

CHAIRMAN	: MR. HITESH ADESHARA
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER	: MR. KISHOR P. MANDALIA
DIRECTORS	: MR. ZAVERILAL V. MANDALIA MR. KIRTAN SONI [From 07.08.2009 to 09.06.2010] MR. MUKESH ADESHARA MR. VIPUL MANDALIA MR. GHANSHYAMBHAI AKBARI [From 10.06.2010]
COMPANY SECRETARY & COMPLIANCE OFFICER	: CS ASHISH TRIPATHI
CHIEF FINANCIAL OFFICER (CFO)	: MR. RUPESH SHAH
AUDITORS	: M/S. C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD
BANKERS	: AXIS BANK LIMITED ALLAHABAD BANK HDFC BANK LIMITED INDUSIND BANK LIMITED JAMMU AND KASHMIR BANK LTD.,
REGISTERED OFFICE	: 11-B, NEW AHMEDABAD INDUSTRIAL ESTATE, SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213. DIST.:- AHMEDABAD. GUJARAT.

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GROUP

GROUP WHICH EXERCISES OR IN A POSITION TO EXERCISE CONTROL, DIRECTLY OR INDIRECTLY OVER
AuSom Enterprise Limited

THE FOLLOWING INDIVIDUALS/ PERSONS CONSTITUTING GROUP (As defined in MRTP Act, 1969), ARE SHOWN
AS GROUP WHICH EXERCISES OR IN A POSITION TO EXERCISE CONTROL, DIRECTLY OF INDIRECTLY OVER
AuSom Enterprise Limited

SR. NO.	NAME OF THE INDIVIDUALS/ PERSONS CONSTITUTING GROUP	REMARK
1.	KISHOR PRANJIVANDAS MANDALIA	ACQUIRER
2.	MANDALIA VIPULKUMAR ZAVERILAL	ACQUIRER
3.	ZAVERILAL V. MANDALIA	ACQUIRER
4.	BHARATI ANIL PAWANI	ACQUIRER
5.	CHANDRESH Z. MANDALIA	ACQUIRER
6.	SAVITRI DAYARAM PAWANI	ACQUIRER
7.	BHARAT PRANJIVANDAS MANDALIA	ACQUIRER
8.	ARUNABEN KISHORBHAI MANDALIA	PAC
9.	FEENYBEN C. MANDALIA	PAC
10.	DAXABEN BHARATBHAI MANDALIA	ACQUIRER
11.	PRAFULLABEN Z. MANDALIA	PAC

*PAC- PERSONS ACTING IN CONCERT

NOTICE

NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the Members of **M/s. AUSOM ENTERPRISE LIMITED** will be held on Wednesday, the 29th day of September, 2010 at 10.30 a.m. at 11-B, New Ahmedabad Industrial Estate, Sarkhej-Bavla Road, Village – Moraiya - 382 213. Dist.:- Ahmedabad, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date and the report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Hitesh Adeshara who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Mukesh Adeshara, who retires by rotation and being eligible, offers himself for re-appointment.
4. To Re-appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution.
"RESOLVED THAT Mr. Ghanshyambhai Akbari be and is hereby appointed as director of the company and being eligible to retire by rotation."

Registered Office:

11-B, New Ahmedabad Industrial Estate
Sarkhej-Bavla Road, Village – Moraiya-382 213.
Dist.:- Ahmedabad. Gujarat.
Place : Ahmedabad
Date : 10-06-2010

By Order of the Board of Directors

ASHISH TRIPATHI
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME AT, WHICH THE MEETING IS SCHEDULED TO BE HELD. THE PROXY FORM IS ATTACHED HERewith.
2. The Register of Members and Share Transfer Books shall remain closed from Saturday, the 25th September, 2010 to Wednesday, the 29th September, 2010 (both days inclusive).
3. Members are advised to avail Nomination facility as well as Dematerialisation facility.
4. The company has appointed M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited), 211, Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad – 380 009 as Registrar and Transfer (R & T) Agent for carry out work relating to transfer as well as dematerialisation of shares. The members/ investors, having any query in this regards may communicate to this agency at the address mentioned above.

