

44th ANNUAL REPORT
2015-16



AHMEDABAD STEELCRAFT LIMITED
(CIN : L27109GJ1972PLC011500)



AHMEDABAD STEELCRAFT LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Shri Ashok C. Gandhi	- Chairman
(DIN : 00022507)	
Shri Anand V. Shah	- Managing Director
(DIN : 00017452)	
Shri Darshan A. Jhaveri	- Managing Director
(DIN : 00489773)	
Shri Shashank I. Shah	- Executive Director
(DIN : 00545449)	
Shri Anand N. Jhaveri	- Executive Director
(DIN : 00489833)	
Shri Viral A. J'haveri	- Executive Director
(DIN : 00489644)	
Shri Kanishka H. Kaji	- Director
(DIN : 02329312)	
Shri Shrujal Patel	- Director
(DIN : 02087840)	
Smt. Nita G. Shah	- Wholetime Director
(DIN : 03225876)	Woman Director

BANKERS

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

AUDITORS

: M/S. 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 - 380 006.
Tele : 91-79-26401996/97
Fax : 91-79-26404656
Website : www.steelcraft.co.in
Email : ascsteelad1@gmail.com

REGISTRAR & SHARE Link In-Time India Private Limited
TRANSFER AGENT : (Ahmedabad Branch)
303, 3rd Floor, Shopper's Plaza - V,
Opp.Municipal Market, Off.C.G. Road,
Navrangpura, Ahmedabad- 380009
Tele : 91-79-26465179
Email : ahmedabad@linkintime.co.in

CONTENTS**PAGE NO.**

Corporate Information	1
Notice	2
Directors's Report & Management Discussion & Analysis	6
Secretarial Audit Report	13
MGT-9	16
Corporate Governance Report	23
Auditor's Report on Corporate Governance	35
Compliance Certificate of CEO-CFO	36
Independent Auditors' Report	37
Balance Sheet	43
Statement of Profit & Loss	44
Cash Flow Statement	45
Notes on Accounts	47-59
Attendance Slip	
Proxy Form	



NOTICE

NOTICE is hereby given that the 44th Annual General Meeting of the Members of The **Ahmedabad Steelcraft Limited** (CIN: L27109GJ1972PLC011500) will be held on the Thursday, 8th September, 2016 at 12:00 Noon in the premises of Sports Club of Gujarat Ltd., Stadium Road, Ahmedabad – 380 014 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2016 and Statement of Profit and Loss for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Shri Anand V. Shah (DIN: 00017452) who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Viral A. Jhaveri (DIN: 00489644) who retires by rotation and being eligible offers himself for reappointment.
5. To Ratify the appointment of Auditors and their remuneration thereto.

For and on behalf of the Board

Date: 26/05/2016
Place: Ahmedabad

Anand V. Shah
Managing Director
(DIN: 00017452)

Darshan A. Jhaveri
Managing Director
(DIN: 00489773)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF 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 **2ND SEPTEMBER, 2016 TO 8TH SEPTEMBER, 2016** (BOTH DAYS INCLUSIVE) FOR DETERMINING THE ENTITLEMENT OF THE SHAREHOLDERS FOR DIVIDEND ON EQUITY SHARES FOR F. Y. 2015-16.
3. A BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IS GIVEN IN THE CORPORATE GOVERNANCE SECTION OF THE ANNUAL REPORT.
4. THE SHARES OF THE COMPANY ARE LISTED ON BOMBAY STOCK EXCHANGE LTD. (BSE) AND THE LISTING FEES IN RESPECT THEREOF FOR THE YEAR 2016-17 HAVE BEEN PAID TO BSE.
5. ALL ENQUIRIES AND CORRESPONDENCE REGARDING TRANSFER OF SHARES, DEMATERIALIZATION, ETC. SHOULD BE MADE WITH THE SHARE TRANSFER AGENTS OF THE COMPANY, M/S. LINK INTIME INDIA PRIVATE LIMITED, LINK-IN TIME INDIA PRIVATE LIMITED, 303, SHOPPER'S PLAZA-V, OPP.MUNICIPAL MARKET, OFF. C.G. ROAD, NAVRANGPURA, AHMEDABAD-380 009.
6. COPIES OF THE ANNUAL REPORT 2015-16 ARE BEING SENT BY ELECTRONICMODE ONLY TO ALL THE MEMBERS WHOSE E-MAIL ADDRESSES 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 E-MAIL ADDRESSES, PHYSICAL COPIES OF THE ANNUAL REPORT 2015-16 ARE BEING SENT BY THE PERMITTED MODE.
7. THE NOTICE OF THE FORTY FORTH ANNUAL GENERAL MEETING AND INSTRUCTIONS FOR E-VOTING, ALONG WITH THE ATTENDANCE SLIP/PROXY FORM, ARE SENT BY ELECTRIC MODE TO ALL MEMBERS WHOSE E-MAIL ADDRESSES ARE REGISTERED WITH COMPANY/DEPOSITORY PARTICIPANT(S) UNLESS A MEMBER HAS REQUESTED FOR A HARD COPY OF THE SAME. FOR MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESSES, PHYSICAL COPIES OF THE AFORESAID DOCUMENTS ARE SENT BY THE PERMITTED MODE.



