

## ABOUT AHIMSA INDUSTRIES LIMITED

Ahimsa Industries Limited is one of the leading PET Performs manufacturers under brand name **greenpet**<sup>™</sup> (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><b>Mr. Ashutosh Damubhai Gandhi</b>, 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><b>Mrs. Sneha Ashutosh Gandhi</b>, 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><b>Mr. Jignesh Anubhai Shah</b>, 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><b>Mr. Ashish Navnitlal Shah</b>, aged 52 Years, is the Non-Executive &amp; 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 &amp; 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 &amp; wealth management &amp; broking.</p>
	<p><b>Mr. Bhadresh Arvindbhai Trivedi</b>, aged 50 Years is the Non-Executive &amp; 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](mailto:legal@greenpet.in) &  
[info@ahimsaind.com](mailto: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](mailto:ceo@greenpet.in)

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## NOTICE

### 21<sup>st</sup> ANNUAL GENERAL MEETING

Notice is hereby given that 21<sup>st</sup> Annual General Meeting of the members of the company will be held on Thursday, 30<sup>th</sup> 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 21<sup>st</sup> AGM until the conclusion of the 26<sup>th</sup> 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 21<sup>st</sup> Annual General Meeting until the conclusion of the 26<sup>th</sup> 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 14<sup>th</sup> 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 14<sup>th</sup> 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 Messrs. K. H. Trivedi & Company, Chartered Accountants, (Firm Registration No: 111054W).”

“Resolved further that Messrs. Mistry and Shah, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from 02<sup>nd</sup> April, 2016, until the conclusion of the 21<sup>st</sup> 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 21<sup>st</sup> Annual General Meeting of Company will be 23<sup>rd</sup> 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 21<sup>st</sup> 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](mailto:info@ahimsaind.com), [legal@greenpet.in](mailto: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 26<sup>th</sup> 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 21<sup>st</sup> 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 based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of Company at their meeting held on 26<sup>th</sup> 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 19<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> 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 19<sup>th</sup> Annual General Meeting till the conclusion of the 24<sup>th</sup> Annual General Meeting of the Company, subject to ratification of the appointment by the members at every Annual General Meeting held after 19<sup>th</sup> Annual General Meeting of the Company.

M/s. K. H. Trivedi & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 111054W), vide their letter dated 2<sup>nd</sup> 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 2<sup>nd</sup> 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 21<sup>st</sup> 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  
21<sup>st</sup> Annual General Meeting of the company pursuant to SEBI (Listing  
Obligation and Disclosure Requirements) Regulation, 2015**

### 1. MRS. SNEHA A. GANDHI - Whole Time Director

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



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

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

Particulars	(Amount in Rs.)	
	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 15180000/- (Rupees one Crore Fifty-one Lacs eighty Thousand only) divided 15,18,000 (Fifteen lacs Eighteen Thousand) equity shares of 10/- each as on 9<sup>th</sup> October, 2015. Due to Initial Public Offer, Paid up Share capital of the Company is increased from Rs. 3,95,59,900 to Rs. 5,47,39,900.

## **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. 15180000 (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 9<sup>th</sup> 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 26<sup>th</sup> 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 4<sup>th</sup> 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 26<sup>th</sup> 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

<b>Name of Directors</b>	<b>Category</b>	<b>Meetings held during the tenure of the Directors</b>	<b>Meetings Attended</b>	<b>Attendance at the last AGM held on 30<sup>th</sup> September, 2015</b>	<b>No. of committee/ membership in which he/she is a member and Chairperson</b>
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	7	7	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.

<b>Members</b>	<b>Category</b>	<b>Meetings held during the tenure of the Directors</b>	<b>Meetings attended</b>
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.

<b>Members</b>	<b>Category</b>	<b>Meetings held during the tenure of the Directors</b>	<b>Meetings attended</b>
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.

<b>Members</b>	<b>Category</b>	<b>Meetings held during the tenure of the Directors</b>	<b>Meetings attended</b>
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 2<sup>nd</sup> 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 21<sup>st</sup> Annual General Meeting subject to Re-appointment from the conclusion of 21<sup>st</sup> AGM until the conclusion of the 26<sup>th</sup> 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`
				<b>NA</b>			

**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 filled 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: 26<sup>th</sup> 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: 26<sup>th</sup> May, 2016**

**Sneha Ashutosh Gandhi**  
**Whole time Director**  
**DIN:00654675**

## **ANNEXURE TO DIRECTOR'S REPORT**

### **ANNEXURE INDEX**

<b>Annexure</b>	<b>Content</b>
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 9<sup>th</sup> 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 <sup>st</sup> 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: 26<sup>th</sup> 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,  
Prahlanagar Junction, S. G. Highway,  
Ahmedabad-380015

01<sup>st</sup>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

01<sup>st</sup> 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**