

**39<sup>th</sup> ANNUAL REPORT  
2010-2011**



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 (Resigned with effect from 14-04-2011)	- Director

**BANKERS**

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

**AUDITORS**

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

**REGISTERED OFFICE**

: 401, 4th Floor, 637 Complex,  
Panchvati 2nd Lane, Gulbai Tekra,  
Ahmedabad - 380006  
Tele : 26401996/97  
Fax : 91-79-26404656  
E-mail : ascsteelad1@sancharnet.in  
Website : www.steelcraft.co.in



## AHMEDABAD STEELCRAFT LIMITED

### NOTICE

NOTICE is hereby given that the 39<sup>th</sup> Annual General Meeting of the Members of Ahmedabad Steelcraft Limited will be held on 28<sup>th</sup> September, 2011 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 31<sup>st</sup> March, 2011 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Anand V. Shah who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Darshan A. Jhaveri who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri Kanishka H. Kaji who retires by rotation and being eligible offers himself for reappointment.
6. To appoint Auditors and to fix their remuneration thereto.

Place : Ahmedabad

For and on behalf of the Board

Date : 23-07-2011

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 21.09.2011 TO 28.09.2011 (BOTH DAYS INCLUSIVE).
3. THE SHAREHOLDERS WHO HAVE NOT ENCASHED THEIR DIVIDEND FOR THE FINANCIAL YEAR 2003-04 ARE REQUESTED TO REVALIDATE THEIR DIVIDEND WARRANTS BEFORE 31.10.2011. THE DIVIDEND NOT ENCASHED BEFORE, 31.10.2011 WILL BE TRANSFERRED TO INVESTOR PROTECTION FUND.
4. THE MINISTER OF CORPORATE AFFAIRS HAS TAKEN A 'GREEN INITIATIVE IN CORPORATE GOVERNANCE' BY ISSUING CIRCULARS ALLOWING PAPERLESS COMPLAINTS BY COMPANIES THROUGH ELECTRONIC MODE. THE SHAREHOLDERS CAN NOW RECEIVE VARIOUS NOTICES AND DOCUMENTS THROUGH ELECTRONIC MODE BY REGISTERING THEIR E-MAIL ADDRESSES WITH THE COMPANY. SHAREHOLDERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESS WITH THE COMPANY CAN NOW REGISTER THE SAME BY SUBMITTING DULY FILLED IN 'E-COMMUNICATION REGISTRATION FORM' ATTACHED AT THE END OF THIS REPORT (ALSO AVAILABLE ON OUR WEBSITE [www.steelcraft.co.in](http://www.steelcraft.co.in)), WITH M/S LINK IN TIME INDIA PRIVATE LIMITED. THE MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESS WITH THEIR DEPOSITORY PARTICIPANTS ONLY.

**DIRECTORS' REPORT**

To,  
The Shareholders,

Your Directors have pleasure in presenting their 39th Annual Report together with Audited Accounts for the year ended on 31<sup>st</sup> March 2011.

**1. FINANCIAL RESULTS :**

	2010-2011 (Rs. in Lacs)	2009-2010 (Rs. in Lacs)
Profit / (Loss) before depreciation and taxation	2475.62	(25.34)
<b>Less:</b>		
Provision for Depreciation	16.26	13.47
Provision for taxation	470.00	—
Wealth Tax Paid	1.09	1.19
Deferred tax Liability	5.78	1.86
Investment Return Off	5.79	—
Excess Provision Premium On Duty Entitlement	1.19	—
Short Provision of Income Tax of earlier years	118.24	—
TDS W/off	1.27	—
Add: Excess Provision for FBT	—	0.03
Profit/ (Loss) after tax	1856.00	(41.83)
Profit/(Loss) brought forward from last year	(271.01)	(229.18)
<b>Total:</b>	<b>1584.99</b>	<b>(271.01)</b>
<b>APPROPRIATIONS:</b>		
Proposed Dividend	40.92	—
Tax on Dividend	6.64	—
Transfer to General Reserve	73.05	—
Balance carried to Balance Sheet	<b>1464.38</b>	<b>(271.01)</b>

**2. OPERATIONS :**

The turnover of the company during the year was Rs 395.24 Lacs in comparison of Rs 347.45 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.4.56 Crore in the said company upto the end of this year.



The Company has also entered into Partnership with Endor Properties LLP & Tesla Properties LLP in the current year. The said firms are engaged in Real Estate activities.

The management foresee enhancement in the turnover and profit on full operation of the activities.

The Company has also invested additional Rs 2 Crore in the capital of Partnership firm Aavkar Group upto the end of this financial year.

**3. DIVIDEND :**

The Board recommend 10% dividend on equity shares i.e. Re 1/- per share for the financial year ended 31-03-2011.