MEMBERS MAY ALSO NOTE THAT THE NOTICE OF THE FORTY FOURTH AGM AND THE ANNUAL REPORT 2015-16 WILL BE AVAILABLE ON THE COMPANY'S WEBSITE, www.steelcraft.co.in. THE PHYSICAL COPIES OF THE AFORESAID DOCUMENTS WILL ALSO BE AVAILABLE AT THE COMPANY'S REGISTERED OFFICE FOR INSPECTION DURING NORMAL BUSINESS HOURS ON WORKING DAYS. MEMBERS WHO REQUIRE COMMUNICATION IN PHYSICAL FORM IN ADDITION TO E-COMMUNICATION, OR HAVE ANY OTHER QUERIES, MAY WRITE TO US AT: ascsteelad1@gmail.com

8. VOTING THROUGH ELECTRONIC MEANS:

- a) PURSUANT TO THE PROVISIONS OF SECTION 108 OF THE COMPANIES ACT, 2013 AND RULE 20 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, THE COMPANY IS PLEASED TO PROVIDE MEMBERS THE FACILITY TO EXERCISE THEIR RIGHT TO VOTE AT THE ANNUAL GENERAL MEETING (AGM) BY ELECTRONIC MEANS AND THE BUSINESS MAY BE TRANSACTED THROUGH E-VOTING SERVICES PROVIDED BY CENTRAL DEPOSITORY SERVICES LIMITED (CDSL).
- b) A MEMBER MAY EXERCISE HIS VOTE AT ANY ANNUAL GENERAL MEETING (AGM) BY ELECTRONIC MEANS AND COMPANY MAY PASS ANY RESOLUTION BY ELECTRONIC VOTING SYSTEM IN ACCORDANCE WITH THE RULE 20 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014.
- c) DURING THE E-VOTING PERIOD, MEMBERS OF THE COMPANY, HOLDING SHARES EITHER IN PHYSICAL FORM OR DEMATERIALIZED FORM, AS ON THE CUT-OFF DATE I.E. 1ST SEPTEMBER, 2016 MAY CAST THEIR VOTE ELECTRONICALLY.
- d) **THE E-VOTING PERIOD COMMENCES AT 9:00 A.M. ON MONDAY, 5TH SEPTEMBER, 2016, AND ENDS AT 5:00 P.M ON WEDNESDAY, 7TH SEPTEMBER, 2016. THE E-VOTING MODULE SHALL BE DISABLED BY CDSL FOR VOTING THEREAFTER.**

COMPANY'S EVSN NUMBER IS <160718014>

- e) **ONCE THE VOTE ON A RESOLUTION IS CASTED BY THE SHAREHOLDER, THE SHAREHOLDER SHALL NOT BE ALLOWED TO CHANGE IT SUBSEQUENTLY.**
- f) VOTING RIGHTS SHALL BE RECKONED ON THE PAID-UP VALUE OF SHARES REGISTERED IN THE NAME OF THE MEMBERS AS ON THE DATE OF DISPATCH OF NOTICE.
- g) THE BOARD OF DIRECTORS AT THEIR MEETING HAVE APPOINTED MR. DILIP.N.MOTWANI, PRACTICING COMPANY SECRETARY, AS THE SCRUTINIZER TO SCRUTINIZE THE E-VOTING PROCESS IN A FAIR AND TRANSPARENT MANNER.
- h) THE SCRUTINIZER SHALL WITHIN A PERIOD NOT EXCEEDING THREE (3) WORKING DAYS FROM THE CONCLUSION OF THE E-VOTING PERIOD UNBLOCK THE VOTES IN THE PRESENCE OF AT LEAST TWO (2) WITNESSES NOT IN THE EMPLOYMENT OF THE COMPANY AND MAKE A SCRUTINIZER'S REPORT AT THE VOTES CAST IN FAVOUR OR AGAINST, IF ANY, FORTHWITH TO THE CHAIRMAN OF THE COMPANY.
- i) THE RESULTS SHALL BE DECLARED ON OR AFTER THE AGM OF THE COMPANY. THE RESULT DECLARED ALONGWITH THE SCRUTINIZER'S REPORT SHALL BE PLACED ON THE COMPANY'S WEBSITE www.steelcraft.co.in AND ON THE WEBSITE OF CDSL WITHIN TWO (2) DAYS OF PASSING OF THE RESOLUTIONS AT THE AGM OF THE COMPANY AND COMMUNICATED TO THE BSE LIMITED.

THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 9:00 A.M, 5th September, 2016, and ends on 5:00 P.M 7th September 2016. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (1st September, 2016) of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders".
- (iv) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number Registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on address slip.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders and Custodians

- Non- Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

**ANNEXURE TO ITEMS NO. 3 AND 4 OF THE NOTICE****Details of Director seeking appointment / Reappointment at the Forthcoming Annual General Meeting**

[In pursuance of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015]

Particulars	Mr. Anand V. Shah	Mr. Viral A. Jhaveri
DIN	00017452	00489644
Date of Birth	29/11/1963	12/10/1976
Date of First Appointment	17/10/1998	21/09/2012
Qualifications	Graduate	MBA
List of Directorships/Chairmanships of Committee of other Boards (Listed entities)	0	0
1. Directorships in other Companies:	1	0
2. Chairmanships of the Committees' of other Boards	0	0
3. Memberships of the Committees of other Boards	0	0
Shareholding in Ahmedabad Steelcraft Limited.	6,74,728	2,21,000
Relations between directors inter-se.	No Relative in Board	No Relative in Board

Note :

Brief profile and other details of above Directors are part of Report on the Corporate Governance forming part of the Annual Report.



**DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND
ANALYSIS FOR THE FINANCIAL YEAR 2015-16**

To,
The Members,
Ahmedabad Steelcraft Limited
CIN: L27109GJ1972PLC011500

Your Directors have pleasure in presenting their 44th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2016.

Financial Performance

The Financial Performance for the year ended March, 2016 is summarized as under and the Directors recommend appropriation of Profit as under:

(Rupees in Lakhs)

Particular	Year ended 31 st March 2016	Year ended 31 st March 2015
Turnover	319.41	250.56
Profit/(Loss) before taxation	81.26	(227.06)
Less: Tax Expense		
a) Current Tax	–	0.20
b) Deferred tax expenses	(2.92)	(4.33)
c) Provision for wealth tax	–	0.27
Profit/(Loss) after tax	84.18	(223.20)
Less: Appropriation		
a) Transferred to General Reserve	–	–
b) Proposed Dividend on Equity Shares	30.69	–
c) Tax on Dividend	6.42	0.32
Add: Balance B/F from the previous year	1609.90	1833.42
Balance Profit / (Loss) C/F to the next year	1665.97	1609.90

State of Company's Affairs and Future Outlook:

The income of the company during the year was ₹ 3.19 Crores in comparison of ₹ 2.50 Crore in the previous year. The Company continues to be partner of LLPs. The operational activity has commenced and the management is confident in achieving higher amount of profits in current and upcoming years.

The Company has earned profit of ₹ 84.18 Lacs during the year.

The Company has also put on trial new products that is toilets registered under Swach Bharat Abhiyaan and the management is hopeful of positive outcome in the said project. However, the said project is dependent upon the Government policies and other Regulatory Bodies which may have an adverse effect on its working.

Statutory Disclosures

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in the Management Discussion and Analysis Report. The details pursuant to remuneration of Directors and employees in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given at Annexure-I.

MANAGEMENT ANALYSIS

The trading activities of the Company mostly comprises of export of Mild steel section (Non-Alloy) which are subject to Government policies and other Global factor which has direct effect on the operational activities of trading. However the Company substantiated presence in global market and has enough capacity to face the uneven situation in the course of its operation which is within its control.



Further to initiate the programme of Government in respect of Swatch Bharat, the Company has initiated a project of toilets and has put same in the market on trial basis. The long term vision of this project would enhance and appreciate the value of its stakeholders. However, the competition in this field will intensify due to present of many players in the same business. The Company will need to make sure that they have right capabilities and qualities for achieving its targets.