5. The company for the purpose of redressal of investor grievances has created an Email ID "investorcomplaints@gmail.com." This will facilitate to the investors to communicate any complaint/grievances to the company directly.
6. Explanatory Statement for Item No. 5 above is enclosed below.

Registered Office:

11-B, New Ahmedabad Industrial Estate
Sarkhej-Bavla Road, Village – Moraiya-382 213.
Dist.:- Ahmedabad. Gujarat.
Place : Ahmedabad
Date : 10-06-2010

By Order of the Board of Directors

ASHISH TRIPATHI
Company Secretary

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 172(3) OF THE COMPANIES ACT, 1956.****Item. 5**

At the Board Meeting held on 10-06-2010, Mr. Ghanshyambhai Akbari was appointed as an Additional Director of the company pursuant to section 260 of the Companies Act, 1956. He shall hold office of directorship until the conclusion of forthcoming Twenty Sixth Annual General Meeting.

The company has received notices in writing proposing his candidature as directors of the company along with deposit of Rs. 500/- from a member.

The directors recommend the adoption of the resolution at item No. 5 of the notice for your approval.

No director is in any way concerned or interested in the resolutions at item No. 5 of the notice.

Registered Office:

11-B, New Ahmedabad Industrial Estate
Sarkhej-Bavla Road, Village – Moraiya-382 213.
Dist.:- Ahmedabad. Gujarat.
Place : Ahmedabad
Date : 10-06-2010

By Order of the Board of Directors

ASHISH TRIPATHI
Company Secretary

DIRECTORS' REPORT

To,
The Members of the Company,

Your directors have pleasure in presenting the Twenty-Sixth Annual Report of your Company together with the Audited Accounts for the year ended on 31st March, 2010.

FINANCIAL RESULTS

		(Rs. in lacs)
	Year ended on 31/03/2010	Year ended on 31/03/2009
Gross Sales	14337.25	7330.52
Expenditure	14313.52	8235.05
Profit after interest from the operation	23.72	(904.52)
Profit/(Loss) after depreciation	23.66	(1295.46)
Profit Carry to Reserves	NIL	NIL

DIVIDEND

The Board has decided to plough back the profit generated during the year for the development of the business and hence could not recommend the dividend for the year under consideration and regret for the same.

OPERATIONS

The Company, in the year under consideration, has only carried out activity in the field of trading of Gold, Silver and other Bullions. The Manufacturing activity which has been discontinued in the financial year 2008-09 on account of demerger of the said unit. The Company has achieved a turnover of Rs. 143.26 Cr. as against Rs. 50.99 Cr. for the previous year, it means that the turnover has been increased by 180.95%. Similarly, the Company after such a long period has generated profit amounting to Rs. 23.66 Lacs. (PBIT).

The Company during current year is anticipating to achieve gross turnover of Rs.500 Cr. and for that necessary efforts has been initiated. The management of the Company is of view that the target of gross turnover will definitely achieve. The Company is focusing on trading in futures contracts and derivatives at BSE, NSE, MCX, NCDEX AND MCX-SX.

As you know that, the year under consideration, the new promoters namely Mandalias' and Pawanis' have completed the procedure under takeover code after due compliances with SEBI and Stock Exchanges and with effect from 7th August, 2009 the entire management of the Company has been taken over by them. The new promoters are having enriched experience in the field of trading of bullions, commodities, precious metals and stones, considering their experience in this line of activities after they being promoters of this Company started the activities of the Company in similar field. This resulted into generation of profit by the Company almost after one and half decades.

After change of management the new promoters of the Company, with the consent of members, with effect from 29th September, 2009 shifted the Registered Office of this Company to 11-B, New Ahmedabad Industrial Estate, Village-Moraiya, Sarkhej-Bavla Road, Moraiya-382213. Dist.-Ahmedabad.

