval of the Members.

For Item no: 7

The Members of the Company at the 19th Annual General Meeting held on 29th September, 2014 had appointed M/s. K. H. Trivedi & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 111054W) as the Statutory Auditor of the Company to hold office from the conclusion of the 19th Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company, subject to ratification of the appointment by the members at every Annual General Meeting held after 19th Annual General Meeting of the Company.

M/s. K. H. Trivedi & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 111054W), vide their letter dated 2nd April, 2016 agreed to step down and resigned from the position of Statutory Auditors of the Company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on 2nd April, 2016, as per the recommendation of the Audit Committee and pursuant to the provisions of section 139(8) under Companies Act, 2013, appointed M/s. Mistry and Shah., Chartered Accountants, (Firm Registration No: 122702W), as the Statutory Auditors to fill the casual vacancy caused due to resignation of M/s. K. H. Trivedi & Co., Chartered Accountants, Ahmedabad subject to the approval by the members in 21st Annual General Meeting of the Company, at such remuneration plus out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. Mistry and Shah., Chartered Accountants, (Firm Registration No: 122702W) to act as Statutory Auditors of the Company in place of M/s. K. H. Trivedi & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 111054W), along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. Accordingly consent of the members is sought for passing Ordinary Resolution for Appointment of Statutory Auditors.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in way concerned or interested, financially or otherwise, in the Resolutions at Item No: 07.

The Board recommends the Resolution at Item No.: 07 for approval of the Members.

For, AHIMSA INDUSTRIES LIMITED

Place: Ahmedabad
Date: 26th May, 2016

Poonam P. Panchal
Company Secretary
(Membership No. A44616)

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**Details of the Directors seeking Appointment /Re-Appointment in the
21st Annual General Meeting of the company pursuant to SEBI (Listing
Obligation and Disclosure Requirements) Regulation, 2015**

1. MRS. SNEHA A. GANDHI – Whole Time Director

Name of Director	SNEHA A. GANDHI DIN: 00654675
Date of Birth	3 rd June, 1968
Date of Appointment	6 th October, 1999
Relationship with other Directors Inter se	Wife of Managing Director
Profile & Expertise in Specific functional Areas	Works in Administrative Department since 1996
Qualification	Bachelor of Arts
No. of Equity Shares held in the Company	15,73,950 Shares
List of other Companies in which Directorships are held	Nil
List of committees of Board of Directors (across all other Companies) in which Chairmanship/Membership is held	Nil

2. MR. KIRITKUMAR H. TRIVEDI – Non- Executive Director

Name of Director	KIRITKUMAR H. TRIVEDI DIN: 07506870
Date of Birth	9 th May, 1951
Date of Appointment	26 th May, 2016
Relationship with other Directors Inter se	None
Profile & Expertise in Specific functional Areas	Practice as Chartered Accountant
Qualification	Chartered Accountant
No. of Equity Shares held in the Company	Nil
List of other Companies in which Directorships are held	Nil
List of committees of Board of Directors (across all other Companies) in which Chairmanship/Membership is held	Nil

DIRECTORS' REPORT

**To
The Members,
AHIMSA INDUSTRIES LIMITED
AHMEDABAD**

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

FINANCIAL SUMMARY

(Amount in Rs.)		
Particulars	2015-2016	2014-2015
Total Revenue	608806639.31	327666777
Profit /(Loss) Before Tax	21382305.83	(7573994)
Less: Current Tax	(6665957)	0.00
Deferred Tax	3678183	(579367)
Profit /(Loss) after Taxation	18394531.83	(8153156)
Less: tax paid for earlier years	0.00	0.00
Profit /(Loss) after Taxation	18394531.83	(8153156)
Balance carried to Balance Sheet	18394531.83	(8153156)

FINANCIAL HIGHLIGHTS AND OPERATION

The Key highlights pertaining to the business of the company for the year 2015-16 and period subsequent there to have been given hereunder:

- The total income of the Company during the financial year 2015-16 was Rs. 608806639.31 against the income of Rs. 327666777 in the previous financial year 2014-15.
- The total expenditure during the year was Rs. 587424333.48 against Rs. 33391028 in the previous year 2014-15. The Profit/(Loss) after tax for the year under review at Rs. 18394531.83 was likewise higher than that of loss in the previous year of Rs. 8153156.
- The Directors trust that the shareholders will find the performance of the company for financial year 2015-16 to be satisfactory. The Earning Per Share (EPS) of the company is 3.90 per share.

- Initial Public issue of Rs. 15180000 (Rupees one Crore Fifty-one Lacs eighty Thousand only) divided 1518000 (Fifteen lacs Eighteen Thousand) equity shares of Rs. 10 each as on 9th October, 2015. Due to Initial Public Offer, Paid up Share capital of the Company is increased from Rs. 39559900 to Rs. 54739900.

DIVIDEND

With a view to provide a cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review.

RESERVES

During the current financial year our Company has gained a net profit of Rs. 608806639.31 as against the loss of Rs 8153156 in P.Y. 2014-15, your Directors have transferred Rs. 24064551.83 to Reserve for strengthen the financial position of the Company in nearest future.

CHANGE IN THE NATURE OF BUSINESS

For sustained growth in the future, Company wants to rely on the main businesses of company; there is no change in the nature of the business of the Company during the year.

CHANGE OF NAME

The Company has changed its name from “AHIMSA INDUSTRIES PRIVATE LIMITED” to “AHIMSA INDUSTRIES LIMITED” with effect from 25th May, 2015. The change of name was approved by the members in the Extra Ordinary General Meeting of the Company held on 27th April, 2015. The Registrar of Companies, Gujarat, Dadra and Nagar Haveli has, on 25th May, 2015, issued the new certificate of incorporation recording the change in the name of the Company.

CAPITAL STRUCTURE

The Authorized Share Capital of the Company is Rs. 7,50,00,000 (Rupees Seven Crore Fifty lacs only) divided into 75,00,000 (Seventy-Five lacs) equity shares of Rs. 10 each.

The Paid up share capital of the Company is increased from Rs. 3,95,59,900 (Rupees Three Crore Ninety-Five Lacs Fifty-Nine Thousand Nine hundred only) divided 39,55,990 (Thirty-Nine lacs Fifty-Five Thousand Nine hundred and Ninety) equity shares of 10/- each to Rs. 5,47,39,900 (Rupees Five Crore Forty-Seven lacs thirty-Nine thousand Nine hundred only) divided into 54,73,990 (Fifty-Four lacs Seventy-Three

Thousand Nine hundred and Ninety) equity shares of Rs. 10 each due to Initial Public issue of Rs. 1,51,80,000 (Rupees one Crore Fifty-one Lacs eighty Thousand only) divided 15,18,000 (Fifteen lacs Eighteen Thousand) equity shares of Rs. 10 each as on 9th October, 2015.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report as given below:

- The Company has appointed one additional Director.
- The Company has taken note of resignation of Ms. Gajara J. Joshi (Membership No. A37875) as Company Secretary and Compliance Officer under the provisions of the Companies Act, 2013.
- The Company has appointed Ms. Poonam P. Panchal (Membership No. A44616) Company Secretary and Compliance Officer under the provisions of the Companies Act, 2013.
- The Company has taken note of resignation of M/s K. H. Trivedi & Co. (FRN: 111054), Statutory Auditor's of Company under the provisions of the Companies Act, 2013.
- The Company has appointed M/s Mistry and Shah (Firm Registration No 122702W), Chartered Accountants, as Statutory Auditors of Company under the provisions of the Companies Act, 2013.
- The Company has appointed Mr. Nitesh P. Shah (Membership No. A35681), practicing Company Secretary as Secretarial Auditor of Company under the provisions of the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

No significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- DIRECTOR RETIRED BY ROTATION**

Mrs. Sneha A. Gandhi (DIN: 00654675), Director of the Company retires from office by rotation in accordance with the requirement of the Companies Act, 2013 and being eligible, offers herself for reappointment.

- APPOINTMENT OF DIRECTOR**

There is an appointment of following Directors in the composition of the Board of Directors of the company as given below:-

Sr No	Name	Designation
1.	Kiritkumar Harishankar Trivedi	Director

Appointment of Mr. Kiritkumar H. Trivedi as a Director of Company in the meeting of Board of Directors to be held on 26th May, 2016.

- CHANGES IN KEY MANAGERIAL PERSONNEL**

- The Company take note of Resignation of following Key Managerial Personnel**

Sr No	Name of the Key Managerial Personnel	Designation
1.	Gajara Jagirambhai Joshi	Company Secretary and Compliance Officer

Resignation of Ms. Gajara J. Joshi (Membership No. A37875) as Company Secretary and Compliance Officer of Company as on 4th April, 2016.

- The Company has appointed following Key Managerial Personnel.**

Sr No	Name of the Key Managerial Personnel	Designation
1.	Poonam Pravinbhai Panchal	Company Secretary and Compliance Officer

Appointment of Ms. Poonam P. Panchal (Membership No. A44616) as Company Secretary and Compliance Officer of Company in the meeting of Board of Directors held on 26th May, 2016.

DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs.60 lacs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.60 lacs during the financial year 2015-16.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as **Annexure I**.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 11 times during the year on 27/04/2015, 27/05/2015, 23/06/2015, 24/06/2015, 15/07/2015, 23/07/2015, 18/08/2015, 30/09/2015, 07/12/2015, 12/01/2016 and 01/03/2016 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

Name of Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM held on 30 th September, 2015	No. of committee/ membership in which he/she is a member and Chairperson
Mr. Ashutosh D. Gandhi	Promoter / Managing Director	11	11	Yes	None
Mrs. Sneha A. Gandhi	Whole-time Director	11	11	Yes	None
Mr. Ashish N. Shah	Independent & Non-Executive Director	11	11	Yes	Chairman in two Committee. Member in four Committee

Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	8	8	Yes	Chairman in two Committee. Member in four Committee
Mr. Jignesh A. Shah	Non-Executive Director	11	11	Yes	Member in three Committee.

MEETING OF AUDIT COMMITTEE

The members of Audit Committee met one time during the year on 13th January, 2016 after conversion of Company from Private Company to Public Company as per provisions of Section 177 of the Companies Act, 2013 and applicable provisions.

Mr. Ashish N. Shah (00089075) is chairman of Audit Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1
Mr. Jignesh A. Shah	Non-Executive Director	1	1

MEETING OF NOMINATION AND REMUNERATION COMMITTEE

The members of Nomination and Remuneration Committee met one time during the year on 13th January, 2016 after conversion of Company from Private Company to Public Company as per provisions of Section 178 of the Companies Act, 2013 and applicable provisions.

Mr. Ashish N. Shah (00089075) is chairman of Nomination and Remuneration Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1
Mr. Jignesh A. Shah	Non-Executive Director	1	1

MEETING OF STAKEHOLDER RELATIONSHIP COMMITTEE

The members of Stakeholder Relationship Committee met one time during the year on 13th January, 2016 after conversion of Company from Private Company to Public Company as per provisions of Section 178 of the Companies Act, 2013 and applicable provisions.

Mr. Bhadresh A. Trivedi (DIN: 07218969) is the Chairman of Stakeholder Relationship Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1
Mr. Jignesh A. Shah	Non-Executive Director	1	1

MEETING OF INDEPENDENT DIRECTORS

The independent directors of company met one time during the year on 13th January, 2016 after conversion of Company from Private Company to Public Company as per Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Bhadresh A. Trivedi (DIN: 07218969) is the Chairman of Independent Directors Meeting.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholder Relationship Committees and takes care of recommendation made by independent directors.

DECLARATION BY INDEPENDENT DIRECTORS:

A declaration by both Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 shall be enclosed as **Annexure II and III**.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel, including criteria for determining qualifications, positive attributes, and independence of Directors. More details of the same are given in the Corporate Governance Report.

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

At the end of the financial year under review none of the company have become or ceased to be subsidiaries, joint ventures or associate companies.

AUDITORS

1. STUTORY AUDITOR

The Company in its Board Meeting held on 2nd April, 2016 appointed M/s Mistry and Shah (Firm Registration No 122702W), Chartered Accountants, as Statutory Auditors of the Company to fill the Casual Vacancy caused by the resignation of M/s K. H. Trivedi & Co., Chartered Accountants, Ahmedabad bearing FRN : 111054W . The appointed Statutory Auditor has hold office from the board meeting held on 2nd April, 2016 to 21st Annual General Meeting subject to Re-appointment from the conclusion of 21st AGM until the conclusion of the 26th consecutive AGM. However, their terms of appointment and remuneration shall be ratified by the members of the Company in this AGM.

• AUDITORS' REPORT

The notes on financial statement referred to in the auditor's report are self-explanatory. There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation/comment from the board.

2. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, Mr. Nitesh P. Shah, Practicing Company Secretary have been appointed as a Secretarial Auditors of the Company in the meeting of Board of Director held on 26th May, 2016. The report of the Secretarial Auditors is enclosed as Annexure V to this report. The report is self-explanatory and do not call for any further comments. **Annexure IV**

3. INTERNAL AUDIT & CONTROLS

The Company continues to engage Ms. Pooja Shah, Chartered Accountant as Internal Auditor of Company. During the year, the Company continued to implement her suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor's findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

REPORTING ON SUSTAINABILITY

We are continuously striving to promote better and more effective sustainability policy and practices. In order to ensure transparent communication of our sustainability efforts to all our stakeholders we have made conscious efforts through technology innovation and effective communication and transparency.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established and Chairman of Audit Committee has responsible for issue pertaining to same.

RISK MANAGEMENT POLICY

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE V**.

INTERNAL CONTROL SYSTEMS

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- Compliance with applicable laws, regulations and management policies.