The Company has also made capital contribution in Limited Liability Partnership engaged in real estate and may independently start this activities, considering the fact that the demand for private capital for real estate investment and supporting infrastructure has increased enormously. This is due to great migration to the cities, growing population and swelling middle class creating the urge for more urban real estate. Real Estate as an asset class is changing fast. Mega real estate manager are emerging, which are building and investing in real estate on an epic scale, yet small specialist manager are also playing significant part. The landscape is becoming more wide spread and complex with the wider range of risk and return then ever, plus new drivers of value. However, Government Regulations may impact and disturb the real estate economy but future is far better as gradually the real estate sector will grow steadily.

DIVIDEND

Considering the overall improvement in performance as well as the need to conserve capital for continued growth, the Directors recommend Dividend of Re. 0.75/- per Equity Share of ₹ 10/- each for the year ended March 31, 2016.

AMOUNTS TRANSFERRED TO RESERVES:

No amount has been transferred to General Reserve out of Profit.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return, in format MGT -9, for the Financial Year 2015-16 has been enclosed with this report as **Annexure-II**

DETAILS OF SUBSIDIARIES COMPANIES, ASSOCIATE COMPANY & LLP/PARTNERSHIP

Sr. No.	Name of Company	Nature of Relationship	No. of Share hold/ Capital Contribution
1.	Light Works LLC	Associate Company	50%
2.	Endor Properties LLP	Partner	6.22%
3.	Tesla Properties LLP	Partner	11.72%
4.	View Port Properties LLP	Partner	2.92%
5.	Aavkar Projects	Partner	11.10%
6.	Aavkar Realty	Partner	46%
7.	Farpoint Properties LLP	Partner	2.885%

***There is no Subsidiary of Company hence no such information is provided. The performance of Associate Company has been given in Note No. 10 of Schedule Y which is self explanatory.**

DIRECTORS

The Board comprises of Nine Directors as on March 31, 2016 viz. Shri Ashok Gandhi(Chairman and Independent Director), Shri Anand V Shah(Managing Director), Shri Darshan Jhaveri(Managing Director), Shri Shashank Shah(Executive Director), Shri Anand Jhaveri(Executive Director), Shri Viral Jhaveri(Executive Director), Shri Kanishka Kaji(Director), Smt. Nita G. Shah(Whole time Director), and Shri Shrujal Patel(Director).

(a) Independent Non executive Directors

- (i) Shri Ashok Gandhi
- (ii) Shri Kanishka Kaji
- (iii) Shri Shrujal Patel

(b) Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and the Listing Regulations, specified Companies are required to have at least one Woman Director in their Board. Smt Nita G Shah was appointed as on 22nd January, 2015 as Whole Time Director on Board.



(c) Chairman of the Board

Shri Ashok C Gandhi, DIN 00022507 has been Chairman and Independent Director since 10th June, 1994.

(d) Managing Director & CEO

- Shri Anand Shah, DIN 00017452 has been the Managing Director since 17th October, 1998 and CEO from 30th July, 2015.
- Shri Darshan Jhaveri, DIN 00489773 has been the Managing Director since 29th June, 1995.
- Shri Anand Jhaveri has been the CFO of the Company since 30th July 2015.

(e) Appointment/ Re-appointment/ Resignation/ Retirement of Directors

In order to ensure compliance with Section 152 (6) of the Act, the Board has considered Shri Anand V. Shah, Managing Director and Shri Viral Jhaveri, Executive Director as liable to retire by rotation and being eligible offer themselves for reappointment.

NUMBER OF BOARD MEETINGS:

During the Financial Year 2015-16, the following meetings of the Board of Directors of the company were held.

Sr. No.	Date of Board Meeting	No. of Director Present in the Meeting
1.	28-05-2015	Seven Directors were Present out of Nine Directors.
2.	30-07-2015	All Nine Director were Present
3.	27-10-2015	All Nine Director were Present
4.	20-01-2016	All Nine Director were Present
5.	31-03-2016	Eight Directors were Present out of Nine Directors.

System for Internal Financial Controls and its adequacy

The Financial Statements are prepared based on Computer system outputs. Responsibility of preparation of Financial Statements is entrusted to a dedicated unit which is completely independent of business, risk, audit or other functions. This unit does not originate accounting entries except for limited matters such as Share Capital, Taxes, and Transfers to Reserves. The Company has implemented adequate procedures and internal controls which provide reasonable assurance regarding reliability of financial reporting and preparation of Financial Statements and that such internal financial controls were adequate and were operating effectively during the year.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

The loans and advances given to Light Work LLC has been provided to meet the working capital requirement of the company in the financial year 2015-16. The company is regularly receiving the Interest on loan.

