

ASHIRWAD STEELS & INDUSTRIES LTD.

BOARD OF DIRECTORS

Puranmal Agarwal, Chairman
Dalbir Chhibbar, Managing Director
Yudhbir Chhibbar, Director
Suresh Kr. Agarwal, Director
Ashok Kumar Jaiswal, Director
Pravin Kumar Chhabra, Director
Sushma Chhibbar, Director
Dev Kumar Mishra, Director

STATUTORY AUDITORS

A Pradhan & Associates
Chartered Accountants,
2D, Panditia Road, Kolkata-700 029

BANKERS

CITIBANK, N.A., Kolkata
HDFC Bank Ltd., Kolkata and Nalgonda (A.P.)
State Bank of India, Jamshedpur and Nalgonda(A.P.)
Corporation Bank, Raigarh, Chhattisgarh.

REGISTERED & HEAD OFFICE

6, Waterloo Street,
5th Floor, Suite No.506,
Kolkata - 700 069, West Bengal
Phone: 091-033-22430372
Telefax : 091-033-22430376
E-mail: ashirwadsteels@gmail.com

WORKS

SPONGE IRON PLANTS :

1. Plot Nos.A1,A3,A5,A7, Phase-V,
Adityapur Industrial Area, Ghamaria
Jamshedpur - 832108, Jharkhand,
Telefax : 091-0657-2386283.
2. Peetam Palli Approach Road,
Vill. & P.O. Veliminedu, Mandal-Chityal,
Dist. Nalgonda, Pin - 508114, Andhra Pradesh.
Phone : 091-08682-274690/ 274691,
Telefax : 091-08682-274691.

LPG BOTTLING PLANTS :

1. Uluberia Industrial Growth Centre,
Uluberia, Howrah, West Bengal, Pin-711315.
Phone : 091-033-26610714
2. Village : Kisanpur
Near Urdana Check Post
Raigarh - 496001, Chattisgarh.
Ph. : 091-07762-232558

REGISTRARS & TRANSFER AGENTS

: Niche Technologies Pvt.Ltd.,
D-511, Bagree Market, 5th Floor,
71, B.R.B. Road, Kolkata-700 001
Ph.No.091-033-2235 7270-71/2234-3576
Fax : 091-033-22156823
E-mail: nichetechpl@nichetechpl

ASHIRWAD STEELS & INDUSTRIES LTD.

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Company will be held at the Registered Office of the Company at 6, Waterloo Street, 5th Floor, Suite No.506, Kolkata-700 069 on 19th September, 2011 at 10.30 a.m. for the following purposes :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss A/c. for the year ended on that date with the Auditors' Report thereon.
2. To appoint Directors in place of Mr. Puranmal Agarwal, Mrs. Sushma Chhibbar and Mr. Ashok Kumar Jaiswal who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration.

Place : Kolkata
Dated : 31st May, 2011.

Regd. Office : 6, Waterloo Street,
5th floor, Suite No.506,
Kolkata-700 069.

By Order of the Board
For **Ashirwad Steels & Industries Ltd.**,

Dalbir Chhibbar
Managing Director.

ASHIRWAD STEELS & INDUSTRIES LTD.

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company. The instrument of proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting.
2. The Register of Members of the Company will remain closed from the 12th September, 2011 to 19th September, 2011 (both days inclusive).
3. Shareholders/Proxy holders are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting place.
4. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
5. Members are requested to notify immediately any change in their address to the Company or to its share transfer Agents/Registrars.
6. Pursuant to the newly enacted provisions of the Companies Act, 1956, members are informed that every holder of shares in a company may at any time nominate in the prescribed manner a person to whom his/her shares in the Company shall vest in the event of his/her death.
7. Members are requested to send in their queries at least a week in advance to the Company at the Registered Office of the Company to facilitate clarifications during the meeting.

Place : Kolkata

Dated : 31st May, 2011.

Regd. Office : 6, Waterloo Street,
5th floor, Suite No.506,
Kolkata-700 069.

By order of the Board

Dalbir Chhibbar
Managing Director

ASHIRWAD STEELS & INDUSTRIES LTD.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present their 25th Annual Report and the Audited Statements of Accounts of your Company together with Auditors' Report for the year ended 31st March, 2011.

	Current year (31.03.2011) Rs.	Previous year [31.03.2010] Rs.
FINANCIAL RESULTS :		
Turnover/Income from Operations(gross)	42,96,73,3767	52,34,10,799
Less: Excise duty	(-) 3,38,83,759	(-) 3,37,12,901
Operating Profit before interest, Depreciation and Taxation	1,17,08,818	2,02,20,231
Depreciation	1,09,24,940	1,07,35,357
Financial Charges	2,60,802	31,65,359
Profit before Taxation	5,23,076	63,19,515
Tax Expenses :		
Current Income Tax	6,87,438	21,09,700
Income Tax for earlier period	23,532	8,74,979
Deferred Income Tax (Assets)	(7,71,475)	(1,82,999)
Profit after Taxation	5,83,581	35,17,835
Add: Profit brought forward from last A/c.	3,41,74,700	7,26,09,893
Less: Transfer to General Reserve	Nil	419,53,028
Profits available for appropriation and carried to Balance sheet.	3,47,58,281	3,41,74,700

OPERATIONS & FINANCIAL PERFORMANCE :

The financial performance of your Company during the financial year ended 31.3.2011 has not been satisfactory. The Company's Sponge Iron Plant located at Nalgonda (A.P.) was closed for almost six months for non-availability of Iron Ore. Similarly, Company's Sponge Iron Plant at Jamshedpur was also closed for two months for similar reasons. The total income from operations/turnover stood at Rs.42.97 Crores (Previous year Rs.52.34 crores). During the year your Company produced 24018 M.T. of Sponge Iron (Previous year 33141 M.T.). The Company has during the year earned a net profit of Rs.5.83 lacs as against previous year's net profit of Rs.35.17 lacs. The overall financial performance of the Company has been adversely affected due to non-availability of iron ore and along with depressed market conditions. The market conditions of Sponge Iron still continue to be depressed and iron ore is still in short supply. Your Directors, however, are continuing their best efforts to efficiently manage the affairs of the Company.

DIVIDEND :

Your Directors do not recommend any dividend for the year under review.

ASHIRWAD STEELS & INDUSTRIES LTD.

STATUTORY AUDITORS :

M/s. A Pradhan & Associates, Chartered Accountants, were appointed as Statutory Auditors of your Company in the last Annual General Meeting and they being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting.

DIRECTORS :

Mr. Puranmal Agarwal, Mrs. Sushma Chhibbar and Mr. Ashok Kumar Jaiswal, Directors retire by rotation from the Board and being eligible offer themselves for re-appointment.

EXPANSION PROJECTS :

Your Company has not been able to initiate any expansion project till now both due to non-receipt of necessary clearances from the Pollution Control Authorities and also because of continuing depressed market conditions.

FIXED DEPOSIT :

The Company has not during the year accepted any deposits from the Public under section 58 of the Companies Act, 1956.

CORPORATE GOVERNANCE :

Corporate Governance Report along with the certificate of the Auditors confirming compliance of conditions of Corporate Governance as required under Clause 49 of the Listing Agreement with the Stock Exchange is annexed hereto.

LISTING OF COMPANY'S SHARES & LISTING FEES :

The Company's shares are listed on Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai-400 023.

The Company has paid the listing fees for the financial year 2010-2011 to the Stock Exchange, Mumbai, on which Company's shares are listed. The Company has also paid custodial fees for the year 2010-2011 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allocated to the Company by NSDL and CDSL is 338C01012.

SHARE REGISTRARS & TRANSFER AGENTS :

Niche Technologies (P) Ltd., D-511, Bagree Market, 71, B.R.B.B. Road, 5th Floor, Kolkata - 700 001.
Phone : (033) 2235-7270/71, 2234-3576, Fax: (033) 22156823, E-mail nichetechpl@nichetechpl

ASHIRWAD STEELS & INDUSTRIES LTD.

DEPOSITORY DETAILS :

1. Central Depository Services (India) Ltd., P.J.Towers (17th floor), Dalal Street, Mumbai-400023, Phone: (022) 22723333-3224, Fax : (022) 2272-2072/3199.
2. M/s. National Securities Depository Ltd., 4th floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. Phone: (022) 2499-4200 Fax: (022) 24972993.

DEMATERIALISATION OF SHARES :

As per SEBI's direction, the Company has signed tripartite agreements with the above Depositories and Registrars and Transfer Agents in November, 2000. Dematerialisation facility for physical share certificates is available. According to SEBI's guidelines trading in Demat form has been made compulsory for all classes of investors. Therefore, it is in the interest of all the shareholders to convert their physical holdings into electronic holdings by dematerialisation of the equity shares.