DEPOSITS

The Company has neither accepted/invited any deposits u/s 73 of the Companies Act, 2013 during the period, nor there any outstanding deposit of earlier years within the meaning of Section 58A of the Companies Act, 1956.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, guarantees or investments made under Section 186 are furnished hereunder:

Details of Loans:

SR No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of Board Resolution	Date of Special Resolution (if required)	Rate of Interest	Security
				NA					

Details of Investments:

SR No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of Board Resolution	Date of Special Resolution (if required)	Expected rate of return
				NA			

Details of Guarantee / Security Provided:

S R N o	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of Board Resolution	Date of Special Resolution (if required)	Commission`
				NA			

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH THE RELATED PARTIES

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. AOC-2. As **Annexure VI**

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

There was no case filed during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redresser) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134 read with the Companies (Accounts) Rules, 2014 regarding conservation of energy, and technology absorption are furnished hereunder in **Annexure VII**

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3)(c) and (5) of the Companies Act, 2013, it is hereby confirmed:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that 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 and the profit or loss of the Company for the period ended 31.03.2016;
- that the Directors had 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;
- that the Directors had prepared the annual accounts on a going concern basis.
- that 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.
- that 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.

CORPORATE GOVERNANCE

Details regarding Corporate Governance Report of the Company regarding compliance of the conditions of Corporate Governance pursuant to SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 with stock exchanges is annexed herewith as **Annexure – VIII**

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record the appreciation of the valuable contribution and dedication shown by the employees of the Company, RTA, Auditors and Practicing Company Secretary which have contributed to the successful management of the Company's affairs.

The Directors also take this opportunity to thank all the stakeholders, Investors, Clients, Banks, Government, Regulatory Authorities and Stock Exchange for their continued support.

By Order of the Board of Directors
AHIMSA INDUSTRIES LIMITED

Place: Ahmedabad
Date: 26th May, 2016

Ashutosh Damubhai Gandhi
Managing Director
DIN:00654563

Place: Ahmedabad
Date: 26th May, 2016

Sneha Ashutosh Gandhi
Whole time Director
DIN:00654675

MANAGEMENT DISCUSSION AND ANALYSIS

To
The Members,
AHIMSA INDUSTRIES LIMITED
AHMEDABAD

ECONOMIC REVIEW

After a fiscal pricing in 1991, India has increasingly adopted free market principles and liberalized its economy to international trade. The reforms largely favored industrial growth in country. Hence, the country's economic growth progressed at a rapid pace with relatively large increases in per capita incomes.

The global gross domestic product (GDP) in the year 2015 grew is tepid and is likely to be moderate in terms of the international events. However, India is better placed. This momentum is expected to be maintained in the coming year with the new government and pro-growth policies.

INDIAN GDP GROWTH

India's GDP growth has been under significant pressure over the last two years. As per central statistical office (CSOs) provisional estimates, India's GDP has grown at 7.5% in Financial year 2015-16 as against 6.7% growth in Financial year 2014-15. The domestic

concerns of the log jam in the infrastructure sector, slack capital investment cycle, slowdown in economic activities and high inflation continued to linger in Financial year 2014-15. This is likely to improve with the new pro-growth government. Inflation continued to haunt in financial year 2014-15 with consumer price index (CPI) inflation showing an upward trend.

INDIAN MARKET

The sentiment of Indian Industry was positive due to change in Government. The economy was showing the sign of returning to growth path and fiscal & current account deficit were lower, thanks to falling oil prices. The inflation was also in control.

The manufacturing sector was benefited from lower interest rates, stable commodity prices & falling oil prices. However, there was a need of Government focus on infrastructure and require greater attention for overall growth of manufacturing & economy of India.

It is expected that the Indian economy is poised for higher growth beating growth rate of China in coming year. There are positive signs for such expectation like inflation are in control, oil prices are stable at lower level, interest rates expecting to fall further, stable commodity prices and positive expectation from present Government on reform & policy matters.

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian plastic market is highly competitive and also periodically affected by higher polymer prices. Your company had focused on quality product to sustain its business and performed satisfactory on Indian market & done reasonably well on export front.

The Company has tried its best to lower the impact of high price inventory of first half and take advantage of lower prices by timing the purchase of raw materials.

The Company is also judging the consumer taste in timely manner and introduced few new designs of Pet Preform articles. The company has spared its products in domestic as well as in global Market. The Company continued its focus on export market and them with priority.

OPPORTUNITIES AND THREATS

Looking to present optimistic environment in view of growth oriented Government policies related to trade, commerce and business, the future of your company is bright and hopeful. However, the issue of concern is threat from international as well domestic trade.

RECENT TREND AND FUTURE OUTLOOK

In recent years' Indian economy under the new government has gathered strong momentum. The company is optimistic about the recovery of Indian economy and the capital market. The country has to grow economically to with stand any international pressures from foreign countries. The way to economic growth begins with capital market development. The capital market industry in other words is backbone to economic growth in country.

RISKS AND CONCERNS

The Plastic market industry is mainly dependent on economic growth of country. The industrial growth is very sensitive which is dependent on many factors which may be either social, financial, economic or political and also natural climatic conditions in the country. However, with the positive attitude of country which can mitigate the avoidable risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has implemented proper system for safeguarding the operations/business of the company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

The company has internal audit and verification at regular intervals. The requirement of having internal auditor compulsory by statue in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT

Your Company has undertaken employee's development initiatives, which have very positive impact on the morale and team spirit of the employees. The company has continued to give special attention to human resources and overall development.

CAUTIONARY STATEMENT

Certain statements in the reports of the Board of Directors and Management's discussions and analysis may be forward looking statements within the meaning of

applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since Company's operations are influence by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

By Order of the Board of Directors
AHIMSA INDUSTRIES LIMITED

Place: Ahmedabad
Date: 26th May, 2016

Ashutosh Damubhai Gandhi
Managing Director
DIN:00654563

Place: Ahmedabad
Date: 26th May, 2016

Sneha Ashutosh Gandhi
Whole time Director
DIN:00654675

ANNEXURE TO DIRECTOR'S REPORT

ANNEXURE INDEX

Annexure	Content
1	Details for Remuneration paid to Employees
2	Declaration by Independent Director Mr. Ashish N. Shah
3	Declaration by Independent Director Mr. Bhadresh A. Trivedi
4	MR-3 Secretarial Audit Report
5	Extract of Annual Return in MGT 9
6	AOC 2 – Related Party Transactions disclosure
7	Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo
8	Corporate Governance Report

Annexure I

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Sr. No.	Name	Ratio
1	Mr. Ashutosh D. Gandhi (Managing Director)	12.76:1
2	Mrs. Sneha A. Gandhi (Whole time Director)	10.31:1

For this purpose, sitting fees paid to the directors has not been considered as remuneration.

- 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:

Sr. No.	Name	Designation	% increase
1	Mr. Ashutosh D. Gandhi	Managing Director	34.45%
2	Mrs. Sneha A. Gandhi	Whole time Director	108.43%
3	Mr. Shrenik M. Khatwala	Chief Financial Officer	23.88%
4	Mr. Sanjay B. Agrawal	Chief Executive Officer	370.48%
5	Ms. Gajara J. Joshi	Company Secretary	15.18%

- iii. The percentage increase in the median remuneration of employees in the financial year : 17.16%
- iv. The number of permanent employees on the rolls of company: 25
- v. The explanation on the relationship between average increase in remuneration and Company performance:

The Company's PAT has grown from loss of Rs. 81,53,156 to Rs. 1,83,94,531.83 , an increase of 325.61% against which the average increase in remuneration is 17.16%

vi. Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:

% Increase (avg.) in remuneration of KMP	Company performance
69.18%	325.61%

vii. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Closing date of Financial Year	Issued Capital (Shares)	Closing Market Price per share	EPS	PE Ratio	Market Capitalization (Rs.)
31.03.2015	NA	NA	(2.13)	NA	NA
31.03.2016	5,47,39,900	25.20	3.90	15.48	NA
Increase/(Decrease)	NA	NA	NA	NA	NA
% of Increase/(Decrease)	NA	NA	NA	NA	NA

The Company has come up with Initial Public Offer in Financial Year 2015-16 as on 9th October, 2015 first time.

viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase already made in the salary of the employees other than managerial personnel in the financial year i.e. 2015-16 is 30.60% whereas Remuneration of managerial Personnel is 69.18%

ix. Comparison of the each remuneration of the KMP against the performance of the Company:

Name	Designation	Remuneration of KMP (Rs.)	Performance of the Company - PAT as on 31 st March, 2016 (Rs.)
Mr. Ashutosh D. Gandhi	Managing Director	19,50,000	1,83,94,531
Mrs. Sneha A. Gandhi	Whole time Director	13,00,000	
Mr. Shrenik M. Khatwala	Chief Financial Officer	3,33,042	
Mr. Sanjay B. Agrawal	Chief Executive Officer	6,96,154	
Ms. Gajara J. Joshi	Company Secretary	2,03,854	

- **The key parameters for any variable component of remuneration availed by the directors:** There is no variable component in the remuneration of the Key Managerial Personnel.
- 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: Not Applicable
- If remuneration is as per the remuneration policy of the company: Yes

**By Order of the Board of Directors
AHIMSA INDUSTRIES LIMITED**

**Place: Ahmedabad
Date: 26th May, 2016**

**Ashutosh Damubhai Gandhi
Managing Director
DIN:00654563**

ANNEXURE II
DECLARATION OF INDEPENDENCE

To,
The Board of Directors
AHIMSA INDUSTRIES LIMITED
102, Iscon Elegence, Nr. Shapath V,
Prahlanadnagar Junction, S. G. Highway,
Ahmedabad-380015

01st April, 2016

Sub: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI(LODR), Regulation, 2015

I, **Mr. Ashish N. Shah (DIN:00089075)**, hereby certify that I am a Non-Executive Independent Director of **Ahimsa Industries Limited**, Ahmedabad and comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

I certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
5. Not any of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
 - holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate

company in any of the three financial years immediately preceding the financial year;

- is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - holds together with my relatives 2% or more of the total voting power of the company; or
 - is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking you,
Yours faithfully,**

**Mr. Ashish N. Shah
(DIN:00089075)
Non-Executive & Independent Director**

**Date: 01/04/2016
Place: Ahmedabad**

ANNEXURE III
DECLARATION OF INDEPENDENCE

To,
The Board of Directors
AHIMSA INDUSTRIES LIMITED
102, Iscon Elegence, Nr. Shapath V,
Praladnagar Junction, S. G. Highway,
Ahmedabad-380015

01st April, 2016

Sub: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI(LODR), Regulation, 2015

I, **Mr. Bhadresh A. Trivedi (DIN:07218969)**, hereby certify that I am a Non-Executive Independent Director of **Ahimsa Industries Limited**, Ahmedabad and comply with all the criteria of independent director as envisaged in the the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

I certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
5. Not any one of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:

- holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - holds together with my relatives 2% or more of the total voting power of the company; or
 - is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking you,
Yours faithfully,**

**Mr. Bhadresh A. Trivedi
(DIN:07218969)
Non-Executive & Independent Director**

**Date: 01/04/2016
Place: Ahmedabad**

ANNEXURE IV

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Ahimsa industries Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AHIMSA INDUSTRIES LIMITED (hereinafter called the company). 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, 2016 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 AHIMSA INDUSTRIES LIMITED ("the Company") for the financial year ended on 31st March, 2016 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; **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
- As informed by the Management, there are no other laws that are applicable specifically to the company

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 National Stock Exchange (SME Platform);

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

I further report that based on the information provided and representation made by the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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 audit period the company has, except Public Issue of 15,18,000 Equity Shares, no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the company's affairs.

Date: 26th May, 2016
Place: Ahmedabad

Signature: Sd/-
Nitesh Parasmal Shah
Nitesh Shah & Associates
ACS No: A35681
C P No.: 13222

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

‘ANNEXURE A’

To,
The Members,
Ahimsa Industries Limited
102, Iscon Elegance, Nr. Shapath-5,
Prahlaad Nagar Junction, S. G. Highway,
Ahmedabad-380015

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

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

Date: 26th May, 2016
Place: Ahmedabad

Signature: Sd/-
Nitesh Parasmal Shah
Nitesh Shah & Associates
ACS No: A35681
C P No.: 13222

ANNEXURE V
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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

1. REGISTRATION & OTHER DETAILS

• CIN	L25200GJ1996PLC028679
• Registration Date	24 th January, 1996
• Name of the Company	Ahimsa Industries Limited
• Category/Sub-category of the Company	Company Limited by shares Non- Government Company
• Address of the Registered office & contact details	102, Iscon Elegance. Shapath V, Prahladnagar Junction, S. G. Highway, Ahmedabad-380015Gujarat, India
• Whether listed company	Listed Company
• Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited E2 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East,Mumbai-400072

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacturing Plastic products, non-metallic mineral products, rubber products, fabricated metal products	C	28.63%

2	Trade Wholesale Trading	G	67.82%
3	Trade Retail Trading	G	3.55%

3. PERTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	NA	NA	NA	NA	NA

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	0	3792522	3792522	95.87%	3792522	0	3792522	69.28%	-26.59%
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub- total (A)(1)	0	3792522	3792522	95.87%	3792522	0	3792522	69.28%	-26.59
(2) Foreign									
a)NRIs- Individuals	0	0	0	0	0	0	0	0	0
b)other Individuals	0	0	0	0	0	0	0	0	0
c)Bodies Corp.	0	0	0	0	0	0	0	0	0

d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub- total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholdin g of Promoter (A)(1)(2)	0	3792522	3792522	95.87%	3792522	0	3792522	69.28%	-26.59
B. Public Shareholdin g									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	156000	-	156000	2.85%	+2.85%
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	12	12	0.00%	588012	0	588012	10.74%	+10.74%

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	774000	0	774000	14.14%	+14.14%
c) Others i. NRI	0	163456	163456	4.13%	163456	0	163456	2.99%	-1.14%
Sub-total (B)(2):-	0	163468	163468	4.13%	1681468	0	1681468	30.72%	26.59%
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	163468	163468	4.13%	1681468	0	1681468	30.72%	26.59%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	3955990	3955990	100%	5473990	0	5473990	100%	0

ii. Shareholding of Promoter

	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Ashtosh D. Gandhi	2010000	50.81%	0	2010000	36.72%	0	-
2	Mrs. Sneha A. Gandhi	1573950	39.79%	0	1573950	28.75%	0	-
3	Ms. Saloni A. Gandhi	208566	5.27%	0	208566	3.81%	0	-
4	Ashutosh D. Gandhi HUF	6	0.00%	0	6	0.00%	0	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2015	3792522	95.87%	3792522	95.87%
	Change during the year	No Change	No Change	No Change	No Change	No Change
	At the end of the year	31/03/2016	3792522	69.28%	3792522	69.28%

Number of Shares held by Promoter and Promoter's group are remained same during the year but shareholding in percentage has changed because of conversion of Private Company into Public Company.

