

GUJARAT TOOLROOM LIMITED

**26th ANNUAL REPORT
2009-10**

26TH ANNUAL REPORT 2009-10

Board of Directors : Shri Devang J Gadoya Director
Shri Kalpesh J. Jariwala Director
Smt. Sangita D. Gadoya Director
Shri Hemantparvat K. Goswami Director

AUDITORS M/s. Shyam Sunder & Associates
Chartered Accountants
Ahmedabad

REGISTERED OFFICE A-61, Dhaval Avenue,
B/h Associated Petrol Pump,
Panchvati, Off C.G. Road,
Ahmedabad – 380 009.
E-MAIL: gujtoolroom@gmail.com

REGISTRAR FOR TRANSFER Sharepro Services (India) Pvt Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyash Ashram, Ellisbridge,
AHMEDABD-380006
Email Id: sharepro@shareproservices.com

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GUJARAT TOOLROOM LIMITED

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of Gujarat Toolroom Limited will held on Monday, the 27th September, 2010 at 12.00 Noon at Ground Floor, Dhaval Avenue, B/h Associated Petrol Pump, Panchvati, Off C.G. Road, Ahmedabad – 380 009 to transact the following business:

ORDINARY BUSINESS:

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

Registered Office:

A-61, Dhaval Avenue
B/h Associate Petrol Pump, Panchvati
Off. C.G. Road, Ahmedabad – 380 009
Date : 12/08/2010

By Order of the Board of Directors

Devang J. Gadoya
Chairman

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT TO BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to Section 154 of the Companies Act, 1956, Register of Members and shares Transfer Books of the Company will remain closed from **Monday, 20th September, 2010 to Monday, the 27th September, 2010 (both days inclusive)**.
3. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
4. Members are requested to:
 - a) Intimate, if shares are held in the same name or in the order and names, but in more than one account to enable the Company to club the said accounts into one account.
 - b) Notified immediately the change in their registered address, if any, to the Company.
5. The Equity Share of the Company are available for dematerialization, as the Company has entered into Agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. **The ISIN No. of the Equity Shares is INE145J01016.**

Brief resume of the Director seeking re-election at the 26th Annual General Meeting

Name	Mr. Devang J. Gadoya
Age (Date of Birth)	08/09/1966
Date of Appointment	23/03/2009
Qualification and experience in specific functional area	Graduation in Commerce, having good experience of administration, marketing and taxation
Directorship held in other companies	None*
Membership/Chairmanships of Committee in other Public Companies	None

*Pvt. Ltd. company excluded.

Registered Office:

A-61, Dhaval Avenue
B/h Associate Petrol Pump, Panchvati,
Off C.G. Road, Ahmedabad – 380 009
Date : 12/08/2010

By Order of the Board of Directors

Devang J. Gadoya
Chairman

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DIRECTORS' REPORT

Dear Shareholders,

The Directors present the 26th ANNUAL REPORT together with the Audited Statement of Account for the Financial Year 2009-10 ended on 31st March, 2010.

1. FINANCIAL PERFORMANCE :

	(Rs. in Lacs)	
	<u>2009-10</u>	<u>2008-09</u>
Sales	Nil	132.36
Other Income	0.28	2.04
Total Income	0.28	134.40
Less: Expenses	2.25	176.53
Operating Profit / (Loss)	(1.97)	(42.13)
Less: Interest	-	1.65
Depreciation	0.38	0.99
Profit/ Loss before Tax	(2.35)	(44.77)
Less: Taxation for the year (Fringe Benefit Tax)	-	-
Net Profit / (Loss) after Tax	(2.35)	(44.77)
Balance brought forward	(197.68)	(152.91)
Balance Carried to Balance-Sheet	<u>(200.03)</u>	<u>(197.68)</u>

2. OPERATIONS OF THE COMPANY:

During the year under review, the company has not made any sale against sales of Rs.132.36 lacs in the previous year. Your company has suffered an Operating Loss of Rs.1.97 lacs and Net Loss of Rs.2.35 lacs.

In view of the loss suffered by the Company, your Directors express their inability to recommend dividend for the year under review.