PERSONNEL :

No employee was in receipt of Salary exceeding the limits prescribed u/s 217(2A) of the Companies Act, 1956 and hence the Statement of particulars of employees as required under that section is not applicable to your Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS.

As regards the information required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, your Directors give the following particulars to the extent applicable to your Company.

(A) CONSERVATION OF ENERGY :

The Power requirement at Company's Gas Bottling Plant is negligible as only bottling of gases is being done. For Sponge Iron Plants, the Capacitor Panels of adequate size and number have been installed and are maintained to save and economise on power consumption.

(B) TECHNOLOGY ABSORPTION :

The Company is using in-house technology and expertise for its LPG Bottling Plants. The technology to manufacture Sponge Iron was provided by an outside agency. The said technology is fully indigenous and is now well established and has been fully absorbed by the Company. The Company has not so far made use of any imported technology for its products/plants.

(C) FOREIGN EXCHANGE EARNINGS AND EXPENSES : Earnings: Nil (Previous Year: Nil)
Expenses : Rs.753438 (Previous Year : Rs.555428)

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 annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.

ASHIRWAD STEELS & INDUSTRIES LTD.

- (ii) that the Directors had 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 of the Company for the year under review.
- (iii) 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, 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.

ACKNOWLEDGEMENT :

Your Directors would like to convey their sincere appreciation for the assistance and co-operation received from the valued customers, suppliers and shareholders during the year under review. Your Directors also wish to place on record their appreciation for the contribution of the employees at all levels.

Place : Kolkata
Dated : 31st May, 2011

For and on behalf of the Board

Dalbir Chhibbar
Managing Director.

ANNEXURE TO DIRECTORS' REPORT

FORM – A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A.	POWER AND FUEL CONSUMPTION :	Current year 2010-11	Previous year 2009-10
1.	Electricity :		
(a)	Purchased		
	Units	28,72,760	32,54,276
	Total amount (Rupees)	1,36,93,013	1,40,01,692
	Rate/Unit (Rupees)	4.77	4.30
(b)	Own generation (D.G.Set)		
	Units	84,992	4,24,587
	Cost/Unit	17.39	12.65

Note :

The Company has not consumed or used Furnace Oil during the year under review. The Sponge Iron Plants have, however, have consumed Coal and the related quantitative figures are reflected in the financial accounts elsewhere. The quantity details are not being given here as Coal acts as a raw material for Sponge Iron Manufacturing and not as a fuel.

ASHIRWAD STEELS & INDUSTRIES LTD.

B. CONSUMPTION OF ELECTRICITY PER UNIT OF PRODUCTION OF SPONGE IRON/ BOTTLING OF GAS.

(i)	Units consumed per Metric Ton of Hydrocarbon Gas/L.P.Gas bottle	14.63	15.79
(ii)	Units consumed per Metric Ton of Sponge Iron produced	119.46	98.08

FORM – B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION :

1. RESEARCH AND DEVELOPMENT :

The Company has not so far carried out any major Research & Development work. The Company has not incurred any expenditure on this account so far. The Company, however, has full fledged laboratories at its Sponge Iron Plants for testing the quality of raw materials and also of the finished products.

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

Since no technology has been absorbed from outside, the item is not applicable to us. The Company, however, continues the efforts for upgradation of technology in order to improve the quality and reduce cost to the extent possible.

Place : Kolkata
Dated : 31st May, 2011.

For and on behalf of the Board

Dalbir Chhibbar
Managing Director.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(For the Financial Year ended 31st March, 2011)

(a) Industry Structure and Developments :

The principal product of the Company is Sponge Iron which is manufactured at its Plants located at Jamshedpur and at District Nalgonda, Andhra Pradesh. Sponge Iron is used alongwith steel scraps by secondary steel producers for making steel billets/ingots which in turn are used by the re-rollers for making long products used in the house building and in the infra-structure development. Increase in the cost of raw materials, overheads, manufacturing expenses and lower capacity utilization and depressed market conditions have been adversely affecting the company's profitability. The selling prices of Sponge Iron are market driven and the Company has no control over it. The principal components of cost of Sponge Iron are coal, iron ore and freight and the Company has no control on their rates/prices. The Coal India Ltd. has recently substantially increased the coal price which is going to adversely affect the entire Sponge Iron Industry.

(b) Opportunities and Threats :**i. Opportunities :**

The Central Government is trying to give a big thrust on infra-structure and housing development in the country and therefore the demands for long steel products which are made out of Sponge Iron is expected and likely to go up in the coming years. However, at present the secondary steel market is in bad shape due to low demand and therefore, your Company's performance is also getting adversely affected.

ii. Threats :

The cost of coal and iron ore are the two major input costs in production of Sponge Iron. The prices of both these raw materials are regularly increased by the suppliers which in turn adversely affects the finances of the Industry. Thus rising input costs are big threat to the survival of Sponge Iron and Steel Industry. It is difficult for most of the Sponge Iron Units under medium sector which are unable to get access to their own Iron Ore and Coal Mines to survive, sustain and earn reasonable profits unless there is a corresponding hike in the selling prices of Sponge Iron.

(c) Segment-wise Product-wise performance :

Your Company has only two segments namely Sponge Iron and gas taking into account the nature of the product, uses and production system. However, your Company mainly operates under the "Iron & Steel" Segment and hence segment wise result has not been given.

(d) Outlook :

In view of what has been stated in paragraphs (a) and (b) above your Management perceives that the outlook of the Sponge iron Industry in the current financial year is not expected to be encouraging unless there is increase in the demand for long-Steel Products and resultant increase in the selling prices of Sponge-Iron with no disproportionate increase in the input costs.

ASHIRWAD STEELS & INDUSTRIES LTD.

(e) Risks & Concerns :

Risk is inherent in every business activity and Sponge Iron Industry is no exception. The steel industry displays strong commodity characteristics and is subject to cyclical price movements in business cycles. The Company is exposed to risks from overall market fluctuations, changes in government policy, laws of the land, taxation, man made disaster, political risks and increase in cost of inputs like Iron ore, coal, power, diesel, freight, etc. which affect the financial performance of the Company.

(f) Internal Control System and its Adequacy :

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and applicable statutes are duly complied with. The Company has constituted an Audit Committee to monitor the adequacy and efficacy of internal control system.

The adequacy of these compliances and their effectiveness is subject to statutory audit and the same has been adequately reported by the Auditors in their report as required under the relevant provisions of the Companies Act, 1956. The Company also has an Internal Audit System being carried out by an Independent Firm of Chartered Accountants.

(g) Discussions on financial performance with reference to operational Performance:

During the year; the income from operations/turnover stood at Rs.42.97 crores as compared to Rs. 52.34 crores in the previous year. The operating profit before interest, depreciation and taxation stands at Rs.1.17 crores compared to Rs.2.02 crores in the previous year. The Company has earned a post-tax net profit of Rs.5.83 lacs as compared to a net profit of Rs.35.17 lacs in the previous year. Your Directors are, however, continuing their efforts for better performance of your Company.

(h) Material Developments in HRD and industrial Relations Front :

Your Directors recognize the value of people as one of our most valuable assets and believe that your Company's employees are central to its sustainable success. Developing, motivating, rewarding and retaining talented employees at all levels is a priority and a key responsibility of your Company's management. It is this policy of ours that has enabled us to retain talented employees and maintain harmonious relations with them.

i) Cautionary Statements :

Statements in this management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be termed as forward looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied. The readers of this report are, therefore, advised to read the same with this caution.

ASHIRWAD STEELS & INDUSTRIES LTD.

REPORT ON CORPORATE GOVERNANCE

(For the year ended 31st March, 2011)

The Report on compliance of the conditions of corporate governance in accordance with Clause 49 of the Listing Agreement with the Stock Exchange by your Company is given below

1. Company's Philosophy

Your Company's philosophy continues to be to look after customers' welfare and satisfaction and to increase shareholders value, enforce quality control and improve the quality of life of the people around by practicing the principles of good corporate governance.

2. Board of Directors:

(a) Composition :

As at 31st March, 2011 the Board of Directors consist of a non-executive Chairman, a Managing Director, One Executive Director, 3 non-executive Directors and 2 independent Directors.