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

SN	Shareholding of Top 10 Shareholders	Date	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.	MAYURBHAI BABUBHAI PATEL					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	174000	3.18%	174000	3.18%
	At the end of the year	31/03/2016	174000	3.18%	174000	3.18%
2.	NISHIT CHANDULAL JOSHI					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	174000	3.18%	174000	3.18%
	At the end of the year	31/03/2016	174000	3.18%	174000	3.18%

3.	SALIM SHABUDIN LAKHANI					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	11/09/2015	163456	2.99%	163456	2.99%
	At the end of the year	31/03/2016	163456	2.99%	163456	2.99%
4.	CHOICE EQUITY BROKING PRIVATE LIMITED					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	78000	1.42%	78000	1.42%
		23/10/2015	12000	1.64%	90000	1.64%
		06/11/2015	60000	1.10%	150000	2.74%
	At the end of the year	31/03/2016	150000	2.74%	150000	2.74%
5.	HARDIK HEMENDRA KAPADIA					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	120000	2.19%	120000	2.19%
	At the end of the year	31/03/2016	120000	2.19%	120000	2.19%
6.	HEMENDRA JAYANTILAL KAPADIA					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	120000	2.19%	120000	2.19%
	At the end of the year	31/03/2016	120000	2.19%	120000	2.19%
7.	BATUL MURTUZA KARACHIWALA					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	36000	0.66%	36000	0.66%
	At the end of the year	31/03/2016	36000	0.66%	36000	0.66%
8.	RASHIDA ZOHER KARACHIWALA					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	36000	0.66%	36000	0.66%
	At the end of the year	31/03/2016	36000	0.66%	36000	0.66%

9.	SAKINA ABBAS KARACHIWALA					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	36000	0.66%	36000	0.66%
	At the end of the year	31/03/2016	36000	0.66%	36000	0.66%
10	MURTUZA ABBAS KARACHIWALA					
	At the beginning of the year	01/04/2015	0	0.00%	0	0.00%
	Change during the year	16/10/2015	36000	0.66%	36000	0.66%
	At the end of the year	31/03/2016	36000	0.66%	36000	0.66%

v. Shareholding of Directors and Key Managerial Personnel:

SN	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.	Ashutosh D. Gandhi				
	At the beginning of the year	2010000	50.81%	2010000	50.81%
	Change during the year	-	-	-	-
	At the end of the year	2010000	36.72%	2010000	36.72%
2.	Sneha A. Gandhi				
	At the beginning of the year	1573950	39.79%	1573950	39.79%
	Change during the year				
	At the end of the year	1573950	28.75%	1573950	28.75%
3.	Sanjay B. Agrawal				
	At the beginning of the year	6	0.00%	6	0.00%
	Change during the year	-	-	-	-
	At the end of the year	6	0.00%	6	0.00%

4.	Shrenik M. Khatwala				
	At the beginning of the year	6	0.00%	6	0.00%
	Change during the year	-	-	-	-
	At the end of the year	6	0.00%	6	0.00%

Number of Shares held by Directors and KMPs are remained same during the year but shareholding in percentage has changed because of conversion of Private Company into Public Company.

5. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,53,55,257	NIL	NIL	13,53,55,257
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	13,53,55,257	NIL	NIL	13,53,55,257
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	3,23,17,570	NIL	NIL	3,23,17,570
Net Change	3,23,17,570	NIL	NIL	3,23,17,570
Indebtedness at the end of the financial year				
i) Principal Amount	10,30,37,687	NIL	NIL	10,30,37,687
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	10,30,37,687	NIL	NIL	10,30,37,687

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MD	WHD	
1	Gross salary	19,50,000.00	13,00,000.00	32,50,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	19,50,000.00	13,00,000.00	32,50,000
	Ceiling as per the Act			42,00,000

ii. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		-----	----	
1	Independent Directors	0	0	0
	Fee for attending board committee meetings	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (1)	0	0	0

2	Other Non-Executive Directors	0	0	0
	Fee for attending board committee meetings	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	0	0	0
	Total Managerial Remuneration	0	0	0
	Overall Ceiling as per the Act	0	0	0

iii. Remuneration to key managerial personnel other than MD/ Manager/ WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary	6,96,154.00	3,33,042.00	2,03,854.00	1233050.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit				
	others, specify...				

5	Others, please specify	0	0	0	0
	Total	6,96,154.00	3,33,042.00	2,03,854.00	1233050.00

7. 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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE VI

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL NO	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NA
2.	Nature of contracts/arrangements/transaction	NA
3.	Duration of the contracts/arrangements/transaction	NA
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5.	Justification for entering into such contracts or arrangements or transactions'	NA
6.	Date of approval by the Board	NA
7.	Amount paid as advances, if any	NA
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL NO	Particulars	Details
1.	Name (s) of the related party & nature of relationship	General Additives Pvt. Ltd.
2.	Nature of contracts/arrangements/transaction	NIL

3.	Duration of the contracts/arrangements/transaction	NIL
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5.	Date of approval by the Board	NIL
6.	Amount paid as advances, if any	

ANNEXURE VII

1. CONVERSATION OF ENERGY:

- Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.
- Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- Various on-going measures for conservation of energy include (i) use of energy efficient lighting and better use of natural lighting, (ii) reduction of energy loss, and (iii) replacement of outdated energy intensive equipment.
- Total energy consumption and energy consumption per unit of production is given in the table below:

2. POWER CONSUMPTION IN RESPECT OF:

Particular	Unit	2015-16	2014-15
Electricity Consumption			
• Total Unit	KWH	2157703	1875335
• Total Amount	Rs.	15296150	12904240
• Rate per Unit	Rs.	7.09	6.88

3. TECHNOLOGY ABSORPTION:

- The efforts made towards technology absorption: NA
- The benefits derived from technology absorption: NA
- The Company has not imported any technology for its products.
- The Company has not specific Research and Development Department. However, the Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.
- The Company has derived benefits of product diversification, cost reduction and better quality as a result of the above efforts.
- The research and development is an on-going exercise and suitable efforts will continue to be made in future.

4. FOREIGN EXCHANGE EARNING AND OUTGO:

The information required to be given in respect of foreign exchanges and outgo is provided in the notes forming part of accounts. Members are requested to refer the same.

ANNEXURE VIII

CORPORATE GOVERNANCE

1) PHILOSOPHY OF COMPANY ON CORPORATE GOVERNANCE:

Good Governance ensures adoption of best business practices, and accountability of the person's in-charge of the company's operations. Your Directors are committed to good Governance practices and the company has been sharing all important information about its various business segments and operations of the company through Directors report, half yearly Results and Annual Reports. Further as required by the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 report on Corporate Governance is given below:

2) CORPORATE GOVERNANCE PRACTICE

The Ahimsa Industries Limited maintains the highest standard of corporate governance, it is the Company's constant endeavor to adopt the best Corporate Governance Practice.

3) ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS:

The Company Secretary plays a key role in ensuring that the Board and Committees procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the Meetings. The Company Secretary is primarily responsible for assisting and advising the Board in conduct the affairs of the Company, to ensure the compliances with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of Meetings. The Company Secretary interfaced between the Management and regulatory authority for governance matters.

4) BOARD OF DIRECTORS

The Ahimsa Industries Limited has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013, Listing Agreement entered with the Stock Exchanges and is in accordance with best practices in Corporate Governance.

As on 31st March, 2016, The Board comprised of five Directors viz Managing Director, Whole Time Director, and three Non -executive Directors comprising two independent Directors. The Chairman of the Board is Non -Executive Director.

i. COMPOSITION AND CATEGORIES OF BOARD OF DIRECTORS:

Name of Directors	Category	Outside Directorship		No. of Committees Chairpersonship / Membership held including Ahimsa Industries Limited	
		Public	Private	Chairmanship	Membership
Mr. Ashutosh D. Gandhi	Promoter / Managing Director	-	1	-	-
Mrs. Sneha A. Gandhi	Whole-time Director	-	-	-	-
Mr. Ashish N. Shah	Independent & Non-Executive Director	5	3	2	3
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	-	-	1	2
Mr. Jignesh A. Shah	Non-Executive Director	-	-	-	2

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.

ii. ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS HELD DURING 2015-2016 AND THE LAST ANNUAL GENERAL MEETING HELD ON 30TH SEPTEMBER, 2015:

During the Financial Year 2015-16 the Board met on eleven occasion i.e. 27th April, 2015, 27th May, 2015, 23rd June, 2015, 24th June, 2015, 15th July, 2015, 23rd July, 2015, 18th August, 2015, 30th September, 2015, 7th December, 2015, 12th January, 2016 and 1st March, 2016.

Name of Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM held on 30 th September, 2015
Mr. Ashutosh D. Gandhi	Promoter / Managing Director	11	11	Yes
Mrs. Sneha A. Gandhi	Whole-time Director	11	11	Yes
Mr. Ashish N. Shah	Independent & Non-Executive Director	11	11	Yes
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	8	8	Yes
Mr. Jignesh A. Shah	Non-Executive Director	11	11	Yes

Mr. Bhadresh A. Trivedi was appointed on the Board of Director on 23rd June, 2015

iii. EQUITY SHAREHOLDING OF THE NON-EXECUTIVE DIRECTORS IN THE COMPANY AS ON 31ST MARCH, 2016:

Sr. No.	Name of the Non-Executive Director	No. of Shares
1	Mr. Ashish N. Shah	NIL
2	Mr. Bhadresh A. Trivedi	NIL
3	Mr. Jignesh A. Shah	NIL

5) INDUCTION & FAMILIARIZATION PROGRAMS FOR INDEPENDENT DIRECTORS:

On appointment, the concerned Director is issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a familiarization programme. The programme's aims to familiarize the Directors with the Company, their role and responsibilities, business model of the Company etc.

i. PERFORMANCE EVALUATION:

In compliance with the provisions of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Regulations) Requirement, 2015; the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured mechanism was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

ii. INDEPENDENT DIRECTORS MEETING:

In Compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Regulations) Requirement, 2015; the Independent Directors Meeting of the Company was held on 13th January, 2016.

Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

iii. ATTENDANCE OF INDEPENDENT DIRECTORS IN INDEPENDENT DIRECTORS MEETING.

Mr. Bhadresh A. Trivedi (DIN: 07218969) is the Chairman of Independent Directors Meeting.

Name of Director	Meeting held during the year	Meeting Attended
Mr. Ashish N. Shah	1	1
Mr. Bhadresh A. Trivedi	1	1

6) **AUDIT COMMITTEE:**

The Company has an independent Audit Committee. The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of the SEBI(LODR), 2015. The brief terms of reference of the Audit Committee includes the following:

i. BRIEF TERMS OF REFERENCE:

- Overseeing the Company's financial report process and the disclosure of its financial information.
- To recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
- To approve the payment to statutory auditors for any other services rendered by the statutory auditors
- To review, with the management, the financial Statements and Auditor's Report thereon before submitting to the board for approval.
- To review quarterly, half yearly and Annual Financial results before submission to the Board.
- To review, with Management, the statement of uses/ application of funds raised through issue, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- To review and monitor the auditor's independence and performance, and effectiveness of audit process
- To approve any subsequent modification of transactions of the listed entity with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the listed entity, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- To review the adequacy of internal control systems with the management, external & internal auditors.
- To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism

- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred to by the Board

ii. COMPOSITION AND ATTENDANCE OF MEMBERS AT THE MEETINGS OF THE AUDIT COMMITTEE HELD DURING 2015-2016

Mr. Ashish N. Shah (DIN: 00089075) is chairman of Audit Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1
Mr. Jignesh A. Shah	Non-Executive Director	1	1

The Company Secretary acts as the Secretary of the Committee.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors.

7) NOMINATION AND REMUNERATION COMMITTEE.

i. COMPOSITION:

Mr. Ashish N. Shah (DIN: 00089075) is chairman of Nomination and Remuneration Committee.

Meeting of Nomination and Remuneration Committee held on 13th January, 2016

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1
Mr. Jignesh A. Shah	Non-Executive Director	1	1

The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. The committee has been constituted to recommend/ review the remuneration package of Managing/ Whole Time Directors.

ii. NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI(LODR) Regulation, 2015 as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and

iv) such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.

- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider

appropriate with regard to remuneration to Managing Director/
Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

The details relating to the remuneration of Directors is as under:

DETAILS OF REMUNERATION TO DIRECTORS DURING THE YEAR ENDING ON 31ST MARCH, 2016:

Remuneration paid during the Financial Year 2015-16 to Executive Directors are:

Name of Director	Yearly Remuneration (Rs)
Mr Ashutosh D. Gandhi(DIN: 00654563)	19,50,000.00
Mrs. Sneha A. Gandhi (DIN: 00654675)	13,00,000.00
Total	32,50,000.00

The company is neither paying any sitting fees nor providing any perquisite to its Directors.

8) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The company has constituted Stakeholder Relationship Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

(i) COMPOSITION:

Mr. Bhadresh A. Trivedi (DIN: 07218969) is the Chairman of Stakeholders relationship Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashish N. Shah	Independent & Non-Executive Director	1	1
Mr. Bhadresh A. Trivedi	Independent & Non-Executive Director	1	1
Mr. Jignesh A. Shah	Non-Executive Director	1	1

(ii) COMPLIANCE OFFICER

Ms. Gajara J. Joshi, Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws, listing Agreement and SEBI (LODR) Regulations, 2015 with Stock Exchanges.

During the year, the company has not received any complaints / correspondence from Shareholders regarding non receipt of Share Certificates / issuance of Duplicate Share Certificates / Dividend Warrants etc.

9) GENERAL BODY MEETINGS:

i. LOCATION AND TIME OF LAST THREE AGM'S HELD:

Year	Location	Date	Time
2014-15	102, Iscon Elegance, Nr. Shapath – 5, Prahladnagar Junction, S. G. Highway, Ahmedabad-380015	30 th September, 2015	11:00 A.M.
2013-14	102, Iscon Elegance, Nr. Shapath – 5, Prahladnagar Junction, S. G. Highway, Ahmedabad-380015	29 th September, 2014	11:00 A.M.
2012-13	102, Iscon Elegance, Nr. Shapath – 5, Prahladnagar Junction, S. G. Highway, Ahmedabad-380015	28 th September, 2013	11:00 A.M.

No resolution is proposed to be passed through postal ballot during the ensuing meeting,

Disclosures:

- No transaction of material has been entered into by the company with its promoters, Directors or management or relatives etc. that may have potential conflict with the interest of the company.
- There were no instances of non-compliances or penalty imposed on the company by Stock Exchanges or SEBI or any other statutory authority or any matter related to capital markets, during the last three years.
- The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statement are consistent, reasonable and on prudent basis

so as to reflect true and fair view of the state of affairs and results/operations of the Company.

- The Company has formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company and the same is posted on the website of the Company.
- The Company is complying with all mandatory requirements of SEBI(Listing and Disclosure Requirements), Regulation, 2015

Means of Communication:

During the year, the six monthly results for the financial year ended on 31st March, 2016 of the company were submitted to Stock Exchanges immediately after the meeting of the Board of Directors. The Company has also published its Financial Results on its website.

Management Discussion and Analysis Report forms a part of this Annual Report.

ii. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting:

The ensuing (21st) Annual General Meeting (“the AGM”) of the company will be held on Thursday, 30th June, 2016 at 5:00 P.M., at the registered office of the Company at 102, Iscon Elegance, Nr. Shapath – 5, Prahladnagar Junction, S. G. Highway, Ahmedabad-380015

Financial Calendar

The Financial year of the company is for period of 12 months from 1st April to 31st March. The financial result of the company is scheduled to be published as under:

Audited and un-audited Results for the second half year and the financial year ending at 31st March, 2016 will be published by the end of May, 2016, respectively and the Annual General Meeting for the year ending March, 2016 will be held by end of June, 2016.

Record Date:

The record Date for the purpose of determining the eligibility of the Members to attend the 21st Annual General Meeting of Company will be 23rd June, 2016.

Dividend Payment:

The board of directors of the company has not recommended any dividend for the financial year ended on 31st March, 2016.

Listing on Stock Exchanges:

The NSE Stock Exchange, Mumbai **Symbol: AHIMSA**

The listing fees of NSE Stock Exchange have been paid.

Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every half year and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialized shares and those in physical mode.

Dematerialization of Shares

As on March 31, 2016, all Equity Shares of the Company are held in dematerialized form, The breakup of the equity shares held in dematerialized and physical form as on March 31, 2016 is as follows:

PERTICULERS	NO. OF SHARE HOLDERS	NO. OF SHARES	PERCENT OF EQ.
NSDL	62	4489990	82.0241
CDSL	55	984000	17.9759
PHYSICAL	NIL	NIL	NIL
TOTAL	117	5473990	100.0000

The ISIN No. for Equity Shares of the Company-INE136T01014

Share holding pattern and Distribution of Shareholdings as on 31st March, 2016.

i. Shareholding pattern.

Category	No. of Shares held	% of Shareholding
1.Promoters	3792522	69.2826%
2.Mutual Funds	Nil	Nil
3.Banks, FIs, Insurance companies	Nil	Nil
4.Private Bodies Corporate	156000	2.8498%
5.Clering Members	Nil	Nil
6.Non-Resident Indians	163456	2.9860%
7.Indian Public	1362012	24.8816%
TOTAL	5473990	100.00

ii. Distribution of Shareholdings

No. of equity shares held	No. of shareholders	% of Shareholders	Share Amount Rs.	% of Shareholding
1-5000	3	2.5641	180	0.0003
5001-10000	99	84.6154	5940000	10.8513
10001 and Above	15	12.8205	48799720	89.1484
TOTAL	117	100.00	54739900	100.00

iii. High And Low Prices of Shares and its composition with NSE Emerge

Month & Year	National Stock Exchange- Ahimsa Industries Limited		NSE	
	High (Rs)	Low (Rs)	High	Low
October,2015	26.00	25.00	8294.40	7930.65
November,2015	25.15	25.00	8116.10	7714.15
December,2015	25.15	25.00	7972.15	7551.05
January,2016	25.15	25.00	7972.55	7241.50
February,2016	25.20	25.20	7900.45	6825.80
March, 2016	25.20	25.20	7777.60	7035.10

The high and low prices of company shares at NSE Emerge price is compiled on the basis of the NSE Emerge Website.

Stakeholders Relationship Committee attends to share transfer formalities normally twice in a month. Demat requests are normally confirmed within 15 days from the date of receipt of requests.

Registered Office: 102, Iscon Elegance, Nr. Shapath – 5,
Prahlanagar Junction,
S. G. Highway, Ahmedabad-380015

Registrar and Transfer Agents: Big Shares Services Pvt. Limited
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai-400 072
Tel. No: +91 22 40430200

Factory Address: 160, Devraj Industrial Park,
Piplaj Pirana Road, Village Piplaj,
Ahmedabad- 382405,
Gujarat, India
Ph. No.- +91 79 29708292
Email Id:- ceo@greenpet.in

Investors / Shareholders Correspondence: Investors / Shareholders may Correspondence with the company at the register Office of the company at 102, Iscon Elegance, Nr. Shapath – 5, Prahlanagar Junction, S. G. Highway, Ahmedabad-380015
Ph. - +91 79 27445901 / 02 Email Id:- legal@greenpet.in & info@ahimsaind.com

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members,
AHIMSA INDUSTRIES LIMITED
AHMEDABAD**

We have examined the compliance of conditions on Corporate Governance by Ahimsa Industries Limited, for the financial year ended 31st March, 2016, as per SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the Procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

As required by the guidance note issued by the institute of chartered Accountants of India, we state that there were no investors grievances pending against the company for a period exceeding one month as at 31st March, 2016 as per the records maintained by the company.

Place: Ahmedabad
Date: 26/05/2016

For, **M/s Mistry & Shah**
Chartered Accountants
(FRN: 122702W)

(CA Krunal Shah)
Partner
M. No. : 144596

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

By Order of the Board of Directors
AHIMSA INDUSTRIES LIMITED

Place: Ahmedabad
Date: 26th May, 2016

Ashutosh Damubhai Gandhi
Managing Director
DIN: 00654563

Place: Ahmedabad
Date: 26th May, 2016

Sneha Ashutosh Gandhi
Whole time Director
DIN: 00654675

CEO/CFO CERTIFICATION

To,
The Board of Directors
AHIMSA INDUSTRIES LIMITED

Certificate by Chief Executive Officer (CEO) / Chief Financial Officer (CFO) under Corporate Governance pursuant to the Regulation 33(1)(e) and Schedule IV of SEBI(Listing Obligation and Disclosure Requirements), Regulation 2015

I, Sanjay B. Agrawal, the Chief Executive Officer(CEO) of the Company and I, Shrenik M. Khatwala, the Chief Financial Officer (CFO) of the Company do hereby certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2016 and that to the best of their knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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.

2. 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 violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For, AHIMSA INDUSTRIES LIMITED

Place: Ahmedabad
Date: 26th May, 2016

Sanjay B. Agrawal
(CEO)

Shrenik M. Khatwala
(CFO)



INDEPENDENT AUDITORS' REPORT

To the Members of Ahimsa Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Ahimsa Industries Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and 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 stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, of the state of affairs of the Company as at 31 March 2016 and its profit and its 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The details of pending Litigations on its financial position in its financial statements are mentioned in **Note No. 5 and 16** of financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mistry and Shah
Chartered Accountants
F.R.N: - 122702W

Krunal Shah
Partner
M.NO. 144596

Date: May 26, 2016
Place: Ahmedabad



“Annexure A” to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the company on the financial statements for the year ended 31 March 2016, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.
2. (a) The management has conducted the physical verification of inventory at reasonable intervals.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act except following:
 - Company has granted Loan of Rs. 1,50,000.00 to Mr. Shrenikbhai M Khatwala who is CFO(KMP) of the company out of which Mr. Shrenikbhai M Khatwala has repaid Rs. 70,000.00 during the year and Rs. 80,000.00 is outstanding as on Balance Sheet Date. Company has not charged any Interest from Mr. Shrenikbhai M Khatwala.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.



5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as on March 31, 2016 for a period of more than six months from the date on when they become payable, however there is undisputed Default of Rs. 66,158.50 with Income Tax Department in relation to TDS payment.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of Initial Public Offer amounting to Rs. 3,79,50,000.00 divided in to 15,18,000 equity shares of Rs. 25 per share including share premium of Rs. 15 per share dated October 16, 2015 for the purpose of Working Capital Requirement.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.



11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act. For details refer **Note No. 18** of significant accounting policies.
12. In our opinion and the information and explanations given by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the **Note No. 6** Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Mistry and Shah
Chartered Accountants
F.R.N: - 122702W

Krunal Shah
Partner
M.NO. 144596

Date: May 26, 2016
Place: Ahmedabad



“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Ahimsa Industries Limited

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 Ahimsa Industries Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mistry and Shah
Chartered Accountants
F.R.N: - 122702W

Krunal Shah
Partner
M.NO. 144596

Date: May 26, 2016
Place: Ahmedabad



AHIMSA INDUSTRIES LIMITED

CIN NO: L25200GJ1996PLC028679

Balance Sheet as at March 31, 2016

In ₹

Particulars	Note No.	As at March 31,2016	As at March 31,2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3.1	54,739,900.00	39,559,900.00
(b) Reserves and Surplus	3.2	57,949,151.83	18,284,620.00
		112,689,051.83	57,844,520.00
Non-Current Liabilities			
(a) Long-Term Borrowings	3.3	24,248,371.00	44,478,294.00
(b) Deferred Tax Liabilities (Net)			
(c) Other Long Term Liabilities			
		24,248,371.00	44,478,294.00
Current Liabilities			
(a) Short-Term Borrowings	3.4	78,789,316.29	90,876,963.00
(b) Trade Payables	3.5	22,429,792.30	132,088,915.00
(c) Other Current Liabilities	3.6	2,432,244.95	12,009,427.00
(d) Short Term Provision	3.7	2,438,399.63	375.00
		106,089,753.17	234,975,680.00
Total		243,027,176.00	337,298,494.00
ASSETS			
Non-Current Assets			
(a) Fixed Assets	3.8	118,858,043.63	130,687,898.00
(b) Non-Current Investments			
(c) Deferred Tax Asset		3,678,183.00	3,102,665.00
(c) Long-Term Loans and Advances	3.9	3,628,248.99	3,062,766.00
(d) Other Non-Current Assets	3.10		
		126,164,475.62	136,853,329.00
Current Assets			
(a) Inventories	3.11	47,874,818.00	35,511,585.00
(b) Trade receivables	3.12	41,241,398.24	136,853,958.00
(c) Cash and Cash Equivalents	3.13	19,855,285.78	21,192,366.00
(c) Short Term Loans and Advance	3.14	80,000.00	23,662.00
(d) Other Current Assets	3.15	7,811,198.36	6,863,590.00
		116,862,700.38	200,445,161.00
Total		243,027,176.00	337,298,494.00

Background	1
Significant Accounting Policies	2
Notes On Financial Statements	3

As per our report of even date

For Mistry & Shah
Chartered Accountants
FRN:122702W

Krunal Shah
Partner
M. No. 144596

Place : Ahmedabad
Date : May 26, 2016

For and on behalf of the Board of Directors

Ashutosh D Gandhi
Managing Director
DIN:00654563

Poonam Panchal
Company Secretary
M.No. A44616

Sneha A Gandhi
Wholetime Director
DIN:00654675

Shrenik M. Khatwala
CFO

Place : Ahmedabad
Date : May 26, 2016



AHIMSA INDUSTRIES LIMITED

CIN NO: L25200GJ1996PLC028679

Statement Of Profit & Loss For the year ended 31st March,2016

In ₹

Particulars	Note No.	Current Year	Previous Year
INCOME:			
Revenue from Operations	3.16	606,262,202.31	321,211,827.00
Other Income	3.17	2,544,437.00	5,124,465.00
		608,806,639.31	326,336,292.00
EXPENDITURE:			
Cost of Materials Consumed	3.18	522,440,211.22	261,233,714.00
Change in Inventories	3.19	(10,501,534.00)	7,398,685.00
Employee Benefit Expenses	3.20	8,579,268.00	8,541,042.00
Finance Costs	3.21	10,897,002.00	12,254,078.00
Depreciation & Amortization	3.8	22,305,525.00	22,732,833.00
Other Expenses	3.22	33,652,494.26	21,742,975.00
Interest & Penalty	3.23	51,367.00	6,959.00
		587,424,333.48	333,910,286.00
Profit before Exceptional and Extraordinary Items and Tax		21,382,305.83	(7,573,994.00)
Exceptional Items			
Profit before Extraordinary Items and Tax		21,382,305.83	(7,573,994.00)
Extraordinary Items			
Profit Before Tax		21,382,305.83	(7,573,994.00)
Tax Expenses			
Current Tax		(6,665,957.00)	
Excess provision for IT written back / provided			205.00
MAT Credit due			(579,367.00)
Deferred Tax		3,678,183.00	
Profit after Tax for the year		18,394,531.83	(8,153,156.00)
Earnings per Equity Share			
-Basic		3.90	(2.13)