3. DEPOSITS:

During the year under report, the Company has not accepted any deposit to which the provisions of Section 58A of the Companies Act, 1956 are applicable.

4. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement of 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, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. that the Directors have 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 31st March, 2010 being end of the financial year 2009-10 and of the Profit of the Company for the year.
- iii. that the Directors have taken proper and sufficient care for 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 annual accounts on a going concern basis.

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5. PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

1. CONSERVATION OF ENERGY :

- A. Energy Conservation measures taken: The Company gives top most priority to energy conservation.
- B. Additional investment and proposal if any being implemented for reduction in consumption of energy : NIL
- C. Energy consumption in terms of electricity, LDO and Gas NIL.
- D. Total energy consumption and energy consumption per unit of production: NIL.

2. TECHNOLOGY ABSORPTION :

- A. Adoption and innovation : N.A.
- B. Research and development (R & D) : NIL

3. FOREIGN EXCHANGE EARNINGS AND OUT GO : NIL

6. PARTICULARS OF EMPLOYEES:

There is no person drawing remuneration requiring disclosure under Section 217(12-A) of the Companies Act, 1956.

7. DIRECTORS:

One of your Directors Mr. Devang J. Gadoya retires by rotation in terms of Articles of Association of the Company, he however, being eligible, offers himself for reappointment.

8. AUDITORS:

The present Auditors of the Company M/s Shyam Sunder & Associates, Chartered Accountants, Ahmedabad were appointed as Auditors and will retire at the ensuing Annual General Meeting. Shyam Sunder & Associates, Chartered Accountants having firm registration no.130197W as per ICAI, submitted certificate for his eligibility for appointment under Section 224(1B) of the Companies Act, 1956. The notes, and remarks of Auditors' are self-explanatory.

9. COMPLIANCE CERTIFICATE :

The Company has obtained Compliance Certificate under the provisions of section 383A of the Companies Act, 1956 from M/s Khandelwal Devesh & Associates, Company Secretaries and the same is attached with this Report as annexure.

10. LISTING :

The Equity shares of the Company are listed on Ahmedabad and Mumbai Stock Exchanges. The Company has paid Annual Listing Fees of Bombay Stock Exchange Ltd. up to the year 2010-11 and listing fees of Ahmedabad Stock Exchange is outstanding. The Company is regular in complying with the Listing Agreement entered into with the Stock Exchange.

11. DEMATERIALISATION OF EQUITY SHARES :

To facilitate holding of securities in dematerialized / electronic form, the Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Thus, shareholders have an option to dematerialize their shares with either of the depositories. The ISIN No. allotted is INE145J01016.

12. CORPORATE GOVERNANCE :

The Report on Corporate Governance required under Clause 49 of the Listing Agreement is annexed hereto.

13. ACKNOELEDGEMENT :

Your Directors express their sincere gratitude for the assistance and co-operation extended by Promoters, Banks, Government Authorities, Employees and Shareholders.

For and on behalf of the Board of Directors

DEVANG J. GADOYA
Chairman

Place : Ahmedabad
Date : 12/08/2010

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Co. Reg. No. : L29199GJ1983PLC006056

Nominal Capital: Rs.5,00,00,000/-

COMPLIANCE CERTIFICATE

To,
The Members of the Company
GUJARAT TOOLROOM LTD.
Ahmedabad.