(b) Category, their Directorship and Committee Membership in other Companies :

The Board of your Company is comprised of the following Directors :

Name of Directors	Category	Member of Boards of other Public Companies (excluding Directorship in private Companies)	Total no. of Committee(s) Membership in other Public Ltd. Companies, Foreign Companies and Companies under Sec.25 of the Companies Act, 1956)		No. of Equity Shares held in the Company
			As Chairman	As Member	
Puranmal Agarwal	Chairman Non-executive	15	Nil	Nil	4750
Dalbir Chhibbar	Managing Director (executive)	3	Nil	Nil	108725
Yudhbir Chhibbar	Non-executive	1	Nil	Nil	3000
Suresh Kr. Agarwal	-do-	10	Nil	Nil	4000
Sushma Chhibbar	-do-	1	Nil	Nil	53000
Dev Kumar Mishra	Executive	Nil	Nil	Nil	Nil
Ashok Kumar Jaiswal	Non-Executive (Independent)	5	Nil	Nil	Nil
Pravin Kumar Chhabra	-do- [Independent]	Nil	Nil	Nil	Nil

(c) Board Meetings held during the year :

During the year the Board Meetings were held fourteen times e.g. on 16th April, 2010, 24th April, 2010, 26th April, 2010, 31st May, 2010, 2nd June, 2010, 18th June, 2010, 6th July, 2010, 31st July, 2010, 30th August, 2010, 29th October, 2010, 22nd November, 2010, 6th January, 2011, 28th January, 2011 and 18th February, 2011.

ASHIRWAD STEELS & INDUSTRIES LTD.

(d) Attendance of Directors at the Board Meetings held during the year 2010-2011 and at the last Annual General Meeting (AGM)

	Name of Directors	No. of Board Meetings Held	Attended	Attended last AGM on 20.9.2010
1.	Puranmal Agarwal	14	12	Yes
2.	Dalbir Chhibbar	14	13	Yes
3.	Yudhbir Chhibbar	14	3	No
4.	Suresh Kr. Agarwal	14	13	Yes
5.	Ashok Kumar Jaiswal	14	5	Yes
6.	Pravin Kumar Chhabra	14	10	Yes
7.	Sushma Chhibbar	14	9	Yes
8.	Dev Kumar Mishra	14	Nil	No

(e) Information about Directors seeking re-appointment has been included in this Report.

3. Audit Committee

An Audit Committee has been constituted to meet the requirements of Clause 49 of the Listing Agreement.

Brief Description of Terms of Reference :

The terms of reference of the Audit Committee are as contained under clause 49 of the Listing Agreement and as stipulated under Section 292A of the Companies Act, 1956.

ASHIRWAD STEELS & INDUSTRIES LTD.

Composition of committee and attendance of Members :

The Audit Committee comprises of Independent Directors namely, Mr. Pravin Kumar Chhabra and Mr. Ashok Kumar Jaiswal. The Accounts Manager is the permanent invitee to the audit committee. The committee met four times during the year under review and the meetings were attended by all its members. Audit Committee's role inter-alia include overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

4. Code of Conduct :

The Company has laid down a Code of Conduct, under Clause 49 of the Listing Agreement, for all its Board Members and Senior Management Personnel for avoidance of conflicts of interest. The declarations with regard to compliance of Code of Conduct have been received for the year 2011 from all Board Members and Senior Management Personnel.

There were no material financial and commercial transactions, in which Board Members and Senior Management Personnel had personal interest, which could lead to potential conflict of interest with the Company during the year.

5. Remuneration of Directors

(a) Remuneration is paid to the Managing Director as per package approved by the Board and the members in the Annual General Meeting.

(b) Details of remuneration paid to the Directors for the year ended 31st March, 2011

Name of the Directors	Salary and other benefits (Rupees)
Dalbir Chhibbar	1,80,000
Dev Kumar Mishra	62,500

Note : No remuneration was paid to any other Director of the Company. No Board-Meeting sitting fees was paid to any of the Directors of the Company.

ASHIRWAD STEELS & INDUSTRIES LTD.

6. Shareholders/Investors Grievance Committee :

- (a) The Company has appointed M/s Niche Technologies Pvt.Ltd., a SEBI registered Registrar as its Share Transfer Agent for both physical as well as electronic modes. The shares of the Company are traded on Bombay Stock Exchange and the complaints from the Shareholders are negligible. Due to this, the Company has not constituted any separate committee. However, the Company will constitute such a Committee separately as and when the need for such a Committee arises.
- (b) Sri Subhash Chandra Rana, General Manager is the Compliance Officer of the Company.
- (c) No complaints from shareholders were pending as on 31.3.2011.

Secretarial Audit Report :

As stipulated by SEBI a qualified practicing Company Secretary carries out the secretarial audit every quarter and the report thereon is submitted to the Bombay Stock Exchange and is also placed before the Board of Directors. The said audit report, inter-alia confirms that the total listed and paid-up capital of the Company is in agreement with the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical shares.

7. General Body Meeting :

- (a) Locations, date and time, where last three AGMs held :

AGM	Financial Year	Date	Time	Place
22nd	2007-2008	22.9.08	10.30 AM	6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069. (Registered Office)
23rd	2008-2009	14.9.09	10.30 AM	6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069. (Registered Office)
24th	2009-2010	20.9.10	10.30 AM	6, Waterloo Street, 5th Floor, Suite No.506, Kolkata – 700 069. (Registered Office).

- (b) No resolutions were passed through Postal Ballot nor are any proposed at the ensuing Annual General Meeting.

8. Disclosures :

- (a) There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

Schedule-19 of the Annual Accounts contains the details of related party transaction as required by the Accounting Standard – 18 on 'Related Party Disclosure' issued by The Institute of Chartered Accountants of India.

- (b) No strictures were imposed on the Company by any regulatory authority on any matters related to capital markets during the last three years.

ASHIRWAD STEELS & INDUSTRIES LTD.

9. Means of communication :

- (a) The quarterly results of the Company are regularly published in the following newspapers:
 - (i) Financial Express (English)
 - (ii) Kalantar (Bengali)
- (b) At present, the Company is not having any website.
- (c) "Management Discussion and Analysis Report" has been included as part of this Report.

10. General Shareholder information

(a) AGM : Date, time and venue :

The forthcoming 25th Annual General Meeting of your Company will be held on Monday, the 19th September, 2011 at its Registered Office at 6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069 at 10.30 a.m.

(b) Financial Calender :

Financial Year	March 31,
AGM in	September

(c) Date of Book Closure :

Commencement – Monday, the 12th September, 2011
Ending – Monday, the 19th September, 2011.
(Both days inclusive)

(d) Dividend Payment Date :

The Company has not declared any dividend for the Financial Year ended 31st March, 2011.

(e) Listing on Stock Exchange :

Name of the Stock Exchange	Address	Stock Code
Bombay Stock Exchange Ltd.,	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	526847

- (f) The international Security identification Number (ISIN) of the Equity Shares is INE 338C01012

ASHIRWAD STEELS & INDUSTRIES LTD.

(g) Market Price Data

The monthly High and Low Equity Share prices of the Company as traded at The Bombay Stock Exchange from 1st April, 2010 to 31st March, 2011 are given below :

Month	High Price (Rs.)	Low Price (Rs.)
April, 2010	16.32	13.30
May, 2010	15.30	12.75
June, 2010	15.64	13.69
July, 2010	19.55	15.25
August, 2010	19.30	17.85
September, 2010	19.55	16.50
October, 2010	23.45	17.20
November, 2010	20.45	14.10
December, 2010	17.10	14.05
January, 2011	17.10	14.15
February, 2011	16.99	12.25
March, 2011	16.50	14.00

(h) Registrar and Share Transfer Agents

The details of the Registrar and Share Transfer Agent (R & TA) of the Company are as follows:

M/s. Niche Technologies Private Limited
D-511, Bagree Market, 71, B.R.B.B.Road, Kolkata-700 001 (West Bengal)
Phone No. (033) 2235 7270/71 Fax: 2215 6823
E-mail nichetechpl@nichetechpl

Accordingly, all communications on matters relating to share transfer, non-receipt of share certificate, etc. be sent to Niche Technologies Private Limited. Correspondence on these matters may also be sent to the Company at 6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069.

(i) Share Transfer System :

After the request for transfer/transmission of shares is approved by the authorised officials of the Company, the same is sent to the Registrar and Share Transfer Agents for completing the necessary procedural formalities and despatch to the shareholders. Transfer of shares, if found to be in order in all respects, are normally effected within a period of 15 days from the date of receipt of shares.

ASHIRWAD STEELS & INDUSTRIES LTD.**(j) Pattern of Shareholding as at 31st March, 2011**

Category of share holder	No. of Equity Shares held	% of Shares held
(A) Promoter's Holding	3851425	30.811
(B) Non Promoter's Holding		
Institutional Investors	208700	1.670
Private Corporate Bodies	6987669	55.901
Indian Public	1293183	10.346
NRIs/OCBs	159023	1.272
Others		
Total	<u>12500000</u>	<u>100.000</u>

Note : Promoters have not pledged any of their shares with any Agency/Bank/Financial Institutions.