CHANGE OF NAME

During the year under consideration, the Company, after obtaining members' consent, has changed its Name to AuSom Enterprise Limited. The necessary consent of the Central Government (ROC) as required under Companies Act, 1956 has been obtained and the new name became applicable with effect from 16th October, 2009. The shares of the Company at both the Stock Exchanges i.e. BSE and NSE are now traded in new name.

If any of the members are holding shares in physical form with old name are requested to surrender their certificate(s) to the R&T Agent for New Certificates.

DEMATERIALISATION OF SHARES

As on 31-03-2010, 12585098 Equity Shares have been dematerialised, Out of which 7693867 Equity Shares dematerialised with National Securities Depository Limited (NSDL) and 4891231 Equity Shares with Central Depository Services (India) Limited (CDSL). It means 92.37% of total shares have been Dematerialised. International Security Identification Number (ISIN) of the company's equity shares is INE218C01016.

DIRECTORS

During the year under review Mr. Hitesh Adeshara and Mr. Mukesh Adeshara retire by rotation and being eligible, offer themselves for reappointment.

During the year under consideration Mr. Sunil Handa, Mr. Bimal Patel, Mr. B. R. Handa, Mrs. Divya Deepti Handa and Mr. B.J. Divan ceased from the directorship with effect from 7th August, 2009. Mr. Rajiv Mehta ceased from the directorship with effect from 30th September, 2009. The Board of Directors appreciated the valuable services rendered by them during their tenure as Directors of the Company.

Further on 10th June, 2010 Mr. Kirtan Soni has resigned and relieved from the directorship of the Company due to his other pre-occupation. Board appreciated the valuable services rendered by him during his tenure as director.

At the Board Meeting held on 10th June, 2010, Mr. Ghanshyambhai Akbari was appointed as an Additional Director pursuant to section 260 of the Companies Act, 1956 and shall hold office upto the conclusion of forthcoming 26th Annual General Meeting. The details in respect of his brief resume, nature of his expertise etc. have been mentioned in the Corporate Governance Report section and hence not provided here. You are therefore requested to kindly accord your consent for his appointment as Director liable to retire by rotation.

FIXED DEPOSITS

During the year under review, Company has not accepted and/or renewed any Deposits as provided under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rule, 1975. There is no unclaimed or overdue Fixed Deposits.

AUDITORS

The auditors, M/s. C. R. Sharsedalal & Company, Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and are eligible for re-appointment. They have also consented to act as Auditors of the Company.

AUDITORS' REPORT

The auditors of the Company have not given any adverse remark in their Report and hence explanation of the Board is not required.

AUDIT COMMITTEE

During the year, the Audit Committee meetings were conducted as per the provisions of Listing Agreement with the Stock Exchanges. The details about the Role, Power of the committee etc. enumerated in the Corporate Governance Report and is forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- I) In the preparation of annual accounts for the year ended March 31, 2010, the applicable accounting standards have been followed and that no material departures have been made from the same;
- II) 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 31st March, 2010 and of the profit or loss of the Company for that year.
- III) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- IV) The directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

In pursuance to Clause 49, as amended from time to time, of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report and Management Discussion and Analysis Report are given elsewhere and forming part of this Report.

PERSONNEL

None of the employee of the company is in receipt of remuneration of Rs. 24.00 lacs p.a. or Rs. 2.00 lacs per month, a limit as prescribed under Companies (Particulars of Employees) Rule, 1975 and hence information as required under section 217(2AA) read with Companies (Particulars of Employees) Rule, 1975 is not applicable.

MATTER REQUIRED TO BE REPORTED AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULE, 1988

The information in respect of Conservation of Energy, Technology absorption etc is not applicable to this Company mainly due to reason that the Company is engaged only in Trading Activities.