Background	1
Significant Accounting Policies	2
Notes On Financial Statements	3

As per our report of even date

For Mistry & Shah
Chartered Accountants
FRN:122702W

Krunal Shah
Partner
M. No. 144596

Place : Ahmedabad
Date : May 26, 2016

For and on behalf of the Board of Directors

Ashutosh D Gandhi
Managing Director
DIN:00654563

Poonam Panchal
Company Secretary
M.No. A44616

Place : Ahmedabad
Date : May 26, 2016

Sneha A Gandhi
Wholetime Director
DIN:00654675

Shrenik M. Khatwala
CFO



AHIMSA INDUSTRIES LIMITED

CIN NO: L25200GJ1996PLC028679

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2016

In ₹

Sr. No	Particulars	For the year ended 31st March 2016	For the year ended 31st March, 2015
1	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) As per Profit & Loss Account	18,394,531.83	(8,153,156.00)
a)	Tax and Extra-Ordinary Item		
	Income Tax	6,665,957.00	-
	Deferred Tax Asset	(3,678,183.00)	579,367.00
	Net Profit (Loss) before tax	21,382,305.83	(7,573,789.00)
b)	Adjustments:-		
	Effect in Depreciation Chart due to Schedule II of Companies Act,2013	25,380.37	100,617.00
	Interest and finance cost	10,897,002.00	12,254,078.00
	Loss on sale of fixed asset and Profit		72,193.00
	Profit on sale of fixed asset and Profit		(70,358.54)
	Depreciation	22,305,525.00	22,632,215.00
	Subsidy Written off	(1,500,000.00)	-
	Interest Income	(736,776.00)	(1,047,633.00)
	Deffered Tax Asset Reversed	3,102,665.00	-
	Operating profit(loss) before working capital changes	34,093,796.37	33,941,111.46
c)	Adjustments:-		
	Decrease/(Increase) in Trade Receivables	95,612,559.76	(115,323,032.00)
	Decrease/(Increase) in Inventories	(12,363,233.00)	9,900,714.00
	(Decrease)/Increase in Trade Payables	(109,659,122.70)	118,849,172.00
	(Decrease)/Increase in Short term Borrowings	(12,087,646.71)	(11,921,741.00)
	(Decrease)/Increase in Other Current liabilities	(9,577,182)	(17,032,010.00)
	(Decrease)/Increase in Short term Provision	(2,248,875.37)	(130,000.00)
	Decrease/(Increase) in Other Current Asset	(947,608.36)	(2,534,706.00)
	Decrease/(Increase) in Short term loans and advances	(56,338.00)	6,853,932.00
	Net Cash Flow before tax and extra ordinary item	(51,327,446.43)	(11,337,671.00)
	Direct Taxes Paid	(1,979,057.00)	-
	Less: Extraordinary Items		
	Net Cash Flow from Operating Activities	2,169,598.77	15,029,651.46
2	CASH FLOW FROM INVESTING ACTIVITIES:		
a)	Acquisition of Fixed Assets	(10,501,047.00)	(23,815,348.46)
b)	Sale of Fixed Assets	-	374,259.00
c)	Interest Income	736,776.00	1,047,633.00
d)	Interest and finance cost	(10,897,002.00)	(12,254,078.00)
e)	Decrease/(Increase) in Long term loan and advances	(565,482.99)	574,619.00
	Net Cash Flow from Investing Activities	(21,226,755.99)	(34,072,915.46)
3	CASH FLOW FROM FINANCING ACTIVITIES:		
a)	Increase in Share Capital	15,180,000.00	1,634,500.00
b)	Repayment of Long Term Borrowings	(20,229,923.00)	14,113,454.00
c)	Share Premium Received	22,770,000.00	11,114,600.00
	Net Cash Flow from Financing Activities	17,720,077.00	26,862,554.00
	Net Increase in Cash and Equivalent	(1,337,080.22)	7,819,290.00
	Cash And Cash Equivalents as at the Beginning of the year	21,192,366.00	13,373,076.00
	Cash And Cash Equivalents as at the Closing of the year	19,855,285.78	21,192,366.00

As per our report of even date

For, Mistry & Shah
Chartered Accountants
FRN:122702W

Krunal Shah
Partner
M.No.:144596

Place: Ahmedabad
Date: May 26, 2016

For and on behalf of Board of Directors

Ashutosh D Gandhi
Managing Director
DIN:00654563

Sneha A Gandhi
Wholetime Director
DIN:00654675

Poonam Panchal
Company Secretary
M.No. A44616

Shrenik M. Khatwala
CFO

Place: Ahmedabad
Date: May 26, 2016

Note 1. Background: -

The Company was incorporated as Ahinsa Industries Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation having CIN U25200GJ1996PLC02867 dated January 24, 1996, in Ahmedabad. The name of the Company changed to "Ahimsa Industries Private Limited" vide fresh certification of Incorporation having CIN U25200GJ1996PLC02867 dated March 06, 1996 Further, Company was converted into public limited company i.e. Ahimsa Industries Limited having CIN L25200GJ1996PLC028679 vide fresh certificate of incorporation dated May 25, 2015.

The registered office of the company is situated at 102, Iscon Elegance, NR. Shapath-5, Prahlad Nagar Junction, S.G. Highway, Ahmedabad, Gujarat-380015, India.

Ahimsa Industries Limited was formed in 1996. Ahimsa Industries Limited (the "Company") is a limited company incorporated in India under the provisions of the Companies Act 1956. The company is engaged in Manufacturing PET of preform & trading of sugar confectionary machinery, plastic processing machinery, injection moulds and textiles. The Company's registered office is in Ahmedabad and its factory is situated at Devraj Industrial Area. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013.

Note 2. Significant Accounting Policies: -

1. Basis of Accounting: -

The financial statements are prepared in accordance with the applicable Accounting Standards as prescribed under **section 133 of The Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014** under the Historical cost convention, on accrual basis.

The Financial Statements are prepared under the Historical Cost Convention using the accrual method of Accounting, in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India. However, the Insurance Claims and other than cash compensatory Incentives are accounted on the basis of receipt. The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis, except in case of significant uncertainties relating to the income.

2. Revenue Recognition: -

Revenue has been considered as per AS 9- Revenue Recognition issued by Institute of Chartered Accountants of India. AS-12 Accounting for Government Grants have also been considered for the purpose of recognition of Interest subsidy received from the Government.

3. Government Grants: -

Grants/Subsidy is recognized until and unless it is reasonably assured to be realized and the company has complied with the conditions attached to the grant/subsidy.

Here Company has reasonable assurance that it will comply with the conditions attached to Government Grants and also the company is reasonably certain about the ultimate receipt of the Grants. Hence government grants are recorded as Income in Books of Accounts on fulfilment of criteria for recognition of Grants as per AS 12 "Accounting for Government Grants." The schedule relating to government Grant is provided in Notes to Accounts.

4. Taxes on Income: -

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates.

Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years if any.

In the previous years deferred Tax Asset amounting to ₹31,02,665 was standing in the balance sheet, the above Deferred Tax Asset was wrongly created on MAT Credit which is transferred to MAT Credit receivable in the current year.

5. Provisions and Contingent Liability: -

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the Obligation.

Contingent Liability is a possible Obligation that arises from past events and the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

6. Tangible Assets & Capital Work-In-Progress: -

Tangible Assets are stated at cost less Depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

During the year under Audit the Assets that are purchased not put to use are separately disclosed under the head Capital Work in Progress.

7. Impairment of Assets: -

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining Impairment in the carrying amount of fixed assets, the management has concluded that since recoverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Assets owned by the Company.

8. Depreciation: -

Depreciation on tangible assets is provided on "Written down Value Method" over the useful lives of the assets estimated by the Management. The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013, however for

certain assets the Management Estimates differs from the useful life mentioned in Schedule II. The Useful Life of Various assets are mentioned in the below mentioned Chart.

Sr. No	Major Head	Assets Included	Useful Life
1.	Buildings	Office Sakar V,Office Iscon Elegance	60 Years
2.	Buildings	Building Factory (Kirby)	30 Years
3.	Plant & Machinery	All types of Moulds, Air Dryer, Heat Exchanger, Colourfeed Master Batch Dosing, Fuse Gear and Control	5 Years
4.	Plant & Machinery	All Other Plant and machinery	15 Years
5.	Furniture and Fittings	All Furniture and Fixtures	10 Years
6.	Motor Vehicle	Renault Duster, Honda city, Mercedes Benz	8 Years
7.	Motor Vehicle	Splendor, Passion Pro, Bajaj Discover	10 Years
8.	Office Equipment	Air Conditioner, EPBX, Fan, Refrigerator, Mobile, Counting Machine, Digital Camera, CC TV Camera, Finger Print Machine, Water Cooler.	5 Years
9.	Computer and Data Processing Units	Computers and Printers	3 Years
10.	Laboratory Equipments	Laboratory Instruments	15 Years
11.	Electrical Installations and Equipments	Electrical Material Expense Iscon Office	10 Years

9. Earnings Per Share: -

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all periods presented.

The Calculation of Weighted Average Number of Equity Shares is described below: -

Particulars	Current Year			Previous year		
	No. Of Shares outstanding	No. Of Months outstanding	Weighted average number of Shares	No. Of Shares Outstanding	No. Of Months outstanding	Weighted average number of Shares
Number of Shares outstanding at the Beginning of the year	39,55,990	12	39,55,990	6,32,090	12	6,32,090
Shares issued during the year: -	-	-	-	-	-	-
By way of Bonus Issue	-	-	-	31,60,450	12	31,60,450
Other than bonus Issue	15,18,000	6	7,59,000	1,63,450	2	27,241.67
Total Shares outstanding at the end of the year	54,73,990	-	47,14,990	39,55,990	-	38,19,782

10. Investments: -

Investments are either classified as current or noncurrent based on management's intention. Long Term Investments are carried at cost. Company has not made any Investments.

11. Foreign Currency Transactions: -

- Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.
- Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the year end rates. However, in current year Company has not translated Monetary items at yearend rates.
- Any income or expense on account of exchange difference between the date of transaction and on settlement Date or on translation is recognized in the profit and loss account as income or expense except in cases where they relate to the

acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

- iv. As per the information provided by the management, the company has not entered into any forward contracts.

12.Valuation of Inventories: -

The inventories are physically verified at regular intervals by the Management. Raw materials, stores and Spares are valued at cost and net of credits under scheme under CENVAT Rules and VAT Rules. Finished Goods and Trade Goods are valued at Cost or Market Value/Contract Price Whichever is lower.

13.Gratuity Valuation: -

The company has created a gratuity fund which is managed by the Life Insurance Corporation of India. The premium paid for the gratuity is treated as deductible expense for the company and is not treated as perks in the hands of the employees. The amount paid by the Company for the Gratuity fund to LIC is mentioned in the below mentioned table: -

Year	Amount (in ₹)
F.Y. 2014-15	16,06,005.00
F.Y. 2015-16	53,376.00

14.Duty Drawback: -

Duty Drawback is recorded on Receipt basis. Management is not able to estimate the amount of Claim receivable, therefore the duty drawback is recorded on receipt basis rather than on Accrual basis.

15.Excise Duty: -

While valuing the inventories of final products, the cost of inputs consumed is taken at net as Net of Inputs i.e. the cost as reduced by the CENVAT Credit availed against the payment of Excise duty.

The balance under CENVAT Scheme available for adjustment against the excise duty payable on final products at the close of the year has been included in the ASSETS side under the head other current assets.

16.Preliminary Expenses: -

Preliminary Expenses for the current year relates to IPO Expenses under the companies Act 2013 they have been expensed out.

17.Prior Period Expenses: -

Prior Period Expenses for previous years have been expensed out during the current year and it is disallowed as per Income Tax Act. It relates to previous year TDS paid and for previous year exchange Gain Loss.

18.Management Remuneration: -

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in the below mentioned table: -

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD	WTD	
1.	Gross Salary	19,50,000.00	13,00,000.00	32,50,000.00
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.			
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961			
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
5.	Any other Benefits	0	0	0
	Total	19,50,000.00	13,00,000.00	32,50,000.00
	Ceiling as per the Act			42,00,000.00

B. Remuneration to key managerial personnel other than MD/ Manager/ WTD: -

Sr. No.	Particulars of Remuneration	Name of Managerial Person other than MD/WTD/Manager			Total Amount
		CEO	CFO	CS	
1.	Gross Salary	6,96,154.00	3,33,042.00	2,03,854.00	12,33,050.00
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.	0	0	0	0
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961	0	0	0	0
	c) Profits in lieu of	0	0	0	0

	salary under section 17(3) Income- tax Act, 1961				
2.	Stock option	0	0		0
3.	Sweat Equity	0	0		0
4.	Commission	0	0		0
5.	Any other Benefits	0	0		0
	Total	6,96,154.00	3,33,042.00	2,03,854.00	12,33,050.00

19.Cash and Cash Equivalents: -

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

20.Segment Reporting: -

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. The Company's operating businesses are organised and managed separately according to the nature of products and services provided. The table showing details of Segment reporting has been provided in the note number 4 below.