(k) Distribution of Shareholding as on 31st March, 2011 :-

Share Class/No. of Shares	No. of Shareholders	% of total No. of Shareholder	Value of Shares held at face value of Rs.10/- each	% of total share capital Amount
Upto 500	2905	86.3299	4,05,797	3.2464
501 to 1000	157	4.6657	1,29,364	1.0349
1001 to 5000	184	5.4681	4,39,209	3.5137
5001 to 10000	29	0.8618	2,30,639	1.8451
10001 to 50000	47	1.3967	12,56,628	10.0530
50001 to 100000	12	0.3566	8,45,652	6.7652
100001 and above	31	0.9212	91,92,711	73.5417
Total	<u>3365</u>	<u>100.0000</u>	<u>1,25,00,000</u>	<u>100.0000</u>

(l) Dematerialisation of shares and liquidity :

The Company had signed tripartite agreements with NSDL, CDSL and Registrar and Share Transfer Agents in November, 2000. Dematerialization facility is available for shareholders. Out of the total number of shares; 10404762 number of shares (83.24 %) have been dematerialized as on 31.03.2011.

(m) The Company has not till date issued any GDRs/ADRs/warrants or any convertible instruments pending for conversion.

(n) Address for correspondence :

The Shareholders may address their communications, suggestions, grievances and queries to :

Ashirwad Steels & Industries Limited
6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069, West Bengal.
Phone No. 091-033-22430372
Telefax : 091-033-22430376
E-mail : ashirwadsteels@gmail.com

ASHIRWAD STEELS & INDUSTRIES LTD.

**(o) Plant Locations :
Sponge Iron Plants**

- 1) Plot No.A1,A3,A5,A7, Phase-V, Adityapur Industrial Area, Ghamaria, Jamshedpur-832 108, (Jharkhand).
- 2) Peetam Palli Approach Road, Vill. & P.O. Veliminedu, Mandal-Chityal, Dist. Nalgonda, Andhra Pradesh – 508 114.

**LPG/RLHG
Bottling Plants**

- 1) Uluberia Industrial Growth Centre, Uluberia, Howrah, West Bengal, Pin – 711 315
- 2) Village : Kisanpur, Near Urdana Check Post, Raigarh-496001 (Chhattisgarh).

(p) Corporate Identification No.: L51909WB1986PLC040201

Status of Compliance of Non-Mandatory requirements :

1. The Company does not have a Remuneration Committee.
2. Half-yearly Declaration of results of financial performances including summary of the significant events are not sent to the shareholders of the Company as quarterly results are regularly published in newspapers.
3. No resolution(s) are proposed to be passed by postal ballot.

For and on behalf of the Board

Place : Kolkata
Dated : 31st May, 2011.
Regd. Office : 6, Waterloo Street,
Room No. 506, 5th floor,
Kolkata – 700 069.

Dalbir Chhibbar
Managing Director

To the Members of

ASHIRWAD STEELS & INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Ashirwad Steels & Industries Limited for the year ended 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As informed to us, the records relating to investor grievances against the Company, if any, is maintained by the Registrars of the Company who have certified that as at 31st March, 2011, there were no investor grievances remaining unresolved/pending.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A Pradhan & Associates
Chartered Accountants

Place : Kolkata
Dated : 31st May, 2011.

A. Pradhan
(Proprietor)
Membership No. 053543

ASHIRWAD STEELS & INDUSTRIES LTD.

AUDITORS' REPORT

To the Members of ASHIRWAD STEELS & INDUSTRIES LTD.

1. We have audited the attached Balance Sheet of **ASHIRWAD STEELS & INDUSTRIES LTD.** as at 31st March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's report) Order 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of such books.
 - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e. On the basis of written representations received from the directors as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011, and
 - ii. in the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - iii. in the case of Cash Flow statement, of the cash flows for the year ended on that date.

FOR A PRADHAN & ASSOCIATES,
Chartered Accountants

Place: 2D, Panditia Road.,
Kolkata – 700029.

Date: 31 st May, 2011

A. PRADHAN
(Proprietor)
Membership No: 053543

Annexure to the Auditors' Report

Referred to in Paragraph 3 of our report of even date on the accounts of **Ashirwad Steels & Industries Ltd.** for the year ended March 31, 2011:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management as per a phased program of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of accounts.

(c) In our opinion, no substantial part of fixed assets employed by the company had been disposed off during the year.
2. (a) As explained to us the management has conducted physical verification of inventory at reasonable intervals during the year.

(b) In our opinion, the procedures followed by the management for such physical verification of inventory are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and the book records were not material and have been properly dealt with in the books of accounts.

(d) However, in respect of stock of coal at company's sponge iron plant at Jamshedpur ; no provision for normal loss on account of moisture, shale pieces, handling and ground losses etc. has been made for quite some time due to consistent high volume of stock of coal and lack of space at the plant and practical difficulty of weighing the same. We are informed by the plant management that for the last few months they have taken steps to keep all fresh incoming coal separately and not to use the same for production purpose and only the old stocks of coal is being used for production and as soon as the volume of old stocks falls to a lower level ; the same will be physically weighed and the resultant deficit will be suitably accounted for.
3. (a) The Company has not given any loan secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

(b) In our opinion, the requirement of clause (iii) (b), (iii) (c) & (iii) (d) of the order are not applicable since no loans have been given to companies, firms or parties covered under section 301 of the Companies Act, 1956.

ASHIRWAD STEELS & INDUSTRIES LTD.

- (c) The company has not taken any loan from companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - (d) In our opinion, the requirement of clause (iii) f and (iii) g of the order is not applicable as the company has not taken any such loan which is covered under section 301 of the Act.
- 4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotation, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and with regard to the sale of goods, services and disposal of fixed assets. During the course of our audit, no major weakness has been observed in the internal controls regarding purchase of inventory and fixed assets and sale of goods and services.
- 5.
 - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the said register .
 - (b) During the year there were no contracts or arrangements exceeding the value of five lakhs rupees with any concern listed in the register maintained under Section 301 of the Companies Act, 1956.
- 6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and Section 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- 7. The Company has an internal audit system, which in our opinion, is commensurate with the size and nature of its business.
- 8. As informed to us, the company has initiated the process of maintaining cost records as has been prescribed by the Central Government u/s 209(1)(d) of the Companies Act, 1956, in respect of the sponge iron production activities carried on by the Company.
- 9.
 - (a) The company is generally regular in depositing undisputed statutory dues including Staff Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, VAT, CST, Service Tax, Excise Duty, Cess and other material statutory dues applicable to it.

ASHIRWAD STEELS & INDUSTRIES LTD.

(b) According to the information and explanations given to us the following taxes were not deposited as the same were disputed in appeal at the end of the year:

	Disputed Amount (Rs.)	Deposited Amount (Rs.)	Forum where dispute is pending in appeal As on 31.03.2011
Purchase Tax (Vat) on Coal purchase	30,17,821	15.09	Appellate Dy. Commissioner (CT), Hyderabad Rural Division.
Income Tax	15,79,364	Nil	Commissioner of Income Tax (Appeals)- C-III, Kolkata.
CENVAT (Capital Goods)	24,75,534	12.38	Commissioner of Customs, Central Excise and Service Tax (Appeals III), Hyderabad.

(c) On the basis of a writ petition filed by the Company against State Government's order withdrawing remission of Sales Tax pursuant to imposition of VAT in the State; the Hon'ble High Court of Jharkhand at Ranchi has allowed the benefit of deferment of tax for VAT and although the Hon'ble High Court order is not specific about deferment of CST, the Company assumes that deferment order is applicable to both VAT and CST in respect of its sales from its Sponge Iron plant at Jamshedpur. The company has accordingly shown deferred tax liability on account of CST Rs. 14,93,257/- and of VAT Rs.11,14,080/- as at the end of the year. This matter is pending for decision before the Hon'ble Supreme Court.

10. The Company does not have any accumulated past losses at the end of the financial year under review and has not incurred any cash losses in the financial year. There was no cash loss incurred in the immediately preceding financial year.
11. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to banks or any financial institutions. The company has not accepted any fund on account of issue of debentures.
12. According to the information and explanations given to us and the records examined by us, the company has not granted any loan on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of the activities of the Company does not attract any special statute applicable to chit fund and nidhi /mutual benefit fund/societies.
14. In our opinion, the Company has maintained proper records of the transactions and contracts for dealing in investments in shares and in the share derivatives transactions and timely entries have been made therein. The investments made by the Company are held in its own name.

ASHIRWAD STEELS & INDUSTRIES LTD.

15. According to the information and explanations given to us and the records examined by us, the Company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions whereof could have been prima facie prejudicial to the interest of the Company.
16. As informed to us, the company has not taken any term loans during the year.
17. On the basis of an overall examination of the balance sheet and cash flows of the Company and the information and explanation given to us, we report that the Company has not utilized short term loans taken for any long term investments.
18. During the year the company has not made any preferential allotment of shares.
19. According to the information and explanations given to us, the company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year.