FOREIGN EXCHANGE EARNING AND OUTGO:

No Foreign Exchange Earning and Outgo during the year. (Previous year Rs. Nil)

ACKNOWLEDGEMENTS

The Directors would like to thanks bankers namely Axis Bank Ltd., HDFC Bank Ltd., Jammu and Kashmir Bank Ltd. and IndusInd Bank Ltd. for providing support to your company. The Directors also further acknowledged the support received from employees and customers.

For and on behalf of the Board of Directors

Place : Ahmedabad
Date : 10-06-2010

Kishor Mandalia
Managing Director

Vipul Mandalia
Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(A) INDUSTRY STRUCTURE AND DEVELOPMENT:

After Demerger, the Company is only engaged in trading of Bullions, precious metals, commodities etc. The trading industries being very ancient in its nature hence well organized in all respect, even the exchanges for such trading activities has been established during last decade so has to make the trading in more organized and transparent manner.

(B) OPPORTUNITIES AND THREATS

(1) Opportunities

The company has become totally debt-free and now being run by well experienced promoters with having two decades of insightful knowledge of this industry.

- The identification of new segment (trading activities) has performed very well and there is a good scope of future growth and profitability.
- Experienced people in the field of commodities/bullions trading will manage the trading activities.

(2) Threats

- Foreign currency fluctuation more particularly dollar and pound.
- Volatility in Commodities and trading markets.

(C) SEGMENT WISE PERFORMANCE OR PRODUCT WISE PERFORMANCE

The Company is only engaged in trading activity, hence segment wise performance is not required. The activities, which the company has started from last year emerging a very potential growing and profitable. In the current year also, it has shown good turnover and has a profit.

(D) OUTLOOK

The trading industry has grown up and very good potential. Under the globalization, the trading activity has more scope internationally and growing manifold. Even after establishing NCDEX and MCX various new platforms for F & O contracts will emerge in near future.

(E) RISK AND CONCERNS

- The trading business is a new line of business for the company.
- There may be volatility and ups & down in the trading market.

(F) INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has adequate internal control procedures commensurate with the size and nature of business. These procedures ensure efficient use and protection of the resources and compliance with policies, procedures and statutes. There is a periodical review mechanism for ensuring the sustenance and up-gradation of these systems.

(G) DISCUSSION ON FINANCIAL PERFORMANCE

During the current year the company has generated revenue of Rs.143.27 Cr. from trading activity and this being the first financial year after almost 15 years in which the Company has made profit of Rs.23.66 Lacs.

(H) HUMAN RESOURCES/IR

Recognizing that people are an important part of the organization, a major exercise in training and development of employees has been undertaken at all levels. The Company gives a lot of importance to Human Resources activities. These activities have helped to retain and motivate employees of the company to face these difficult years.

(I) CAUTIONARY STATEMENT

Estimates and expectations stated in this Management Discussion and Analysis may be "forward-looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company has accepted the concept of Corporate Governance as challenge and committed to achieve highest level of Corporate Governance. The Corporate Governance is nothing but transparency, high level of disclosure and fairness and unbiased to the members of the company. To achieve the highest level of Corporate Governance, the Company has developed a team of educated, experienced, qualified management team. The Board of Directors of the Company effectively monitors the Management progress and corporate decisions.

B. BOARD OF DIRECTORS

As per the requirements of Corporate Governance, the composition of Board of Directors consisting of Executive Directors as well as Non Executive Independent Directors.

Composition and Category of Board of Directors

Presently, the Company has 6 (Six) Directors. The Board at present comprises of one Executive Director and five Non-Executive Directors.