Note 3. Notes to Accounts: -

1. The Financial Statements for the year ended on 31st March, 2016 are prepared based on Schedule III of Companies Act, 2013.
2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the previous year.
3. The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.
4. **Segment Reporting:** - Segment Reporting of the company based on Product is described in the below mentioned table: -

Particulars	PET/Preform /Cap/Machin ery/DIE	Clothes	Unallocated	Elimination of Inter Branch Sales	Total
Revenue					
Revenue from Operations	24,70,30,610.30	35,92,31,592.00	-	-	60,62,62,202.30
Inter Branch Sales	2,73,84,460.00	-	-	2,73,84,460.00	-
Other Income	18,19,424.24	4,031.00	-	-	18,23,455.24
Segment Results before Depreciation	1,45,66,377.08	2,84,00,472.17	-	-	4,29,66,849.25
Depreciation	2,23,05,524.00	-	-	-	2,23,05,524.00
Segments results after depreciation	(7739146.92)	2,84,00,472.17	-	-	2,06,61,325.25
Unallocable income net of Expenses	-	-	7,20,980.58	-	7,20,980.58
Profit before Tax	-	-	-	-	2,13,82,305.83
Less: Current Tax	-	-	-	-	(66,65,957.00)
Less: Deferred Tax	-	-	-	-	36,78,183.00
Profit after Tax	-	-	-	-	1,83,94,531.83
Other Information as at 31/03/2016					
Segment Assets	20,63,19,442.20	3,29,91,473.50	-	-	23,93,10,915.70
Assets to be eliminated (Income Tax Asset)	(52,68,781.99)				(52,68,781.99)
Segment Liabilities	12,19,41,049.5	46,80,814.39	-	-	12,66,21,863.80

Liabilities to be eliminated (Income Tax Liabilities)	(23,80,550.00)	-	-	-	(23,80,550.00)
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5. The below mentioned contingent Liabilities are standing as on the Balance Sheet Date:

- i. The State of Gujarat through Commissioner of Commercial Tax, C -2, RajyaKar Bhavan, Ashram Road, Ahmedabad has filed an appeal against the order of Gujarat Valued Added Tax Tribunal, Ahmedabad has ordered to consider PET Preform is being Packing Material falling under Entry 55 of Schedule II of the Gujarat Value Added Tax, 2003 whereas The Department of Commercial Tax-Gujarat filled an Appeal into a High Court of Gujarat against the order of tribunal to consider the Entry treated as Residuary Entry 87 of 2nd Schedule of The Gujarat Value Added Tax, 2003 and levy the Tax @ 12.5% plus 2.5% as Additional tax instead of 4% plus 1% as Additional Tax as ordered by Gujarat Value Added Tax Tribunal, Ahmedabad. Amount of the Liability cannot be quantified. If Honourable High Court of Gujarat set aside the order of the Tribunal, the Liability may arise on the sales made at Local Rate.
- ii. The company has executed Bond for ₹ 50 Lacs (Fifty Lacs only) for non-payment of Central Excise Duty for purchase of excisable goods. In the event of failure of export of the goods as per the terms and conditions of Bond executed is not made than Excise Duty is payable to the extent applicable.
- iii. The Company Has Imported Plant and Custom duty is not paid to the amount of ₹96.21/- Lacs (with 15% interest per annum) on the basis of the undertaking given to the president of India, The Assistant Commissioner of Customs ICD-Khodiyar, Gandhinagar. They will export the goods manufactured form imported plant within the period of Eight years. The obligation as specifying terms of the notification of the Government of India in the ministry of Finance (Department of Revenue) No. 102/2009 Dated 11.09.2009.
- iv. The Company Has Imported Plant and Custom duty is not paid to the amount of ₹ 116.33 Lacs (with 15% interest per annum) on the basis of the undertaking given to the president of India, The Assistant Commissioner of Customs ICD-Khodiyar, Gandhinagar. They will export the goods manufactured form imported plant within the period of Eight years. The obligation as specifying terms of the notification of the Government of India in the ministry of Finance (Department of Revenue) No. 102/2009 Dated 11.09.2009.

The Contingent Liabilities which can be ascertained and quantified are mentioned in the below mentioned Table:-

(in Lacs)	
Particulars	Amount in ₹
Claim against EPCG License	212.54

6. **Related Party Disclosure (AS 18):** -Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the below mentioned table: -

Nature of Transaction	Period	
	2015-16	2014-15
1. Mr. Ashutosh D. Gandhi (MD)		
Remuneration (Gross Paid)	19,50,000.00	16,09,800.00
Rent Paid	600,000.00	1,50,000.00
Loan Accepted		95,00,000.00
Loan Repaid		1,03,82,500.00
Security Deposit for Rent		2,50,000.00
2. Mrs. Sneha A. Gandhi (WTD)		
Remuneration(Gross Paid)	13,00,000.00	6,73,240.00
Rent Paid	600,000.00	1,50,000.00
Loan Accepted		30,00,000.00
Loan Repaid		30,00,000.00
Security Deposit for Rent		2,50,000.00
3. Mr. Sanjay Bholashanker Agrawal(CEO)		
Remuneration(Gross Paid)	6,96,154.00	
4. Mr. Shrenikbhai Madhukarbhai Khatwala (CFO)		
Loan Given	150,000.00	
Loan Given-Repaid	70,000.00	
Remuneration(Gross Paid)	3,33,042.00	89,054.00
5. Ms. Gajara J. Joshi (Resignation as on 4th April, 2016)		
Remuneration(Gross Paid)	2,03,854.00	48,299.00
6. Saloni A. Gandhi-Daughter of MD		
Remuneration(Gross Paid)	2,36,815.00	2,18,592.00
Loan Accepted		6,00,000.00
Loan Repaid		17,50,000.00
7. Ashutosh D. Gandhi HUF		
Loan Accepted		18,00,000.00
Loan Repaid		26,00,000.00
8. Chetana S. Khatwala-Wife of CFO		
Remuneration(Gross Paid)	96,067.00	24,715.00

9. Priti S. Agrawal- Wife of CEO		
Remuneration(Gross Paid)	4,62,246.00	
10. General Additives Private Limited	NIL	66,500.00

7. **Accounting for Taxes on Income (AS 22) Deferred Tax liability/Asset in view of Accounting Standard – 22:** - “Accounting for Taxes on Income” as at the end of the year/period is reported in the below mentioned table: -

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
Deferred tax asset	31,02,665.00	36,82,032.00
Tax effect of items constituting deferred tax liability		
On difference between depreciation as per books and as per tax		
On expenditure deferred in the books but allowable for tax purposes		
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
Others (DTA reversed during the year)	(31,02,665.00)	(5,79,367.00)
Tax effect of items constituting deferred tax liability		
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits		
Provision for doubtful debts / advances		
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961		
On difference between depreciation as per books and as per tax	25,41,509.00	
Unabsorbed depreciation carried forward		
Brought forward business losses		
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
Others - Preliminary Expenses	11,36,674.00	
Tax effect of items constituting deferred tax assets		
Net deferred tax asset	36,78,183.00	31,02,665.00

The Company has recognised deferred tax asset on Depreciation as per books and depreciation allowable as per Income Tax Act 1961, and had also created deferred tax assets on preliminary expenses.

The net deferred tax asset is classified as non-current assets and disclosed on the face of the Balance Sheet.

8. **Earnings per Share (AS 20):** - Earnings per Share have been calculated based on Weighted average numbers of Shares the Calculation of which is attached below: -

Financial Year	Net Profit as per Profit and Loss (1)	Weighted Average Number of Equity Shares (2)	EPS (Earnings Per Share) [(1)/ (2)] (3)
2015-16	1,83,94,531.83	47,14,990.00	3.9
2014-15	(81,53,156.00)	38,19,781.67	(2.13)

9. **Government Grants:** -Government Grants are recorded in the books as per As 12. Total Government Grants recorded in the books of accounts are mentioned in the table attached below: -

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
Details of government grants		
Government grants received by the Company during the year towards		
- Subsidies (recognised under Other operating revenues)	18,55,345.00	7,08,828.00
- Duty drawback (recognised under Other operating revenues)	7,58,333.00	20,783.00
- Other incentives (specify nature)		
The Company has received certain equipments and facilities free of cost from _____ towards carrying on research and development. These assets are required to be returned on completion of the specified activity.	NIL	NIL

10. **Realizations:** -In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

11. **MAT Credit:** -During the previous years the company did not record any MAT Credit but considered the same as DTA, the same has been rectified and regrouped in current financial statement, In the current year MAT Credit have been created by the company in the books based on the amounts paid previously.
12. Amounts in the financial statements Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values.
13. Confirmations / certificates in respect of unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are awaited.
14. The management of the company has carried out an exercise to ascertain impairment of Fixed Assets, if any, In the opinion of the management of the company there are no indication of impairment of assets as at 31/03/2016 and therefore no effect of impairment is required to be given in the books of account.
15. Cash Balance is taken as valued & certified by management.

16. **Pending Litigations and Criminal Proceedings: -**

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company, our Directors, our Promoters and our Group Entities and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding ₹ 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule V to the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoters, our Directors and Group Entities.

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, our Promoters, our Directors or our Promoter Group Entities, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of our Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on our Company, our Promoters, our Directors or our Group Entities from any statutory authority / revenue authority that would have a material adverse effect on our business.

- **Criminal Proceedings: -**

Ahimsa Industries Pvt Ltd served notice dated 22.05.2015 under Section 138 of the Negotiable Instrument Act 1881 to M/s Sahyadri Food and Agro Industries for demanding the due amount of ₹ 21,23,403/-along with interest @ 24% per annum till the time of actual payment within a period of 15(fifteen) days from the date of receipt of above notice in respect of supplies made hereunder.

DATE OF INVOICE	NO. OF INVOICE	DUE AMOUNT OF INVOICE (IN ₹)
24-09-14	39	36,403.00 out of 9,40,060.00
12-10-14	45	6,55,098.00
19-10-14	48	8,88,865.00
04-03-15	85	5,45,513.00
Total		21,25,879.00

Sahyadri Foods issued three cheque as mentioned below towards payment for supplies: -

Cheque No.	Date	Rupees	Drawn on Bank (Bank Name)
017291	11-05-15	7,00,000.00	Bank of Maharashtra
017292	12-05-15	7,00,000.00	Bank of Maharashtra
017293	13-05-15	7,23,403.00	Bank of Maharashtra

When the aforesaid cheques were presented by M/s. AHIMSA INDUSTRIES PRIVATE LIMITED to their Bankers i.e. Bank of Maharashtra, the same were returned unpaid by the Bank with the remarks/reasons "insufficient Funds" in Bank Account of M/s Sahyadri Food and Agro Industries. Sahyadri Food requested to deposit the Cheques again but to be returned unpaid. The Company is in the process of filing case against of M/s Sahyadri Food and Agro Industries under section 138 of Negotiable Instruments Act.

- **Indirect Tax Proceedings Involve by Company (VAT Matters)**

- i. M/s Ahimsa Industries Pvt Ltd has sold PET Preform on 23.08.2012 vide Tax Invoice No.106. Company file an application inquiring about the applicable rate of tax on the sale of this product to be used as packing material. The appellant has contended that the PET Preform is a packing material and it falls under Entry 55 of Schedule II to the Gujarat Value Added Tax Act, 2003 on 30.08.2012. However, the learned Joint Commissioner of Commercial Tax (Legal) Vide Order No. VAT/Sec. 80/2012/D/237/J.504/507 had determined dated on 20/11/2012 held that PET preform is not a Packing Material and its included as Residuary Goods. He held that it is covered under Entry 87 of Schedule II to the Act and it is accordingly taxable at the rate of 12.5% plus 2.5% additional tax. Instead of 4%+1% as charged by company.
- ii. In against the order No. VAT/K-80/2012/D/237/J.504/507, dated 20.11.2012 of the learned Joint Commissioner of Commercial Tax, Company filed appeal, dated 28.11.2012 in the Gujarat Value Added Tax Tribunal, Ahmedabad. The Hon'ble Bench vide in its Order No. B-1718/2013/First Appeal No.9/12 dated 24.04.2013 of Tribunal held that a PET Preform is convenient form of packing and strictly used as end product for packing purposes only. Therefore, it is held to be declared as polythene packing material falling under Entry 55 of Schedule II to the GVAT Act and liable to be taxed accordingly and the same cannot be treated under residuary Entry 87 of Schedule II to the Act. The order of the determining authority is therefore, not just and proper and the appellant is not liable to be taxed @ 12.5% plus 2.5% by way of additional tax.
- iii. Being aggrieved and dissatisfied by the Judgement and order dated 24/04/2013, passed in First appeal no. 9 of 2012 by Hon'ble Gujarat Value Added Tax tribunal at Ahmedabad the State of Gujarat through the Commissioner of Commercial tax (Applicant) filed appeal against M/S Ahimsa Industries Pvt. Ltd. (Respondent) under the Tax Appeal No.1354 of 2014 dated on 13/05/2014 before the Hon'ble High Court of Gujarat at Ahmedabad. Now the proceeding of this case are pending in the Hon'ble High Court of Gujarat.