Place: 2D, Panditia Road,
Kolkata – 700029
Date: 31st May, 2011

FOR A PRADHAN & ASSOCIATES,
Chartered Accountants

A. PRADHAN
(Proprietor)
Membership No: 053543

ASHIRWAD STEELS & INDUSTRIES LTD.**BALANCE SHEET AS AT 31ST MARCH 2011**

PARTICULARS	SCHEDULES	CURRENT YEAR 31.03.2011 (In Rupees)	PREVIOUS YEAR 31.03.2010 (In Rupees)
SOURCES OF FUNDS			
(a) Share Capital	1	125,000,000	125,000,000
(b) Reserve & Surplus	2	402,102,281	401,518,700
DEFERRED TAX LIABILITY(NET)		<u>27,284,953</u>	<u>28,056,428</u>
GRAND TOTAL		<u>554,387,234</u>	<u>554,575,128</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	3	219,319,240	214,276,480
Less:Depreciation		88,978,424	78,362,740
Net Block		<u>130,340,816</u>	<u>135,913,740</u>
INVESTMENTS	4	49,877,253	15,383,914
CURRENT ASSETS,LOANS & ADVANCES			
(a) Inventories	5	189,837,995	156,131,866
(b) Sundry Debtors	6	33,967,236	33,284,354
(c) Cash & Bank Balances	7	59,384,695	125,386,000
(d) Other Current Assets	8	1,297,862	4,708,460
(e) Loans & Advances	9	121,423,401	123,194,865
		<u>405,911,189</u>	<u>442,705,545</u>
LESS:CURRENT LIABILITIES & PROVISIONS			
(a) Current Liabilities	10	21,786,557	30,135,183
(b) Provisions	11	9,955,467	9,292,888
NET CURRENT ASSETS		<u>374,169,165</u>	<u>403,277,474</u>
GRAND TOTAL		<u>554,387,234</u>	<u>554,575,128</u>
NOTES ON ACCOUNT	18		

Schedules 1 to 11 & 18 referred to above form
an integral Part of the Balance Sheet

PURANMAL AGARWAL : Chairman

As per our attached report of even date

DALBIR CHHIBBAR : Managing Director

For A PRADHAN & ASSOCIATES
Chartered Accountants

YUDHBIR CHHIBBAR : Director

A. Pradhan

Place : Kolkata

Proprietor

Dated : 31st May, 2011

Membership No. 053543

ASHIRWAD STEELS & INDUSTRIES LTD.**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	SCHEDULES	CURRENT	PREVIOUS
		YEAR	YEAR
		31.03.2011	31.03.2010
		(In Rupees)	(In Rupees)
1 INCOME			
(a) Sales & Service(Net of Excise Duty)	12	359,163,854	423,453,007
(b) Other Income	13	36,625,763	66,071,714
		<u>395,789,617</u>	<u>489,524,721</u>
2 EXPENDITURE			
(c) (Increase)/ Decrease in Stock	14	7,254,934	2,459,780
(d) Raw Materials Consumed	15	308,923,760	384,321,555
(e) Purchase (Trading)		10,909,946	9,436,177
(f) Manufacturing, Selling & Other Expenses	16	56,992,159	73,086,977
		<u>384,080,799</u>	<u>469,304,490</u>
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION & TAXATION		<u>11,708,818</u>	<u>20,220,231</u>
(g) Interest	17	260,802	3,165,359
(h) Depreciation		<u>10,924,940</u>	<u>10,735,357</u>
PROFIT BEFORE TAXATION		<u>523,076</u>	<u>6,319,515</u>
TAX EXPENSES			
(a) Current Income Tax		687,438	2,109,700
(b) Deferred Income Tax (Asset)		(771,475)	(182,999)
(c) Income Tax for Earlier Year		23,532	874,979
PROFIT AFTER TAXATION		<u>583,581</u>	<u>3,517,835</u>
APPROPRIATIONS			
Less: Transferred to General Reserve		-	41,953,028
Add : Profit brought forward from last year		34,174,700	72,609,893
AMOUNT AVAILABLE FOR APPROPRIATION		<u>34,758,281</u>	<u>34,174,700</u>
BALANCE CARRIED FORWARD TO BALANCE SHEET		<u>34,758,281</u>	<u>34,174,700</u>
Earning per Share(of Face Value of Rs.10/-)		0.05	0.28

NOTES ON ACCOUNT 18

Schedules 12 to 17 & 18 referred to above form
an integral Part of the Profit & Loss Account

PURANMAL AGARWAL : Chairman

As per our attached report of even date

DALBIR CHHIBBAR : Managing Director

For **A PRADHAN & ASSOCIATES**
Chartered Accountants

YUDHBIR CHHIBBAR : Director

A. Pradhan

Place : Kolkata

Proprietor

Dated : 31st May, 2011

Membership No. 053543

ASHIRWAD STEELS & INDUSTRIES LTD.**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2011**

	CURRENT YEAR 31.03.2011 Rs.	PREVIOUS YEAR 31.03.2010 Rs.
A Cash flow from operating activities		
Net Profit before operating activities	523,076	6,319,515
Adjustment for :		
1. Depreciation	10,924,940	10,735,357
2. Interest (Net)	(5,851,402)	(8,966,954)
3. Short Term Capital Loss on Investment	-	173,177
4. Loss on disposal of Motor Vehicle	95,794	145,559
5. Sundry Credit Balance W/back	(354,657)	(1,352,853)
7. Lease Rent	(6,000,000)	(4,200,000)
8. Profit on sale of Investment/Derivative Income	(15,784,992)	(339,806)
9. Dividend Income	(191,231)	(419,712)
10. Gratuity Provision(Unfunded)	229,236	379,435
Operating Profit before working Capital changes	(16,409,236)	2,473,718
Adjustment for :		
1. Trade and other receivables	34,833,441	(81,676,512)
2. Inventories	(33,706,129)	(1,392,862)
3. Trade payables	(7,686,047)	4,004,280
Cash generated from operations	(22,967,971)	(76,591,376)
Direct Tax Paid including FBT	(23,532)	(453,728)
Net cash from operating activities	(22,944,439)	(77,045,104)
B Cash flow from Investing Activities		
1. Purchase of Fixed Assets	(5,567,810)	(5,016,092)
2. Sale of Fixed Assets	120,000	125,000
3. Interest Received	5,544,672	7,916,675
4. Dividend Received	191,231	419,712
5. Investment (Net)	(35,411,476)	(5,169,627)
6. Profit on Derivatives & speculation in shares	15,784,992	339,806
Net cash from investing Activities	(19,338,391)	(1,384,526)
C Cash flow from Financing Activities		
1. Loan (Net)	(30,464,917)	(25,250,000)
2. Interest paid	260,802	(13,004,589)
3. Lease Rent	6,485,640	3,823,835
Net Cash from financing activities	(23,718,475)	(34,430,754)
Net increase/decrease in cash & cash equivalents (A+B+C)	(66,001,305)	(112,860,384)
Cash & cash equivalents		
(Opening Balance)	125,386,000	238,246,384
Cash & cash equivalents		
(Closing Balance)	59,384,695	125,386,000

PURANMAL AGARWAL : Chaiman
DALBIR CHHIBBAR : Managing Director
YUDHBIR CHHIBBAR : Director

We have verified the attached cash flow statement of Ashirwad Steels & Industries Ltd derived from audited annual financial statements and books and records maintained by the company for the year ended 31st march 2011 and found the same in agreement therewith and also with the requirement of clause 32 of the listing agreement with stock exchange.

For A PRADHAN & ASSOCIATES

Chartered Accountants

A. Pradhan

Proprietor

Membership No. 053543

Place : Kolkata

Dated : 31st May, 2011

ASHIRWAD STEELS & INDUSTRIES LTD.

