38th ANNUAL REPORT
2009-2010



AHMEDABAD STEELCRAFT LIMITED

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BOARD OF DIRECTORS :

Shri Ashok C. Gandhi	- Chairman
Shri Anand V. Shah	- Managing Director
Shri Darshan A. Jhaveri	- Managing Director
Shri Shashank I. Shah	- Executive Director
Shri Anand N. Jhaveri	- Executive Director
Shri Girish D. Shah	- Executive Director
Shri Viral A. Jhaveri	- Executive Director
Shri Kanishka H. Kaji	- Director
Shri Rajiv D. Gandhi	- Director

BANKERS : HDFC Bank Ltd.
Mithakhali Six Road,
Ahmedabad - 380 009.

AUDITORS : DHIREN SHAH & CO
Chartered Accountants
2nd Floor, Swastik Avenue,
Navrangpura, Ahmedabad 380 009

REGISTERED OFFICE : 401, 4th Floor, 637 Complex,
(w.e.f. 16-08-2010) Panchvati 2nd Lane, Gulbai Tekra,
Ahmedabad - 380006
Tele : 40020962, 26401996/97
Fax : 91-79-26404656
E-mail : ascsteelad1@sancharnet.in
Website : www.steelcraft.co.in

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of Ahmedabad Steelcraft Limited will be held on 29th September, 2010 at 12.00 Noon in the premises of Gujarat Chamber of Commerce and Industry, Ashram Road, Ahmedabad - 380 009 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors.
2. To appoint a Director in place of Shri Ashok Gandhi who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Viral A. Jhaveri who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration thereto

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

   RESOLVED THAT Shri Rajiv Gandhi who was appointed as an Additional Director to hold the office upto the date of ensuing Annual General Meeting be and is hereby appointed a Director of the Company in terms of Section 255 of the Companies Act, 1956.

Place : Ahmedabad

Date : 14-08-2010

For and on behalf of the Board

ANAND V. SHAH & DARSHAN A. JHAVERI
MANAGING DIRECTORS

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOK OF COMPANY WILL REMAIN CLOSED FROM 23-09-2010 TO 29-09-2010 (BOTH DAYS INCLUSIVE)
3. EXPLANATORY STATEMENT IN TERMS OF SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED TO THE NOTICE
4. THE SHAREHOLEDERS WHO HAVE NOT ENCHASHED THEIR DIVIDEND FOR THE FINANCIAL YEAR 2002-2003 ARE REQUESTED TO REVALIDATE THEIR DIVIDEND WARRANTS BEFORE 30-10-2010 THE DIVIDEND NOT ENCHASHED BEFORE, WILL BE TRANSFERRED TO INVESTOR EDUCATION & PROTECTION FUND.

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT IN TERMS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Shri Rajiv Gandhi was appointed as Additional Director on 16-09-2009 in terms of section 260 of the Companies Act, 1956 to hold the office upto the date of ensuing Annual General Meeting. His term as Additional Director will expire on 29-09-2010 being the date of Annual General Meeting. The Company has received a recommendation together with requisite deposit from a shareholder under section 257 of the Companies Act, 1956 for his appointment as Director of the Company in terms of section 255 of the Companies Act, 1956.

The Board therefore, recommends his appointment as an Independent Director in terms of section 255 of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

None of the Director except the appointee is interested in the Resolution set out in item no.5 of the notice convening this meeting

For and on behalf of the Board

Place : Ahmedabad
Date : 14-08-2010

ANAND V. SHAH & DARSHAN A. JHAVERI
MANAGING DIRECTORS

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting their 38th Annual Report together with Audited Accounts for the year ended on 31st March, 2010.

1. FINANCIAL RESULTS :

	2009-2010 (Rs. in Lacs)	2008-2009 (Rs. in Lacs)
Profit / (Loss) before depreciation and taxation	(25.34)	244.94
Less:		
Provision for depreciation	13.47	8.26
Provision for taxation	–	65.00
Provision for FBT	–	3.09
Wealth Tax Paid	1.19	0.57
Deferred tax Liability	1.86	8.03
Add : Excess Provision For FBT	0.03	0.22
Profit/ (Loss) after tax	(41.83)	160.21
Add :		
Transfer from Re valuation Reserve A/C (On disposal of Fixed Assets)	–	34.41
Profit / (Loss) for the year	(41.83)	194.62
Profit / (Loss) brought forward from last year	(229.18)	(423.80)
Total	**(271.01)**	**(229.18)**
APPROPRIATIONS:		
Proposed Dividend	—	—
Tax on Dividend	—	—
Transfer to General Reserve	—	—
Balance carried to Balance Sheet	**(271.01)**	**(229.18)**

2. OPERATIONS :

The turnover of the company during the year was Rs 469.70 Lacs in comparison of Rs 428.48 Lacs in the previous year.

The Company continues the trading of Mild Steel Window section and Angles. Major trading activities are relating to export in overseas market. The management is hopeful to enhance the trading activities in coming years.

The Company has entered into partnership with Aavkar group who are engaged in land development. The partnership has already acquired land and has commenced development of the said property. It is hopeful to complete the said project by the end of 2012.

The Company has promoted Light Works LLC in Mongolia for carrying on mining activities and has invested Rs.4.69 Crore in the said company upto the end of this year. The Company has implemented the project in the 2nd Quarter of the financial year. The Company is hopeful to

achieve the fruitful results of the said project in coming years on account of long gestation period.

The Company has also entered into Partnership with Endor Properties LLP in the current year. The said firm is engaged in Real Estate activities. The management foresee enhancement in the turnover and profit on full operation of the activities.

The management is pleased to state that the Registration and execution of documents for the disposal of factory land has been implemented and will be completed in due course.