- **Outstanding Demands relating to Direct Taxes: -**

The total amount outstanding relating to Tax Deducted at Source (TDS) which are verified through the Traces Portal are attached in the below mentioned table: -

Financial Year	Defaults (Amount in ₹)
2015-16	2,804.50
2013-14	124.00
2012-13	284.00
Prior Years	62,946.00
Total	66,158.50

For Mistry and Shah
Chartered Accountants
F.R.N: - 122702W

For and Behalf of Board of directors
Ahimsa Industries Limited

Partner
Krunal Shah
M.No. 144596

Managing Director
Ashutosh Gandhi
DIN: 00654563

Wholetime Director
Sneha Gandhi
DIN: 00654675

Poonam Panchal
Company Secretary
M.No. A44616

Shrenik M. Khatwala
CFO

Date: May 26 ,2016
Place: Ahmedabad

Date: May 26,2016
Place: Ahmedabad

Notes on Financial Statements for the Year ended on March 31,2016

Note No-3.1.1 Share Capital

Particulars	As at March 31,2016		As at March 31,2015	
	Number	In ₹	Number	In ₹
Equity Share Capital of ₹ 10/- each				
Authorized Share Capital	7500000.00	75,000,000.00	7,500,000	75,000,000.00
Issued Share Capital	5473990.00	54,739,900.00	3,955,990	39,559,900.00
Subscribed and Fully Paid Up	5473990.00	54,739,900.00	3,955,990	39,559,900.00
		54,739,900.00		39,559,900.00

Note No-3.1.2 Reconciliation of share capital

Particulars	As at March 31,2016		As at March 31,2015	
	Number	In ₹	Number	In ₹
Equity Shares (Face Value ₹10.00)				
Shares outstanding at the beginning of the year	3955990.00	39,559,900.00	632,090.00	6,320,900.00
Shares Issued during the year	1518000.00	15,180,000.00	3,323,900.00	33,239,000.00
Shares bought back during the year				
Shares outstanding at the end of the year	5473990.00	54,739,900.00	3,955,990.00	39,559,900.00

- During the year 15,18,000/- shares were issued having Face Value of Rs. 10.00 per share issued at premium of Rs. 15.00 per share, by way of Initial Public Offer.
- The company has only one class of shares viz. equity shares having a par value of ₹10/- each as above. All equity shares, in present and in future, rank pari passu with the existing equity shares of the company and each shareholder is entitled to one vote per share.
- The company is neither a subsidiary nor a holding company of any other body corporate. Disclosures as regards the Shareholdings in or by such body-corporate, accordingly, are not applicable on the company.
- The equity shareholders of the company are entitled to get the dividend as and when proposed by the Board of Directors and approved by Share holders in the ensuing General Meeting.
- In the Event of Liquidation of the company, the share holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.
- The company did not have outstanding calls unpaid by directors and officers of the company (Previous year NIL) and also did not have any amount of forfeited shares Previous Year NIL).

Note No 3.1.3 Shareholders holding more than 5% of Share

Particulars	As at March 31,2016		As at March 31,2015	
	Number	% of Holding	Number	% of Holding
Ashutosh Gandhi	2,010,000	36.72 %	2,010,000	50.81 %
Sneha Gandhi	1,573,950	28.75 %	1,573,950	39.79 %
Saloni Gandhi	208,566	3.81 %	208,566	5.27 %

7. The Company has not allotted any fully paid up equity shares without payment being received in cash and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date, however company has issued 31,60,450 bonus shares as per resolution passed by Extra Ordinary General Meeting on Date 18-12-2014 by capitalization of reserves.

8. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note No- 3.2 - Reserves and Surplus

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Share Premium		
Opening Balance	11,114,600.00	14,439,920.00
Add: During the Year	22,770,000.00	11,114,600.00
Less: Utilized for Issue of Bonus Share		(14,439,920.00)
Closing Balance	33,884,600.00	11,114,600.00
Subsidy Central- CLCSS*		
Opening Balance	1,500,000.00	1,500,000.00
Add: During the Year		
Less: Written off	(1,500,000.00)	
Closing Balance		1,500,000.00
General Reserve		
Opening Balance	5,670,020.00	30,987,756.00
Add: Net profit/(Net loss) for the Current Year	18,394,531.83	(8,153,156.00)
Less: Utilized for Issue of Bonus Share		(17,164,580.00)
Closing balance	24,064,551.83	5,670,020.00
Total	57,949,151.83	18,284,620.00

*As per the records available, in previous year Management has estimated that the company will receive Subsidy Central- CLCSS amounting to Rs. 15,00,000.00 in the next coming financial year however in current financial year no such incidence has taken place, thus it has been subsequently reversed.

Note No -3.3 Long Term Borrowings**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Secured Loans</u>		
<u>From Banks</u>		
Term Loan Corporation Bank TLS No. 0006# To be paid in Equated Quarterly Principal Installments of Rs. 28,30,000 .00 + Interest to be paid monthly	669,156.00	12,504,947.00
Term Loan Corporation Bank TLS No. 0001# To be paid in Equated Quarterly Principal Installments of Rs. 1990000.00 + Interest to be paid monthly	13,929,557.00	21,884,323.00
Term Loan Corporation Bank TLS No. 0004# To be paid in Equated Monthly Principal Installments of Rs. 230000.00 + Interest to be paid monthly	7,130,000.00	10,089,024.00
Term Loan Corporation Bank TLS No. 16001# To be paid in Equated Monthly Principal Installments of Rs. 133250.00 + Interest to be paid monthly	2,519,658.00	
Total	24,248,371.00	44,478,294.00

1. The Term loans from Corporation Bank is secured by way of hypothecation of entire plant & machinery, electrical installations of the Company situated at Plot no. 160, Devraj Industrial Park, Piplaj - Pirana Road, Village Piplaj, Ahmedabad 382405.

2. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on factory land admeasuring 4724 Sq. Yds. and building thereon at Plot No. 160, Devraj Industrial Estate, Prana Piplaj Road, Village - Piplaj, Ahmedabad owned by company.

3. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on commercial property i.e. office situated at 12. 2nd floor, Sakar V, Behind Natraj Cinema, Off Ashram Road, Ahmedabad owned by company.

4. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on office at No. 102, 1st Floor, Iscon Elegance, Nr. Divya Bhaskar, S.G. Road, Ahmedabad owned by company.

5. The above Term Loan from Corporation Bank is also secured by way collateral security of EMG/First charge on entire P&M and other movable assets of the company except vehicle financed by other banks/FIs both existing & Proposed.

6. The above Term Loan from Corporation Bank is also secured by way of personal guarantee of Mr. Ashutosh D Gandhi (MD) & Mrs. Sneha A Gandhi. (whole Time Director)

Note No-3.4 Short Term Borrowings**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Secured</u>		
Cash Credit facility from Corporation Bank A/c No. 065800401120001*	50,979,316.29	39,952,383.00
Corporation Bank PCFC A/c**	4,171,000.00	13,968,500.00
Bank Overdraft facility from Corporation Bank A/c No. 065800501150001***		16,150,000.00
<u>CURRENT MATURITIES OF LONG TERM BORROWING</u>		
1). Term Loan Corporation Bank TLS No. 0006# To be paid in Equated Quarterly Principal Installments of Rs. 28,30,000.00 + Interest to be paid monthly	11,320,000.00	10,086,080.00
2). Term Loan Corporation Bank TLS No. 0001# To be paid in Equated Quarterly Principal Installments of Rs. 1990000.00 + Interest to be paid monthly	7,960,000.00	7,960,000.00
3). Term Loan Corporation Bank TLS No. 0004# To be paid in Equated Monthly Principal Installments of Rs. 230000.00 + Interest to be paid monthly	2,760,000.00	2,760,000.00
4). Term Loan Corporation Bank TLS No. 16001# To be paid in Equated Monthly Principal Installments of Rs. 133250.00 + Interest to be paid monthly	1,599,000.00	
Total	78,789,316.29	90,876,963.00

*The Cash Credit Loan with Corporation Bank is secured by way of first charge by way of hypothecation of Inventory & books debts and other current assets both present & future, of the company

**The PCFC A/c with Corporation Bank is secured by way of hypothecation of Inventory & book debts of the company (Both Manufacturing & Trading), of the company

***The OD account with Corporation bank was repaid during the year.

Collateral Security of above Short Term Borrowings are same as of Long Term Borrowings mentioned in Note No. 3.3

Note No-3.5 Trade Payables**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
Micro and Small Enterprise*	156,012.00	(170,588.00)
Other than Micro and Small Enterprise	22,273,780.30	132,259,503.00
Total	22,429,792.30	132,088,915.00

*The Company has initiated the process of identification of suppliers registered under Micro and Small Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received.

Balances of Trade Payable are subject to Confirmations.

Note No-3.6 Other Current Liabilities**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
Other Payables		
Rent Deposit		100,000.00
Deposit from OM Tans Logistic (Rent Deposit)	75,000.00	
Advance received from Customers	1,455,000.00	10,151,030.00
Creditors for Capital Goods		
Outstanding Expense		3,091.00
Deposit from Debtor for compliance of "C" Form	455,323.50	545,211.00
Duties and Taxes		
CST Payable		446,581.00
Service Tax	46,042.86	26,238.00
VAT Payable on Sales of Fixed Assets		45,743.00
VAT Payable for reduction of Branch Transfer		320,948.00
VAT Payable (Maharashtra)	313,384.59	347,685.00
TDS Payable	81,650.00	22,169.00
TDS Payable Maharashtra	5,844.00	
Interest Payable on Service Tax		731.00
Total	2,432,244.95	12,009,427.00

Note No-3.7 Short Term Provision**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
Others		
Provision for Income Tax	2,380,550.00	
Provision for Expense	13,258.33	375.00
ESIC Payable	8,831.00	
PF Employer Contribution	35,760.00	
Total	2,438,399.33	375.00

NOTE NO-3.9 Long term Loans and Advances**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
Unsecured Considered Goods		
AUDA- Development Charge Deposit	9,186.00	9,186.00
AUDA- Development Charge Deposit Land	3,062.00	3,062.00
AUDA- Tree Plantation Permission Deposit	22,965.00	22,965.00
IRCTC- Earnest Money Deposit (Tender)*	852,500.00	
Iscon Elegance Maintenance		123,850.00
Library Deposit		500.00
NSE Deposit**	379,500.00	
Navkar Tradecom Private Limited	1,600.00	1,600.00
The Abad Electric Co. Ltd.- Sakar	540.00	540.00
Torrent Power- Factory deposit	2,096,579.00	1,292,579.00
Torrent Power- Iscon Elegance Deposit	8,400.00	
Vijay Bhai Jani- Rent Deposit	10,000.00	10,000.00
Vodafone Essar Gujarat Limited	1,000.00	1,000.00
Balances With Government Authorities		
Advance Payment of Income Tax		300,000.00
Income Tax Refund	214,916.99	214,917.00
Income Tax Refund F.Y. 2013-14		1,057,567.00

VAT Security Deposit- Maharashtra	25,000.00	25,000.00
Ventura Securitized Deposit	3,000.00	
Total	3,628,248.99	3,062,766.00

* In order to fulfill requirement of IRCTC Tender, company has deposited Rs. 8,52,500.00 as an Tender Deposit Fees

** Company has deposited Rs. 3,79,500.00 with National Stock Exchange to fulfill requirement of SME IPO of the Company.

NOTE N0-3.10 Other Non-Current Assets

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Increased in Authorized Share Capital		688,700.00
Less: Preliminary Expense Written Off		(688,700.00)
Total		

NOTE N0-3.11 Inventories

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Branch Stock		1,795,017.00
Goods in Transit		3,698,820.00
Goods in transit Trading		4,346,976.00
Goods in Transit Branch		68,389.00
Finished Stock	28,135,395.00	12,071,635.00
Raw Material	16,461,943.00	7,711,442.00
Trading Goods	3,277,480.00	5,819,306.00
Total	47,874,818.00	35,511,585.00

NOTE N0-3.12 Trade Receivables

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Outstanding for More than 6 months*	9,726,171.00	2,596,009.00
Outstanding for Less Than 6 months*	31,515,227.24	134,257,949.00
Total	41,241,398.24	136,853,958.00

*Balances of Trade Receivables are subject to confirmation

NOTE N0-3.13 Cash and Cash Equivalents

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Balances with banks in Current Account		
Corporation Bank Current A/c No.340	7,504,580.86	5,503,349.00
Corporation Bank Current A/c No.4096	63,805.10	7,820,894.00
HDFC Plus A/c No. 1244	60,123.87	41,401.00
SBI Duty draw back A/c	343.00	343.00
HDFC Bank- 4345 Mumbai	5,712,862.50	

Cash on hand		
Cash on hand factory	162,506.50	189,739.00
Cash on hand office	1,646,063.95	3,456,640.00
Bank Deposit with more than 12 months maturity		
FDR A/c No. KCC 01111349	1,500,000.00	1,500,000.00
FDR A/c No. KCC/01/141285	480,000.00	480,000.00
FDR A/c No. KCC 01150483	375,000.00	
FDR A/c No. KCC 01/151155	540,000.00	
FDR A/c No. 130092	1,810,000.00	1,810,000.00
FDR A/c No. KCC/01/140791		390,000.00
Total	19,855,285.78	21,192,366.00

NOTE N0 -3.14 Short Term Loans and Advances

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Runwal Homes Private Limited		17,865.00
Total Environment Projects India Private Limited		5,797.00
Staff Loan	80,000.00	
Total	80,000.00	23,662.00

NOTE N0 -3.15 Other Current Assets

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Prepaid Insurance	340,522.64	408,002.00
Godown Deposit	500,000.00	500,000.00
Accrued Interest on FD- Corp. Bank	1,243,741.99	859,383.00
Accrued Interest Subsidy State	413,139.00	1,330,486.00
Accrued Interest on other (Torrent)	141,169.71	102,967.00
TDS Receivable	31,710.00	160,806.00
Adjustable against Expense		5,116.00
Branch Stock Adjustment		196,531.00
Central Subsidy(SLCC)		1,500,000.00
Cenvat	3,529,889.11	1,727,181.00
Service Tax	3.00	3.00
Excise Personal Ledger Account	4,500.00	
VAT Receivable	159,230.50	73,115.00
CST Receivable	20,697.41	
Imprest Account	28,973.00	
HDFC Credit Card	1,940.00	
MAT Credit Receivable	1,375,682.00	
Suresh Raval & Associate(Advance)	20,000.00	
Total	7,811,198.36	6,863,590.00