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE NO.	CURRENT YEAR 31.03.2011 (In Rupees)	PREVIOUS YEAR 31.03.2010 (In Rupees)
1 SHARE CAPITAL:		
Authorised :		
1,25,00,000 Equity Shares of Rs.10/- each at par	125,000,000	125,000,000
	<u>125,000,000</u>	<u>125,000,000</u>
Issued, Subscribed & Paid up :		
1,25,00,000 Equity Shares of Rs.10/- each at par	125,000,000	125,000,000
	<u>125,000,000</u>	<u>125,000,000</u>
2 RESERVES & SURPLUS		
(i) General Reserve b/d	75,000,000	75,000,000
(ii) Profit & Loss Account	34,758,281	34,174,700
(iii) Share Premium Account	292,344,000	292,344,000
	<u>402,102,281</u>	<u>401,518,700</u>
3 DEPRECIATION		
(As per Fixed Asset Schedule)	10,924,940	10,735,357
	<u>10,924,940</u>	<u>10,735,357</u>
4 INVESTMENTS (all valued at cost)		
(As per Investment Schedule)	49,877,253	15,383,914
	<u>49,877,253</u>	<u>15,383,914</u>
5 INVENTORIES		
(As valued & certified by the management)		
Raw Materials	175,097,724	130,935,774
Finished Goods	10,210,002	16,237,566
Iron Ore Fines (Unusable / Scrap)	1,223,204	2,527,442
W.I.P (Sponge Iron)	393,825	316,957
Stores, Spares & Others	1,269,648	1,233,145
Fuel (Diesel Oil)	115,930	130,935
Goods in Transit	1,527,662	4,750,047
	<u>189,837,995</u>	<u>156,131,866</u>
6 SUNDRY DEBTORS (Unsecured)		
Outstanding for a period exceeding 6 months		
Considered Good	17,716	41,316
Other Debts		
Considered Good	33,949,520	33,243,038
	<u>33,967,236</u>	<u>33,284,354</u>
7 CASH & BANK BALANCES		
Cash in hand (As certified by the management)	2,324,765	1,900,342
Balances with Scheduled Banks :		
on Current Accounts	22,029,291	42,651,537
On Fixed Deposit Account	24,000,000	69,731,124
On Fixed Deposit Account(CITIBANK N.A)	11,030,639	11,102,997
(Pledged against Bank Guarantees given to Govt Departments and Govt.Coal Companies)		
	<u>59,384,695</u>	<u>125,386,000</u>
8 OTHER CURRENT ASSETS		
Interest accrued on Bank Fixed Deposit.	1,089,803	4,708,460
Interest accrued on Security Deposit for Electricity	208,059	-
	<u>1,297,862</u>	<u>4,708,460</u>

ASHIRWAD STEELS & INDUSTRIES LTD.

SECHEDULE : 3 : FIXED ASSETS

NAME OF THE FIXED ASSETS	GROSS BLOCK						DEPRECIATION BLOCK				NET BLOCK	
	OPENING AS ON 01.04.10	ADDITION DURING THE YEAR	ADJUSTMENT/ DEDUCTION	BALANCE AS ON 31.03.11	UPTO 31.03.10	DURING THE YEAR	ADJUSTMENT/ DEDUCTION	UPTO 31.03.11	AS ON 31.03.11	AS ON 31.03.10		
LAND (Free Hold)	1328675	—	—	1328675	—	—	—	—	1328675	1328675		
LAND (Lease Hold)	5253803	0	—	5253803	394648	49953	—	444601	4809202	4859155		
BUILDINGS	18330923	400817	—	18731740	5189142	614071	—	5803213	12928527	13141781		
PLANT & MACHINERY	182156987	3102318	—	185259305	69095356	9465948	—	78561304	106698001	113061631		
FURNITURE & FIXTURE	330855	0	—	330855	117752	19167	—	136919	193936	213103		
MOTOR VEHICLE	6875237	2064675	525050	8414862	3565842	775801	309256	4032387	4382475	3309395		
	214276480	5567810	525,050	219319240	78362740	10924940	309256	88978424	130340816	135913740		
PREVIOUS YEAR	209678687	5016093	418300	214276480	67775124	10735357	147741	78362740	135913740	141903563		

ASHIRWAD STEELS & INDUSTRIES LTD.

SCHEDULE - 4 :	CURRENT YEAR 31.03.2011 (In Rupees)	PREVIOUS YEAR 31.03.2010 (In Rupees)
INVESTMENTS (all valued at cost)		
(A) LONG TERM TRADE INVESTMENTS		
(In Fully paid up Equity Shares (Quoted))		
(1) 3,500 Equity shares of Navketan Merchants Ltd. (Market Value as on 31.03.11 : Rs. 2.50 per share)	13020	13020
(2) 20,000 Equity shares of Goutam Resources Ltd. (Market Value as on 31.03.11 : Rs. 40.50 per share)	196400	196400
(3) 20,000 Equity shares of Herald Commerce Ltd. (Market Value as on 31.03.11 : Rs. 1.90 per share)	379600	379600
(B) SHORT TERM TRADE INVESTMENTS		
(In Fully paid up Equity Shares (Quoted))		
(4) 5000 Shares of Karutory Global Ltd. (Market Value as on 31.03.11 : Rs.10.60 per share)	99600	-
(5) 2500 Shares of Indian Overseas Bank	-	220467
(6) 4000 Shares of 3I Infotech	-	329559
(7) 2500 Shares of Alok Textiles Ltd.	-	59374
(8) 2500 Shares of Archies Ltd	-	232490
(9) 2000 Shares of Balarampur Chinni Mills Ltd.	-	209071
(10) 2500 Shares of Dawat(LT Overseas Ltd.)	-	155318
(11) 25000 Shares of India Bulls Power Ltd.	-	797199
(12) 27500 Shares of India Bulls Securities Ltd.	-	908279
(13) 7000 Shares of ICSA India Ltd.	-	975560
(14) 2500 Shares of IFCI Ltd	-	121949
(15) 5000 Shares of Indian Bank	-	875382
(16) 10000 Shares of J K Lakshmi Cement Ltd.	-	697082
(17) 17500 Shares of Nectar Lifesciences Ltd.	-	612679
(18) 3000 Shares of Parekh Alum. Ltd.	-	430511
(19) 4000 Shares of Sree Renuka Sugar Ltd	-	672339
(20) 2500 Shares of Rel. Nat. Resources Ltd.	-	158473
(21) 2500 Shares of Shakthi Sugar Ltd.	-	176444
(22) 5000 Shares of Satyam Computer Services Ltd.	-	489542
(23) 3000 Shares of SRF Ltd.	-	570412
(24) 1500 Shares of Suzlon Energy Ltd.	-	107639
(25) 5000 Shares of Syndicate Bank	-	413972
(26) 80000 Shares of Vardhman Acrylic Ltd	-	909605
(27) 12500 Shares of Westcoast Paper Ltd	-	831548
(C) LONG TERM TRADE INVESTMENTS		
(In Fully paid up Equity Shares (Unquoted))		
(i) 3,70,000 Equity Shares of Chandil Industries Ltd	4340000	3840000
(ii) 40,00,000 Preference Shares of Chandil Industries Ltd	40000000	-
(D) In Debenture		
(i) Benchmark AMC Series-32-NCD-Short Term(Unquoted) of Harsil Projects Pvt. Ltd- a Subsidiary of Unitech Ltd.	4848633	-
	49877253	15383914

ASHIRWAD STEELS & INDUSTRIES LTD.

	CURRENT YEAR 31.03.2011 (In Rupees)	PREVIOUS YEAR 31.03.2010 (In Rupees)
9 LOANS & ADVANCES		
(A) LOANS-Considered Good	30464917	-
(B) ADVANCES:		
Advances recoverable in cash or in kind or for value to be received(Considered Doubtful)	550,000	550,000
Advance Income Tax	2,171,008	2,171,008
Advance for expenses	3,016,183	8,277,722
Advance to employees	167,249	180,949
Advance to Suppliers	42,496,943	48,268,536
Advance for Capital Goods	2,527,902	2,572,000
Balances with Central Excise & VAT authorities	2,982,658	2,014,816
Tax deducted at Source	5,865,541	5,165,650
Income Tax Refundable	468,715	1,291,885
B : DEPOSITS:		
With Sales Tax Department.	10,000	10,000
With other Govt. Departments	4,087,085	4,036,100
Other Deposits	26,615,200	48,656,200
	<u>121,423,401</u>	<u>123,194,865</u>
10 CURRENT LIABILITIES		
Sundry Creditors :		
For Goods	166,932	37,393
For Expenses	9,760,389	18,401,460
For Other Finance	2,344,051	1,595,735
Deferred CST Liability	1,493,257	1,664,369
Deferred VAT Liability	1,114,080	2,246,636
Advance from Customers	4,909,478	4,311,220
Security & Other Deposits	1,998,370	1,878,370
	<u>21,786,557</u>	<u>30,135,183</u>

ASHIRWAD STEELS & INDUSTRIES LTD.