We have examined the registers, records, books and papers of **GUJARAT TOOLROOM LTD.**, as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2010**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all entries have been duly recorded.
2. The company has duly filed forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under and with additional fees in case of delay, if any.
3. The Company being Limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met Six times on 22/06/2009, 29/07/2009, 25/08/2009, 31/10/2009, 30/01/2010 and 23/03/2010 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose. No circulation resolutions were passed during the year under consideration.
5. To update the Register of Members for the purpose of AGM, the company has closed its Register of Members and Share Transfer Books from 25/09/2009 to 30/09/2009 (both days inclusive) during the financial year.
6. The Annual General Meeting for the financial year ended on 31/03/2009 was held on 30/09/2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minute book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year.
8. As informed by the Management, during the year under review, the Company not advanced any loan to its directors, or persons or firms or companies referred to under section 295 of the Act.
9. As informed by the Management, during the year under review, the company has not entered into transaction under the provisions of section 297 of the Act.
10. According to the information and explanation given to us, there were no transactions during the year which required necessary entries of particulars of contracts/arrangements referred to in section 301 of the Act in the register required to be maintained under that section.
11. No transaction was entered into by the Company during the year requiring approval under section 314 of the Act.
12. Fourteen Duplicate share certificates were issued during the year.
13. The Company has;
 - i) delivered all the share certificates lodged with it for transfer in accordance with the provisions of the Act;
 - ii) not declared any dividend for the Year ended on 31.03.2010;
 - iii) not required to post warrants to any members of the Company as no dividend was declared during the year;
 - iv) no such unclaimed / unpaid amount required to be transferred to Investors Education and Protection Fund;
 - v) duly complied with the requirements section 217 of the Act.
14. The Board of Directors of the company is duly constituted. During the year two directors ceased to be director of the Company and there was one appointment of Director in last AGM. Apart from this there were no appointments of Additional Director, Alternate Directors and Directors to fill casual vacancies during the financial year.
15. The Company has not appointed Managing Director/Whole time Director/Manager during the financial year under review.

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16. No sole selling agent was appointed during the year.
17. The Company was not required to obtain necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authority as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued equity shares, debentures and other securities during the financial year.
20. The Company has not bought back any shares during the year.
21. The Company has not issued any preference shares/debentures and therefore redemption of the same does not arise.
22. The Company has not kept any rights to dividends or right/bonus shares in abeyance during the year.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The borrowings of the Company is within the limits as prescribed under section 293(1)(d) of the Act.
25. The Company has not made loan or advances or made investments or given guarantee or provided securities to other bodies corporate during the year under review.
26. The company has not altered the provisions of the Memorandum of Association with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of Memorandum of Association with respect to the name of the company during the year under scrutiny.
29. The company has not altered provisions of Memorandum of Association respect to the Share Capital of the company during the year under scrutiny.
30. The company has not altered Articles of Association during the year under scrutiny.
31. As per the information provided by the management of the company, no prosecutions were initiated against the company and no show-cause notices were received by the company for alleged offences under the Act and no fines, penalties and punishments were imposed on the company in any cases as per information and explanations received from the management.
32. The company has not received any money as security from its employees during the year under certification.
33. The Company has not deducted any contribution towards provident fund during the year since the provisions of section 418 of the Act are not applicable to the Company as informed by the management.

For, **Khandelwal Devesh & Associates**
Company Secretaries

Place : **Ahmedabad**
Date : **12/08/2010**

Devesh Khandelwal
Proprietor
M. No. : 12372
COP No. : 4202

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Annexure A Registers as maintained by the Company:

Sr No.	Section	Name of the Register
1.	150	Register of Members
2.	143	Register of Charges
3.	193	Minutes of meeting of Board of Directors
4.	193 (1)	Minutes of General Meetings
5.	301	Register of Contracts
6.	303	Register of Directors
7.	307	Register of Director's Shareholding
8.		Register of Transfers

Annexure B Forms and returns as filed by the company with the Registrar of Companies, Regional Director,

Sr. No	Description of Document	Filed under Section	Date of Filing and SRN.No.	Whether filed under prescribed time (Yes/No)	If delay in filing whether requisite additional fee paid
1	Form 32 (Change in designation)	303	30/11/2009 A73579062	No	Yes
2	Form 32 (Appointment)	303	27/11/2009 A73528564	No	Yes
3	Form 32 (Ceasing)	303	26/08/2010 A68031574	Yes	No
4	Form 32 (Appointment and Resignation)	303	---	Yes	No
5	Form 23AC/ACA (2008-09)	220	12/02/2010 P45710779	No	Yes
6	Form 20B (2008-09)	159	10/02/2010 P45672847	No	Yes
7	Form 66 (2008-09)	383A	09/02/2010 P45650033	No	Yes
8	Form 18	146	26/08/2010 A68031889	Yes	No