During the financial year 2015-16, the Company has not given any loan to any other Company including Associate Concern.

The investment in other securities is within the authority given to the Board by the shareholders under Section 372A of the Companies Act, 1956 /Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the transactions entered by Company with the Related Parties were in ordinary course of business and are at Arm's length. Remuneration paid to the Working Directors i.e. Managing Directors & Executive Directors is in respect of their time involvement in development of Company. Other transactions are in the form of capital contribution. The dividend/Profit earned from this associate is tax free in the hands of Company. All the Compliances under the Companies Act, 1956/2013 have been done.

EXPLANATION TO AUDITOR'S REMARKS

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.



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

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

- A. Conservation of Energy: Particulars with respect to Conversation of Energy are not applicable as the Company has not done any manufacturing activities.
- B. (1) Research and Development : Not Applicable
(2) Technology absorption : Not Applicable
- C. Foreign Exchange earnings and outgo :
(1) Activities relating the export : Company exports Mild steel related items.
(2) Foreign Exchange earned : ₹ 2,82,80,739
(3) Foreign Exchange used : Nil

RISK MANAGEMENT POLICY:

The Company has developed a very comprehensive risk management policy and the same is reviewed by the Audit Committee at periodical intervals, which in turn, informs the Board about the risk assessment and minimization procedures adopted by the management. Suggestions or guidance given by the audit committee members are immediately implemented. At the corporate level major risks are reviewed by the Managing Directors and directions in this regard are issued accordingly.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

NAME OF DIRECTOR	DIN	DESIGNATION	DATE OF APPOINTMENT	RESIDENTIAL ADDRESS
ASHOK C.GANDHI	00022507	INDEPENDENT DIRECTOR	10/06/1994	2, PRABHAT SOCIETY, PALDI, AHMEDABAD-7.
ANAND V. SHAH	00017452	MANAGING DIRECTOR	17/10/1998	VRUNDAVAN 53, VIJAY PARK, C. G. ROAD, AHMEDABAD-09.
DARSHAN A. JHAVERI	00489773	MANAGING DIRECTOR	29/06/1995	FAGUN, DR. V.S. MARG, P.O. POLYTECHNIC, AHMEDABAD-15
SHASHANK I. SHAH	00545449	WHOLE TIME DIRECTOR	20/03/1995	MADHUBAN, DR. V.S. ROAD, NR. APANG MANAV MANDAL, AHMEDABAD-15
ANAND N. JHAVERI	00489833	WHOLE TIME DIRECTOR	20/03/1995	ANAND BUNGLOW, CHANDRA VIHAR SOCIETY, AHMEDABAD-15
VIRAL A. JHAVERI	00489644	WHOLE TIME DIRECTOR	25/06/2002	SHAGUN, NR. BANK OF INDIA SOCIETY, AMBAWADI, AHMEDABAD-15
NITA GIRISH SHAH	03225876	WHOLE TIME DIRECTOR	22/01/2015	KAJAL VIJAYPARK OPP MUNICIPAL, MARKET NAVRANGPURA, AHMEDABAD-09
KANISHKA H. KAJI	02329312	INDEPENDENT DIRECTOR	10/06/1994	503 SAMRUDHI, SATTARTALUKA SOCIETY, OPP. HIGH COURT LANE, AHMEDABAD-14
SHRUJAL. S. PATEL	02087840	DIRECTOR	23/01/2014	625/8, VASANT BAUG, OPP. GULBAI TEKRA, PUMPING STATION, ELLISBRIDGE, AHMEDABAD-06.

COMPARISON OF REMUNERATION TO DIRECTORS AND EMPLOYEES:

There is no increase in the remuneration payable to Directors in Comparison to increase in the salary of employee.

The Salary rise is based on the inflation data. The previous year increase in salary of Director is after two years. As such the rise in the salary is at par with other employee of the Company. The Performance of the Company has been affected by Global recession and economic slowdown in the Indian economy.

In comparison to the Remuneration of Directors and other employees is as under:

- Median of Directors remuneration:- ₹ 9,00,000/- per annum.
- Median of employees remuneration:- ₹ 3,03,625/- per annum.