		CURRENT YEAR 31.03.2011 (In Rupees)		PREVIOUS YEAR 31.03.2010 (In Rupees)
11 PROVISIONS				
For Income Tax				
Balance b/d	7746095		13219795	
Less: Adjusted during the Year	243395		7583400	
Add :For the year	<u>687438</u>	8,190,138	<u>2109700</u>	7,746,095
For Staff Gratuity				
Balance b/d	1546793		1167358	
Provision for the Year	229236		379435	
Less: Paid During the year	<u>10700</u>	1,765,329	<u>-</u>	1,546,793
		9,955,467		<u>9,292,888</u>
12 SALES & SERVICE				
Gross Sales	392899483		457,011,187	
Less: Excise Duty	<u>33883759</u>		<u>33,712,901</u>	
Net sales		359,015,724		423,298,286
Service Charges		148,130		154,721
		359,163,854		<u>423,453,007</u>
13 OTHER INCOME				
Interest on F.D with Bank (T.D.S of Rs.3,67,180/-Previous Year 15,38,147 /-)		3,670,181		11,459,797
Interest on Security Deposit (TDS Rs. 45,679/- Previous Year Rs.Nil)		460,515		121,946
Interest on Sale Tax Deposit		-		301,100
Interest on Income Tax Refund		-		125,408
Interest on Loan Given (T.D.S. of Rs.1,54,672/-Previous Year Rs. 12406/-)		1,546,712		124,062
Interest on Debenture		434,796		-
Miscellaneous Income		102,734		30,040
Miscellaneous Reciepts including sale of unusable/Scraped Iron Ore Fines, Coal Fines & Kiln Dust		8,079,944		43,339,917
Sundry Credit Balance Written Back		354,657		1,352,853
Lease Rent (TDS of Rs.1,32,360/- Previous Year Rs.376165/-)		6,000,000		4,200,000
Dividend Income		191,231		419,712
Capital Gains on sale of Investments(Short Term)		918,137		4,590,356
Profit from Speculative Business(Shares)		5,435		6,523
Profit in Trading in Derivatives (F&O) of Quoted Shares.		14,861,420		-
		36,625,763		<u>66,071,714</u>

ASHIRWAD STEELS & INDUSTRIES LTD.

		CURRENT YEAR 31.03.2011 (In Rupees)	PREVIOUS YEAR 31.03.2010 (In Rupees)
14 INVENTORY CHANGE			
Opening Stock			
Finished Goods	16237566		21,021,765
W.I.P	316957		239,938
Iron Ore Fines (Unusable/ Scrap)	<u>2527442</u>	19,081,965	<u>280,042</u> 21,541,745
Less: Closing Stock			
Finished Goods	10210002		16,237,566
W.I.P 393825	316,957		
Iron Ore Fines (Unusable/ Scrap)	<u>1223204</u>	11,827,031	<u>2,527,442</u> 19,081,965
(Increase)/ Decrease in Inventory		<u>7,254,934</u>	<u>2,459,780</u>
15 RAW MATERIALS CONSUMED			
Opening Stock		130,935,774	132,080,780
Add: Purchase		353,085,710	383,176,549
Less: Closing Stock		175,097,724	130,935,774
Consumption		<u>308,923,760</u>	<u>384,321,555</u>
16 MANUFACTURING,SELLING & OTHER EXP.			
Stores and Spares Consumed :Op.Stock	1,233,145		1,002,210
Add : Purchase During the year	2,783,699		3,379,911
Less : Closing Stock	<u>1,269,648</u>	2,747,196	<u>1,233,145</u> 3,148,976
Fuel : Op.Stock	130,935		114,269
Add : Purchase during the year	3,735,910		8,063,328
Less : Closing Stock	<u>115,930</u>	3,750,915	<u>130,935</u> 8,046,662
Power		13,709,483	14,357,614
Salaries,Wages and allowances		7,254,593	7,557,395
Staff Welfare expenses		779,354	1,030,700
Rent		142,150	238,000
Rates & Taxes		544,823	704,249
Auditors' Remuneration			
i) Statutory Audit Fees		40,000	40,000
ii) Tax Audit Fees		15,000	15,000

ASHIRWAD STEELS & INDUSTRIES LTD.

	CURRENT YEAR 31.03.2011 (In Rupees)	PREVIOUS YEAR 31.03.2010 (In Rupees)
iii) Internal Audit Fees	12,000	18,000
iv) Sale Tax Audit	-	3,750
Repair & Maintenance		
i) Factory Building	163,958	363,787
ii) Plant & Machinery	3,425,353	3,911,559
iii) Others	97,351	166,300
Excise Duty on Finished Goods	943,618	1,523,844
Other Manufacturing Expenses	210,000	625,789
Travelling & Conveyance	1,175,688	889,724
Director's Remuneration	242,500	330,000
Miscellaneous Expenses	3,500,484	3,971,376
Vehicle Running Expenses	646,984	750,030
Insurance Charges	142,617	88,131
Commission on Sales	1,250	-
Sales Tax (VAT & C.S.T)	15,937,868	19,487,915
Entry Tax on Purchase	434,195	94,361
Contribution to Provident Funds.	588,722	628,288
Contribution to E.S.I	136,639	120,016
Gratuity	229,236	379,435
Welfare Cess Charges	24,387	20,267
Loss on Disposal of Motor Vehicle	95,794	145,559
Loss in Trading in Derivatives (F&O) of Quoted Shares.	-	4,430,250
	<u>56,992,159</u>	<u>73,086,977</u>
17 FINANCIAL CHARGES		
Interest on :		
(i) Unsecured Loans	-	3,165,359
(ii) Bank Loan/Overdraft	260,802	-
	<u>260,802</u>	<u>3,165,359</u>

ASHIRWAD STEELS & INDUSTRIES LTD.

18. NOTES ON THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

1. Significant Accounting Policies

(i) Basis of accounting

- (a) The Company prepares its accounts under historical cost convention and on accrual basis except otherwise stated, in accordance with the normally accepted accounting principles.
- (b) Revenue from sale of goods is recognized on passage of title to the customers, which generally coincides with delivery. Revenue from services rendered is recognized on rendering of services to the customers.
- (c) Bonus including ex-gratia payable and leave salary payable to the employees, as per consistent practice, are accounted for on cash basis.
- (d) Dividend on Investments in shares and refunds of excise and other levies/taxes are accounted for on acceptance/actual receipt basis.

(ii) Fixed Assets:

Fixed Assets are stated at cost of acquisition net of cenvat and inclusive of freight, duties, and cost of finance during construction period and expenses related to acquisition, installation, erection and commissioning.

(iii) Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Investments are carried and valued at cost. Profit or loss if any on the same are accounted for upon their disposal/Sale.

(iv) Depreciation:

- (a) Depreciation on fixed assets has been provided for on the straight-line method at the rates and in the manner prescribed under schedule XIV of the Companies Act, 1956.
- (b) Depreciation on fixed assets added during the year is provided on Pro-rata with reference to the month of addition/deletion, except for assets costing Rs.5, 000/- or less on which 100% depreciation is provided.
- (c) Depreciation includes amount written off in respect of leasehold properties over the respective lease period.

(v) Valuation of Inventories:

Inventories are valued as under:

Raw Materials	At lower of cost or net realizable value.
Finished goods	At lower of cost (including Excise Duty) or net realizable value.
Work-in-Progress	At lower of cost or net realizable value. Cost includes direct materials, labour cost and manufacturing overheads based on normal operating capacity
Stores & Spares	At lower of cost or net realizable value.
Wastes & Others	At net realizable value.

The cost of inventories comprises of all costs of purchase, Freight, Taxes & Duties costs of conversion and

ASHIRWAD STEELS & INDUSTRIES LTD.

other cost directly attributable to the acquisition thereof. For arriving at the cost of inventories, the FIFO cost formula along with the retail method for measurement of cost has been adopted.

(vi) Retirement Benefits and other Employee Benefits:

- a. Company's contributions to Provident Fund and Employees State Insurance Fund are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.
- b. Provision has been made for the liability on account of Gratuity payable to employees, which is at present the unfunded plan of the company.

(vii) Sales:

Sales are inclusive of VAT and excise duty and shown net of sales returns.

(viii) Other Income:

Interest income on Fixed Deposits is accounted for on accrual basis. Dividend and other interest income are accounted for as and when received.

(ix) Excise Duty:

Excise Duty is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factory as on the Balance Sheet date.

(x) Contingent Liabilities:

Contingent Liabilities that are not provided for have been disclosed by way of Notes to the Accounts.

(xi) Income tax:

Provision for Tax comprises of both current and deferred taxes. Deferred tax is accounted for by computing the tax effect of timing differences which arise during the year and reversal of timing differences of earlier years, subject to consideration of prudence. Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted on the Balance Sheet date.

(xii) Borrowing costs:

The borrowing costs other than relating to the acquisition / construction of assets are recognised as an expense in the financial accounts.

2. PRODUCTION DATA:

		LICENCED CAPACITY		INSTALLED CAPACITY		PRODUCTION/ BOTTLING		
		Unit	Current Year 31.03.11	Previous Year 31.03.10	Current Year 31.03.11	Previous Year 31.03.10	Current Year 31.03.11	Previous Year 31.03.10
(a)	Sponge Iron	Mt	N.A.	N.A.	96000	96,000	24018	33141

ASHIRWAD STEELS & INDUSTRIES LTD.