Note No. 3.8 Depreciation Chart

In ₹

	Gross Block				Depreciation / Amortization				Net Block		
	As at April 1,2015	Addition during the year	Ded/Adj during the year	As at March 31,2016	Upto March 31, 2015	For the year	Ded/Adj during the year	Effect on Deprn as per Co. Act,2013	Upto March 31, 2016	As at March 31,2016	As at March 31,2015
Particulars											
TANGIBLE ASSETS											
Buildings	27,388,828.87			27,388,828.87	6,683,560.92	1,705,122.00			8,388,682.92	19,000,145.95	20,705,267.95
Plant and Machinery	131,739,144.63	4,724,520.00		136,463,664.63	40,162,821.70	18,795,421.00		27,358.00	58,985,600.70	77,478,063.93	91,576,322.93
Furniture and Fittings	5,205,764.00	25,770.00		5,231,534.00	2,378,610.43	759,223.00		(1,958.98)	3,135,874.45	2,095,659.55	2,827,153.55
Motor Vehicles	6,804,346.00	62,000.00		6,866,346.00	4,518,468.00	773,823.00			5,292,291.00	1,574,055.00	2,285,878.00
Office Equipments	971,714.00	55,320.00		1,027,034.00	699,483.95	156,048.00		(17.65)	855,514.30	171,519.70	272,230.05
Computers and Data Processing Units	282,799.50	26,200.00		308,999.50	215,316.00	52,061.00		(1.00)	267,376.00	41,623.50	67,483.50
Laboratory Equipment	103,840.00			103,840.00	25,326.00	14,344.00			39,670.00	64,170.00	78,514.00
Electrical Installation and Equipment	328,979.00			328,979.00	156,831.00	49,483.00			206,314.00	122,665.00	172,148.00
Land - Factory	12,702,900.00			12,702,900.00					-	12,702,900.00	12,702,900.00
Capital Work In Progress *		5,607,241.00		5,607,241.00					-	5,607,241.00	
Total :	185,528,316.00	10,501,051.00	-	196,029,367.00	54,840,418.00	22,305,525.00	-	25,380.37	77,171,323.37	118,858,043.63	130,687,898.00

Fixed Assets are stated at Actual Cost. Company has a policy of deducting depreciation from Fixed Assets. Actual cost is inclusive of freights, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working condition for its intended use but net of CENVAT.

* During the year company has transferred assets amounting to Rs. 5607241 to Capital Work in Progress, as the assets were put to use after the year end, subsequently no depreciation is Charged on the same.

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining Impairment in the carrying amount of fixed assets, the management has concluded that since recoverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Assets owned by the Company.

During the year under Audit, certain Furniture and Fixture and Air Conditioner whose useful Life has already expired were standing in the balance sheet at a value which is less than its residual value (i.e. less than 5% of the Original Cost of Assets), consequently the effect of Companies Act, 2013 was provided in the current year and thus total difference of Rs. 1958.67 is written off as Prior period Expenses in the Profit and Loss Account.

NOTE NO :-3.16 Revenue from Operations**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Sale Of Products</u>		
Export Sales	57,724,316.00	51,697,657.00
Sales	548,537,886.31	269,514,170.00
Total	606,262,202.31	321,211,827.00

NOTE NO :-3.17 Other Income**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Interest Income</u>		
Interest on F.D. with Corporation Bank	492,644.00	933,225.00
Interest on Security Deposit with Torrent	156,855.00	114,408.00
Interest on Income Tax refund	87,277.00	
Prior Period Income (MAT)	579,367.00	
Commission on Agency Sales	168,320.00	
Commission on Bank Guarantee	1,884.00	
Duty Drawback*	758,333.00	20,784.00
Discount Received	158,697.00	205.00
Rent of Sakar Office	141,060.00	384,780.00
Written Off Net Credit Balance		3,085,329.00
Profit on Sales on fixed Assets		70,359.00
Other Income		515,375.00
Total	2,544,437.00	5,124,465.00

*Duty Drawback is recorded on Receipt Basis

NOTE NO :-3.18 Cost of Materials Consumed**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Manufacturing Goods</u>		
Opening Stock of Raw Material	7,711,442.00	15,976,892.00
<u>Add:</u>		
Raw Material Imported	11,480,731.40	36,195,619.00
Raw Material Domestic	141,582,534.16	85,153,205.00
<u>Less</u>		
Closing Stock Raw Material	(16,461,943.00)	(7,711,442.00)
Packing Material Consumed	3,478,321.73	2,793,265.00
Job Work Charges	4,080,341.00	3,602,591.00
<u>Trade Goods</u>		
Opening Stock	10,166,282.00	55,885.00
Add: Materials Purchased	363,679,981.93	130,987,005.00
Less: Closing Stock Material	(3,277,480.00)	(5,819,306.00)
Total	522,440,211.22	261,233,714.00

NOTE NO :-3.19 Change In Inventories**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Finished Goods</u>		
Stock at Head Office	(28,135,395.00)	20,117,431.00
Goods in Transit from H.O. to Branch		68,389.00
Stock at Branch		1,795,017.00
Less: Stock at the beginning at the year	17,633,861.00	(29,379,522.00)
Total	(10,501,534.00)	(7,398,685.00)

NOTE NO :-3.20 Employee Benefit Expenses**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Salary and Wages</u>		
Salary, Wages and Allowances	7,318,737.00	6,055,716.00
Bonus	602,447.00	468,568.00
Leave Encashment	310,271.00	231,507.00
Welfare Expense		
<u>Contribution to Provident Fund & ESIC</u>		
Provident Fund	218,549.00	120,880.00
ESIC	75,612.00	58,126.00
<u>Other Expenses</u>		
Labour Welfare Contribution	276.00	240.00
Gratuity	53,376.00	1,606,005.00
Total	8,579,268.00	8,541,042.00

NOTE NO :-3.21 Finance Costs**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Interest Expenses</u>		
Interest on Buyers Credit		482,265.00
Interest on CC	2,975,132.00	3,959,459.00
Interest on CCSDL 15001	899,689.00	386,410.00
Interest on EPC Limit	182,617.00	152,876.00
Interest on Term Loan-2 Corp. Bank	3,408,081.00	2,510,036.00
Interest on Term Loan- Corp. Bank	2,422,536.00	4,195,855.00
Interest on Term Loan- TLS 140004	1,441,255.00	547,619.00
Interest on Term Loan- TLS4 1600001	3,326.00	
Subsidy Term Loan Interest (Income)	(937,998.00)	(1,330,485.00)
<u>Bank Charges</u>	391,350.00	1,244,382.00
<u>Processing Fees</u>	111,014.00	
<u>Other Interest Expense</u>		
Interest on Key Man Policy		105,661.00
Total	10,897,002.00	12,254,078.00

NOTE NO :-3.22 Other Expenses**In ₹**

Particulars	As at March 31,2016	As at March 31,2015
<u>Payment To Auditors</u>		
<u>As Auditor</u>		
Audit Fees	115,075.00	50,000.00
<u>Prior Period Items</u>		
Sample Expense		2,540.00
VAT Payable		7,418.00
Prior Period Expense	252,082.46	
<u>Power & Fuel</u>		
Fuel Expense	118,408.00	82,800.00
Electricity Expense	15,482,477.00	13,000,088.00
<u>Repairs and Maintenance</u>		
Electrical Expenses		3,414.00
Repair and Maintenance (P & M)	583,425.00	652,938.00
Stores & Spares	892,564.58	8,000.00
Computer Expense	30,420.00	45,979.00
Vehicle Repairs and Maintenance	107,524.00	50,191.00
Repairs and Maintenance to Building	40,562.00	
<u>Insurance</u>		
Insurance Expenses	312,067.00	311,768.00
<u>Rates and taxes</u>		
Professional Tax	2,400.00	2,400.00
Service Tax	63,939.00	43,719.00
<u>Miscellaneous Expenses</u>		
Accounting Charges	25,650.00	
Advertisement Expense	10,129.00	130,517.00
Advance License fees		
Branch Expense		161.00
Commission Expenses		156,159.00
Consultancy Fees	64,914.00	50,450.00
Conveyance Expense	84,696.00	43,688.00
Courier Charges	254,625.28	24,506.00
Clearing, Forwarding and Transportation	5,682,343.00	3,515,777.00
Credit Rating Expense		30,000.00
Digital Signature Expense	5,550.00	6,259.00
Discount Given	12,035.00	
Detention Charges	60,225.00	
DGFT Charges	13,766.00	
Export Expense	58,248.00	24,314.00
Factory Expense	566,801.00	478,653.00
Rent Expense	1,351,143.00	505,052.00
Health License Fee	10,500.00	10,000.00
IRCTC Tender Fees	525.00	
Kasar Vatav	1,467.00	75.00
Legal Expense	52,489.00	45,639.00
LIC Keyman Policy		241,288.00
Loss on Sale of Fixed Assets		72,193.00

Late Filling Fees	3,000.00	
Labour Charges	73,998.00	
Maintenance		22,753.00
Medical Expenses		200.00
Membership Fees	27,729.80	8,005.00
Mukadmi Expense	127,160.00	
Mobile, Telephone and Internet Expense	229,436.44	185,989.00
Municipal Tax	137,773.00	139,184.00
News paper and Magazine Expense	9,388.00	11,479.00
NSDL - AMC Charges	332.50	
Office Expenses	69,796.24	31,671.00
Packing Expense	500,678.00	46,534.00
Passport and VISA fees	5,100.00	
Printing & Stationery	173,204.00	146,272.00
Professional Fees	616,703.00	488,184.00
IPO Professional Fees Expense*	4,257,097.00	
ROC Fess	14,900.00	14,800.00
Sample Expense	19,278.00	9,975.00
TDS Late Filling Fees		2,600.00
Tea Coffee and Refreshment	193,725.00	25,976.00
Trade Mark Expenses	2,500.00	
Travelling Expense	325,195.90	316,269.00
Web Hosting Expense	44,823.00	8,400.00
Write off	564,626.06	688,700.00
Total	33,652,494.26	21,742,977.00

* IPO Professional Fees relates to Professional Charges paid by the company for listed on SME Platform of NSE

NOTE NO :-3.23 Interest & Penalty

In ₹

Particulars	As at March 31,2016	As at March 31,2015
Interest on CST	50.00	553.00
Interest on ESIC		205.00
Interest on Excise	15.00	351.00
Interest on Professional Tax	20.00	3.00
Interest on Service Tax	802.00	1,477.00
Interest on TDS	1,426.00	3,558.00
Interest on VAT	47,999.00	812.00
Interest on M VAT	1,055.00	
Total	51,367.00	6,959.00

AHIMSA INDUSTRIES LIMITED

CIN:L25200GJ1996PLC028679

Regd. Office: 102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction,
S. G. Highway, Ahmedabad – 380015, Gujarat, India
Tel. No.:079-27445901/02

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company held at Registered Office at 102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction, S. G. Highway, Ahmedabad – 380015, Gujarat, India on Thursday, 30th June, 2016 at 5:00 P.M.

Folio No. / Client ID/DPID No.

Full Name of the Shareholder:

Signature:

Full Name of Proxy:

Signature:

(To be filled in if the Proxy attends instead of the Member)

AHIMSA INDUSTRIES LIMITED

CIN:L25200GJ1996PLC028679

Regd. Office: 102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction,
S. G. Highway, Ahmedabad – 380015, Gujarat, India
Tel. No.:079-27445901/02

21st Annual General Meeting – 30th June, 2016

PROXY FORM

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

Name of the Member(s):

Registered Address:

Email:

Folio No./Client ID:

DP ID:

I/ We, being the Member(s) of..... Shares of the Ahimsa Industries
Limited, hereby appoint

Name:

Address:

Email:

Signature:

or failing him / her

Name:

Address:

Email:

Signature:

or failing him / her

Name:

Address:

Email:

Signature:

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 21st Annual General Meeting of the company, to be held on Thursday, 30th June, 2016 at 5:00 P.M. at 102, Iscon Elegance, Nr. Shapath-5, Prahladnagar Junction, S. G. Highway, Ahmedabad – 380015, Gujarat, India and at any adjournment thereof:

Sr. No.	Resolutions	Optional*	
		For	Against
1.	To receive, consider and adopt the Audited Financial Statement of the company for the financial year ended at March 31, 2016 together with the Report of Board of Directors and Report of Auditor thereon (Ordinary resolution).		
2.	To appoint Mrs. Sneha A. Gandhi (DIN: 00654675), who retires by rotation and being eligible offers herself for re-appointment. (Ordinary resolution).		
3.	To reappoint Auditors of the company to hold office from the conclusion of 21 st AGM until the conclusion of the 26 th AGM and to fix their remuneration and to pass the following resolution thereof (Ordinary resolution).		
4.	To appoint Mr. Kiritkumar H. Trivedi (DIN: 07506870), who was appointed as an Additional Director of the Company with effect from May 26, 2016, under Section 161 of the Companies Act, 2013 who is eligible to appoint as Non-Executive Director of Company (Ordinary resolution)		
5	Revision of Remuneration of Mr. Ashutosh D. Gandhi (DIN: 00654563) , Managing Director (Ordinary resolution)		
6.	Revision of Remuneration of Mrs. Sneha A. Gandhi (DIN: 00654675) , Whole Time Director (Ordinary resolution)		

7.	To appoint M/s. Mistry and Shah., Chartered Accountants, Gandhinagar (Firm Registration No: 122702W), as Statutory Auditors of the Company to fill the Casual Vacancy caused by the resignation of M/s. K. H. Trivedi & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 111054W) (Ordinary resolution)		
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Signed this Day of 2016

.....
Signature of the Member
holder(s)

.....
Signature of the proxy

Affix
Rs. 1/-
Revenue
Stamp

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. * This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
5. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.

BOOK POST



If Undelivered, Please Return to:

102, Iscon Elegance, Nr. Shapath-5,
Praladnagar Junction,
S. G. Highway,
Ahmedabad – 380015,
Gujarat, India
Tel. No.:079-27445901/02