**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 these facilities are advised to dematerialize their shares in their own interest. Your Company has also made arrangements for simultaneous dematerialization of the physical shares lodged for transfer

The Company has appointed Link In Time India Private Limited as R & T agent in the FY 2010-11. Henceforth all the communication relating to Demat of shares/ Transfer of shares/ Change of address etc be send to. Number of Shares demated 25,51, 397 being 62.35% of paid of Capital.

**Link In-Time India Private Limited**

211, Sudarshan Complex, Near Mithakhali Under Bridge,  
Mithakhali, Navrangpura, Ahmedabad- 380009

**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, 2011 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 judgments 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 ended 31st March, 2011 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 Anand V Shah, Shri Darshan A. Jhaveri and Shri Kanishka H. Kaji retire from the Board by rotation and being eligible offer themselves for reappointment.  
Shri Rajiv D. Gandhi, due to his preoccupation, has resigned from the Board w.e.f. 14th April 2011  
The Board appreciates the services and guidance given by him during his tenure as Director.
- 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 is given in the Annexure-1 forming part of this report.
- 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  
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 proviso to section 383A of the Companies Act, 1956, Compliance Certificate for the Financial Year 2010-11 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.

Place : Ahmedabad

Date : 23-07-2011

For and On Behalf of the Board  
ANAND V . SHAH & DARSHAN A. JHAVERI  
MANAGING DIRECTORS



**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 : Exporter of M.S. Window Door Sections
2. Foreign Exchange earned Rs. 3,58,26,166/-  
Foreign Exchange used Rs. 40,500/-

For and On Behalf of the Board

Place : Ahmedabad  
Date : 23-07-2011

**ANAND V . SHAH & DARSHAN A. JHAVERI**  
**MANAGING DIRECTORS**





**E-COMMUNICATION REGISTRATION FORM**

To,  
Link In-Time India Private Limited  
211, Sudarshan Complex, Near Mithakhali under Bridge,  
Mithakhali,  
Navrangura,  
Ahmedabad-380009  
Phone no : 079-26465179

**Green initiative in Corporate Governance**

I/We here by exercise my/our option to receive all Communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors Report, Auditors Report etc. in electronic mode pursuant to the 'Green Initiative in Corporate Governance' taken by Ministry of Corporate Affairs vide Circular No. 17/2011 dated 21st April, 2011. Please register my e-mail ID as given below, in your records, for sending the communications.

Folio No. / DP ID & Client ID No. : \_\_\_\_\_

Name of the 1st Registered Holder : \_\_\_\_\_

Name of Joint Holder(s), if any : \_\_\_\_\_

Registered Address of the Sole /  
1st Registered Holder : \_\_\_\_\_  
\_\_\_\_\_

No. of shares held : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Date : \_\_\_\_\_  
Signature : \_\_\_\_\_

- Notes :
1. On registration, all communication will be sent to the e-mail ID registered.
  2. The form is also available on the website of the Company [www.steelcraft.co.in](http://www.steelcraft.co.in) under section 'Shareholders information'.
  3. Shareholders are requested to keep the Company's Registrar Link In-Time India Private limited as and when there is any change in the e-mail address.



**Secretarial Compliance Report**

To,  
The Members,  
Ahmedabad Steelcraft Limited,  
Ahmedabad

I have examined all relevant records of the Company relating to its compliance with the provisions of Companies Act, 1956 and rules, regulation framed there under.

It is the responsibility of the Company to prepare and maintain the relevant necessary records under the aforesaid Acts, Rules and Regulations framed there under. Our responsibility is to carry out an examination, on the basis of our professional judgment so as to provide a reasonable assurance of the correctness and completeness of the records for the purpose of report.

I have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of report and have been provided with such records, documents etc. as required by us.

I report that for financial year ended on 31 March, 2011 the Company has complied with the provisions of the Companies Act, 1956 and Rules, Regulations framed there under, as given hereunder:

1. Maintained all the statutory registers required under the Companies Act, 1956 and the Rules made there under.
2. Filed all the forms and returns and furnished all the necessary particulars to the Registrar of Companies, Gujarat, as required by the Act.
3. Filed the quarterly, half-yearly and annual disclosures physically and electronically with the Stock Exchange and SEBI, as per the applicable clauses of the Listing Agreement (as amended from time to time) and other rules, regulation, bye-laws etc.
4. Issue all notices required to be given for convening of Board/ Committee Meeting and General Meeting, within the time limit prescribed by law.
5. Conducted the Board/ Committee Meetings and Annual General Meeting as per the requirement of the Act.
6. Complied with all the requirements relating to minutes of the proceedings of the meeting of