3. DIVIDEND :

In view of Carry Forward loss your Board do not recommend dividend for the financial year ended 31-03-2010.

4. DEPOSITORY SYSTEMS :

Your Company has entered into an agreement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) This enables you to hold your shares in a dematerialized form with either of these depositories

Since this mode facilitates quick transfers and prevents forgery, those shareholders who have not opted for this facility are advised to dematerialize their shares in their own interest. Your Company has also made arrangements for simultaneous dematerialisation of the physical shares lodged for transfer.

The Company has appointed Link In Time India Private Limited as R & T agent in the current year. Henceforth all the communication relating to Demat of shares/Transfer of shares/Change of address etc be send to

Link In-Time India Private Limited
211, Sudarshan Complex, Near Mithakhali Under Bridge,
Mithakhali, Navrangpura, Ahmedabad-380 009. Tele : 79 - 26465179

Number of Shares demated 25,38,397 being 62.03 % of Paid-up Capital.

5. DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

(i) That in the preparation of the accounts for the financial year ended 31st March 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures. This is subject to Accounting Standard 13 in which case the current investments have been valued at cost.

(ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 of the profit or loss of the Company for the year under review.

(iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) That the Directors have prepared the accounts for the Financial Year ended31stMarch, 2010 on a 'going concern' basis.

6. INSURANCE :
All the assets of the Company have been adequately insured.

7. DIRECTORS :
As per the provisions of Articles of Association Sarva Shri Ashok C. Gandhi and Shri Viral A. Jhaveri retire from the Board by rotation and being eligible to offer themselves for reappointment. Shri Rajiv Gandhi was appointed as Additional Director on 16-09-2009 in terms of section 260 of the Companies Act, 1956 to hold the office upto the date of ensuing Annual General Meeting. His term as Additional Director will expire on 29-09-2010 being the date of Annual General Meeting. The Company has received a recommendation together with requisite deposit from a shareholder under section 257 of the Companies Act, 1956 for his appointment as Director of the Company in terms of section 255 of the Companies Act, 1956.
The Board therefore, recommends his appointment as an Independent Director in terms of section 255 of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

8. AUDITOR'S REPORT :
The remarks made by the Auditors in their Report have been suitably dealt with in the schedules and notes and therefore do not call for any further clarification.

9. APPOINTMENT OF AUDITORS :
M/S. DHIREN SHAH AND CO. Chartered Accountants retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

10. PARTICULARS OF EMPLOYEES :
There were no employees drawing remuneration of Rs.24,00,000/- or more per annum employed throughout the year or Rs.2,00,000/- or more, per month employed for a part of the year.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :
The information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable as the Company has not done any manufacturing activity. Other Details are given in Annexure I.

12. LISTING AGREEMENT :
Your Company is committed to good corporate governance practices. Under Clause 49 of the listing agreement your Directors are pleased to inform that your Company has implemented all the major stipulations prescribed under clause 49 of the listing agreement with the Stock Exchange (s) A certificate from the Statutory Auditors of the Company in line with clause 49 is annexed to and forms part of the Director's Report.

13. COMPLIANCE CERTIFICATE :
Pursuant to provison to section 383A of the Companies Act, 1956, Compliace Certificate for the Financial Year 2009-10 from M/s. D.N.Motwani & Co., Company Secretary is attached to this report.

14. APPRECIATIONS :
Your directors place on record their sincere appreciation for the valuable and dedicated services rendered by the employees of the Company. They also place on record the fullest co-operation extended by the bankers of the Company.

For and On Behalf of the Board

Place : Ahmedabad
Date : 28-07-2010

Ashok C. Gandhi
Chairman

ANNEXURE 1

Particulars as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. **Conservation of Energy:** Particulars with respect to Conservation of Energy are not applicable as the Company has not done any manufacturing activity.

B. (1) Research and Development: Not Applicable
(2) Technology absorption: Not Applicable

C. Foreign Exchange earning and outgo :

1. Activities relating the Export :

2. Foreign Exchange earned Rs. 3,01,44,992/-
Foreign Exchange used Rs. 4,69,07,700/-

For and On Behalf of the Board

Place : Ahmedabad
Date : 28-07-2010

Ashok C. Gandhi
Chairman

COMPLIANCE CERTIFICATE FOR THE FINANCIAL YEAR ENDED 31-03-2010

To,
The Members,
AHMEDABAD STEELCRAFT LIMITED
AHMEDABAD.

We have examine the registers, records, books and papers of AHMEDABAD STEEL CRAFT LIMITED , (the Company) as required to be maintained under The Companies Act, 1956 (the Act) and rules made there under and also the provisions contained in the Memorandum and Articles of Association the Company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to our examination carried out by us and explanation furnished to us by the Company, its officers and agents, we certify that in respect of aforesaid financial year:

01. The company has kept and maintained all registers as stated in Annexure "A" to this certificate as per the provisions and rules made there under and all entries therein have been duly recorded.
02. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies or other authorities under the Act and the rules made there under.
03. The Company being public limited company this clause is not applicable.
04. The Board of Directors duly met (6) Six times on 13.04.2009, 27.04.2009, 09.05.2009, 29.07.2009, 30.10.2009 and 28.01.2010 and in respect of which meetings, proper notices were given and proceedings were properly recorded and signed.
05. The company has closed the Register of Members during the financial year and complied with the provisions of section 154 of act.
06. The annual general meeting for the financial year ended on 31st March, 2009 was held on 3rd September, 2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
07. No extra ordinary general meeting were held during the financial year.
08. The company has not advanced loan to its directors and/or persons or firms or companies referred in section 295 of the Act after complying with the provisions of the Act.
09. The company has not entered into any transactions following within the purview of section 297 of the Act.
10. The company has made the necessary entries in the register maintained under section 301 of the Act.