S.N.	Name of Directors	Category of Directorship	Directors interse relationship, if any	No. of other Directorship/ Firm	No. of Committee positions held in other Public Company		No. of Share/ (%)
					Chairman	Member	
1	Mr. Zaverilal Mandalia	Promoter/Non-Executive Director	Relative of Mr. Kishor Mandalia and Mr. Vipul Mandalia	10	NIL	NIL	804547/5.9056
2	Mr. Kishor Mandalia	Promoter/Executive Director	Relative of Mr. Zaverilal Mandalia and Mr. Vipul Mandalia	14	NIL	NIL	1189102/8.7282
3	Mr. Vipul Mandalia	Promoter/Non-Executive Director	Relative of Mr. Zaverilal Mandalia and Mr. Kishor Mandalia	06	NIL	NIL	804647/5.9063
4	Mr. Kirtan Soni \$	Non Executive / Director	Not Applicable	NIL	NIL	NIL	NIL
5	Mr. Hitesh Adeshara	Non Executive / Independent Director	Relative of Mr. Mukesh Adeshara	NIL	NIL	NIL	NIL
6	Mr. Mukesh Adeshara	Non Executive / Independent Director	Relative of Mr. Hitesh Adeshara	NIL	NIL	NIL	NIL
7	Mr. Ghanshyambhai Akbari	Non Executive / Independent Director	Not Applicable	01	NIL	NIL	NIL

\$ Resigned with effect from 10th June, 2010.

No. of Board Meeting held during 01-04-2009 to 31-03-2010

During the financial year, Board of Directors met 8(Eight) times. The dates of each Board Meetings are: -

- | | | | |
|-----------------|-----------------|-----------------|-----------------|
| (1). 28-04-2009 | (2). 29-06-2009 | (3). 25-07-2009 | (4). 07-08-2009 |
| (5). 10-08-2009 | (6). 15-09-2009 | (7). 28-10-2009 | (8). 22-01-2010 |

Attendance of Directors:

Directors	Board Meeting Attended	Last Annual General Meeting Attended
Mr. Zaverilal Mandalia	05/08	Yes
Mr. Kishor Mandalia	05/08	Yes
Mr. Vipul Mandalia	04/08	Yes
Mr. Kirtan Soni	05/08	Yes
Mr. Hitesh Adeshara	05/08	Yes
Mr. Mukesh Adeshara	05/08	Yes
Mr. Sunil Handa*	03/03	No
Smt. Divya Deepti Handa*	03/03	No
Mr. B R Handa*	03/03	No
Mr. B J Divan*	03/03	No
Mr. Rajiv Mehta**	06/08	Yes
Mr. Bimal Patel*	03/03	No

* Ceased from the directorship wef 07/08/2009

**Ceased from the directorship wef 30/09/2009

PARTICULARS OF DIRECTOR PROPOSED TO BE APPOINTED
MR.GHANSHYAMBHAI AKBARI

Mr.Ghanshyambhai Akbari is Commerce Graduate and having total exposure of 30 years in field of Accounts and Finance.

He doesn't hold any shares in the company. He is a director of one (1) Private Limited Company i.e Zaveri Finstock Private Limited. He is a member of Audit Committee and Share Transfer Cum Investor Grievance Committee.

PARTICULARS OF DIRECTORS RETIRING BY ROTATION AND BEING REAPPOINTED.
MR. HITESH ADESHARA

Mr. Hitesh Adeshara is under Graduate by qualification and having total experience of around 15 years in the field of trading of Gems & Jewellery, Bullion etc. on wholesale basis.

He doesn't hold any shares in the Company and not holding directorship in any company except this Company. He is a member of Audit Committee and Remuneration Committee.

MR. MUKESH ADESHARA

Mr. Mukesh Adeshara is under Graduate by qualification and having total experience in the field of Retail and Wholesale trading of Gems & Jewellery, Bullion etc.

He doesn't hold any shares in the Company and not holding directorship in any Company except this Company. He is a member of Audit Committee, Finance Committee, Share Transfer Cum Investor Grievance Committee and Directors' Remuneration Committee.

C. AUDIT COMMITTEE
Terms of Reference:

The terms of reference of this Committee cover the matters specified for Audit Committee under revised Clause-49 of the Listing Agreement as well as section 292A of the Companies Act, 1956.

Composition:

The audit committee comprises of: -

- Mr. Ghanshyambhai Akbari
- Mr. Hitesh Adeshara
- Mr. Mukesh Adeshara

Mr. Hitesh Adeshara is the Chairman of the committee.