(b) Bottling /
Trading of

	Mt	N.A.	N.A.	N.A.	N.A.	NIL	NIL
L.P.Gas							
3. RAW MATERIALS CONSUMED :							
		CURRENT YEAR 2010-2011		PREVIOUS YEAR 2009-2010			
	QTY(MT)	AMOUNT (Rs.)		QTY(MT)	AMOUNT (Rs.)		
Iron Ore	51908	191761192		74791	188369314		
Coal	45000	115794233		80982	194432258		

Dolomite	1674	1368335	1870	1519983
		308923760		384321555

4.

INVENTORIES :				
	Current Year 2010-2011		Previous Year 2009-2010	
	Qty(MT)	Value (Rs.)	Qty(MT)	Value (Rs.)
Opening Stock:				
L.P Gas (Filled Cylinders)	5.300	233200	11.200	403200
Sponge Iron	1062.605	16004366	1878.920	20618565
Work in Progress (Sponge Iron)	16.500	316957	20.750	239938
TOTAL		16554523		21261703
Purchase (Traded Goods):				
L.P Gas (Filled Cylinders)	238.840	10909946	244.460	9436177
TOTAL		10909946		9436177
Sales :				
L.P Gas (Traded Goods) (Filled Cylinders)	236.989	13237988	246.070	11928247
Sponge Iron	24453.735	379661495	33957.315	445082940
TOTAL		392899483		457011187
Closing Stock:				
L.P Gas* (Filled Cylinders)	2.040	105040	5.300	233200
Sponge Iron	626.870	10104962	1062.605	16004366
Work in Progress (Sponge Iron)	28.500	393825	16.500	316957

ASHIRWAD STEELS & INDUSTRIES LTD.

TOTAL

10603827

16554523

* After adjustment of shortage/ excess.

5. **Related Party Disclosure:**
The Company has entered into transaction with related parties. The details of which are as follows:

Sl. No.	Name of the related party	Relationship	Nature of transaction	Amount (Rs.) (Lacs)	Balance Rs.(Lacs) as on 31.3.11
1.	Dalbir Chhibbar	Key Management Personnel (Managing Director)	Remuneration Paid	1.80	Nil
2.	Dev Kumar Mishra	Director	Remuneration Paid	0.63	NIL
3.	Chandil Industries Ltd.	Enterprise over which key management personnel exercise significant influence.	Invested in: i) Equity Shares ii) Preference Shares	43.40 400.00	43.40 400.00

6. **Lease:**

The Company has leased its RLHG/LPG Bottling Plant in the WBIIDC land located at ULUBERIA, Howrah, (W. Bengal) along with all existing building, structures and equipment, storage bullets, piping etc. situated on the same land and the plant and machinery and other immovable assets with effect from 21.3.2000. The Lease Period expired on 31.03.2010 and the same has been renewed / extended up to 31.03.2013. The requirement of disclosure under AS 19 in respect of Lease is not applicable as it comes into effect in respect of asset leased during accounting periods commencing on or after 1.4.2001 only.

7. **Earning Per Share:**

		2010-11	2009-10
(i)	Profit after tax (Rupees)	583,581	3,517,835
(ii)	Weighted Average No. of Equity Shares of Rs.10 each Face Value	12,500,000	12,500,000

ASHIRWAD STEELS & INDUSTRIES LTD.

(iii)	Face value per Equity Share(Rupees)		Rs.10/-	Rs.10/-
(iv)	Earnings Per Share (Rupees. & Paisa)		0.05	0.28
8.	Deferred Tax Liability/ (Asset): Income Tax			
		Deferred tax Liability as at 01.04.10 (Rs.)	Current year charge/(Credit) (Rs.)	Deferred tax Liability as at 31.03.11 (Rs.)
(i)	Due to difference in Book and tax depreciation Rates.	2,80,56,428	(7,71,475)	2,72,84,953
<p>In accordance with the requirement of Accounting Standard (AS) 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the deferred tax asset of Rs. 7,71,475/- for the year has been recognized in the Profit & Loss Account for the year.</p>				
9.	During the year, in terms of accounting standard AS-28 issued by the Institute of Chartered Accountants of India on 'Impairment of Assets', the company has determined that there was no potential impairment loss in respect of its assets.			
10.	Managing Director's Remuneration for the year is Rs.1,80,000/- (Previous year Rs.1,80,000/-)			
11.	Contingent Liabilities:			
a)	Bank Guarantees issued by the Citi Bank in favour of Third Parties on behalf of the company amounts to Rs.1,10,30,639/- counter guaranteed by the company Rs. 1,10,30,639/- (previous year Rs.1,11,02,997/-). These Bank guarantees are covered by charge created in favour of the Bankers by way of lien on Fixed Deposits held with the said bank.			
b)	Claims not acknowledged by company are relating to the following areas:			
			2010-11 (Rs.)	2009-10 (Rs.)
(i)	Purchase Tax (VAT) on Coal Purchase (Out of which the company has paid Rs.15,08,911/- under protest).		3,017,821	3,017,821
(ii)	Income Tax (Pending before Appellate authorities in respect of which the company is in appeal.)		1,579,364	1,579,364
(iii)	CENVAT on capital goods disputed by the company pending in appeal (Out of which Rs.12,37,767 has been paid)		24,75,534	Nil
12.	The debtors and creditors balances are subject to confirmation by the parties.			

ASHIRWAD STEELS & INDUSTRIES LTD.

13. Raw material consumption includes only consumption of indigenous raw materials.
14. C.I.F. Value of imports, and earning in foreign exchange Rs. Nil (previous year Rs. Nil)

15. Expenditure in Foreign Currencies:	Year	Year
	2010-11 (Rs.)	2009-10 (Rs.)
Travel Expenses	5, 55,428/-	1, 62,256/-

16. Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (net of advance payment) Nil (Previous year Rs.3, 25,457/-)
17. There were no dues outstanding to any Small Scale Industrial Undertaking to whom the Company owed a sum exceeding Rs.1, 00,000/- and which is outstanding for more than 30 days as at 31st March, 2011.
18. Deposits include National Savings Certificates and Post Office Savings Deposit pledged with:
(i) Commercial Tax Authorities Rs.10, 000/- (Previous year Rs.10, 000/-)
(ii) Mining Licensing Authorities Rs.55, 000/- (Previous year Rs.10, 000/-)
19. Based on market value of the Company's investments as on 31.3.2011, there was no demerit in value of shares and hence no provision for the same has been made in the accounts.

20. ~~The company has invested in unquoted Equity and Preference Shares of a company under the same management as stated below:~~

Name of the Company	No. of Shares held	Invested amount (Rs in Lacs)
Chandil Industries Ltd.	3,70,000 (Equity)	43.40
Chandil Industries Ltd.	40,00,000 (Preference)	400.00

21. Working Capital facilities with HDFC bank are secured by the first charge over the stocks, book debts, plant & machinery and other fixed assets of Jamshedpur unit of the company.
22. Previous year's figures have been re-grouped and re-classified wherever necessary to conform to current year's classifications.

Signature to Schedules 1 to 19

As per our attached report of even date.

For **A Pradhan & Associates**
Chartered Accountants

PURANMAL AGARWAL: **Chairman**

Place: Kolkata
Dated: 31st May, 2011

A .Pradhan
Proprietor
Membership No: 053543

DALBIR CHHIBBAR: **Managing Director**

ASHIRWAD STEELS & INDUSTRIES LIMITED

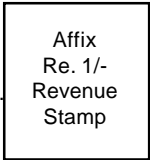
Registered Office :
6, Waterloo Street, Suite No. 506, 5th Floor
Kolkata - 700 069

I/We.....of.....
.....being a member / members
.....of.....
.....or failing him/her.....of.....

as my / our proxy to vote for me/us or my/our behalf at the 25th Annual General Meeting of the Company to be held on Monday the 19th September, 2011 at 10.30 a.m. at 6, Waterloo Street, Suite No. 506, Kolkata - 700 069 and at any adjournment thereof.

Signed this.....day of.....2011

Signature.....



NOTE : PROXIES MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.

**ASHIRWAD STEELS & INDUSTRIES LIMITED
ATTENDANCE SLIP**

- 1. Name of the attending member.....
(in Block Letters)
- 2. Member's Account Number.....
- 3. Name of the Proxy (in Block Letters to be filled in if the Proxy attends instead of the Member)
.....

No. of Shares.....

I hereby record my presence at the 25th Annual General Meeting of the above Company on Monday, the 19th September, 2011.

* To be signed at the time of handing over this slip.

Member's / Proxy's Signature

BOOK - POST

If undelivered please return to :

Niche Technologies Pvt. Ltd.

D-511, Bagree Market

71, B.R.B.B. Road, Kolkata - 700 001

Phone : (033) 2235 7270 / 71

Fax : (033) 2215 6823

25th
annual
report
FOR THE YEAR ENDED
31ST MARCH 2011



ASHIRWAD STEELS

& INDUSTRIES LIMITED