For, Khandelwal Devesh & Associates
Company Secretaries

Place : Ahmedabad
Date : 12/08/2010

Devesh Khandelwal
Proprietor
M. No. : 12372
COP No. : 4202

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Developments:

The core area of the Company is syringe moulding and manufacturing of moulds. The Company now does not see bright future for those manufactures who are operating at smaller level. The competition in this field has increased and now major players are influencing the market. Therefore now management is looking for various other opportunities of business and even exploring for diversification in other area none related to present line of business.

b. Opportunities and Threats :

The management does not see major opportunity in the field of syringe moulding and manufacturing of moulds for those who are operating at smaller level. The Company is not doing well in the present line of its business and exploring the possibility of diversification. The present business requires good amount of working capital and your Company is operating at very lower level of working capital and such shortage of working capital effecting adversely to the Company. The management therefore is doing exercise for diversification and after zeroing on such new business; the management will approach the shareholders for their necessary approvals and will also explain them about the opportunities and threats of any such new activity.

c. Segment wise Performance :

The Company's primary business is syringe Moulding and manufacturing moulds.

d. Recent Trend and Future Outlook :

The market seems to be looking up for those who are operating at larger level and do not seems bright for smaller players.

e. Risks and Concerns :

Like any other industry this industry is also exposed to risk of competition. Volatility in prices of commodities like metals etc. also increases risks of profit margin.

f. Internal Control Systems and their Adequacy :

The Company has adequate systems of internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business.

g. Financial Performance with respect to operational performance :

The Financial performance of the Company for the year 2009-10 is described in the Directors' Report under the head operations.

h. Material Developments in Human Resources and Industrial Relations Front :

Presently the Company is not having any employee on its pay roll.

i. Cautionary Statement :

Statement in this Management Discussion and Analysis Report, Describing the Company's objectives, estimates and expectations may constitute Forward Looking Statements within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board of Directors

Place : Ahmedabad
Date : 12/08/2010.

DEVANG J. GADOYA
Chairman

ANNEXURE 'B'
REPORT ON CORPORATE GOVERNANCE

1) COMPANY 'S PHILOSOPHY ON CODE OF GOVERNANCE

Your company has always believed in the concept of good Corporate Governance Involving a high level of transparency, accountability and responsibility in all areas of its operations to ensure investors protection. Your Company has made necessary Changes in the system and procedures required for effective control, for the steady Growth of the Company and to increase the value for all stakeholders Mandatory Provisions of corporate Governance as stipulated under listing agreements of Stock Exchanges are being complied with.

2) BOARD OF DIRECTORS**a) Composition and category of Directors**

Name of Directors	Designation	Category	No of other Directorship held	No of Board Committee Memberships held	No of Board Meetings Attended out of 8	Attendance at the last Annual General Meeting
Mr. Devang J. Gadoya	Chairman-Director	Independent Non-Executive	1	Nil	6	Yes
Mr. Kalpesh J. Jariwala	Director	Independent Non-Executive	-	Nil	6	Yes
Mrs. Sangita D. Gadoya	Director	Independent Non-executive	1	Nil	5	Yes
Mr. Hemantparvat K. Goswami (w.e.f. 25/08/2009)	Director	Independent Non-executive	Nil	Nil	4	Yes
Mr. Saurabh N. Kinariwala (upto 25/08/2009)	Director	Promoter Non-Executive	4	Nil	2	No
Smt. Nirali A. Gandhi (upto 25/08/2009)	Director	Independent Non-Executive	1	Nil	2	No

b) Brief resume of the Director seeking re-election/appointment:

Brief resume of the Director seeking re-election at the 26th Annual General Meeting

Name	Mr. Devang J Gadoya
Age (Date of Birth)	30/09/1966
Date of Appointment	23/03/2009
Qualification and experience in specific functional area	Graduation in Commerce having good experience of administration, marketing and taxation,
Directorship held in other companies	None*
Membership/Chairmanships of Committee in other Public Companies	None

*Pvt. Ltd. company excluded.

c) Board Procedure;

The Board of Directors meets atleast once a quarter to review the performance and Financial Results. A detailed agenda file is sent to all Directors well in time of the Board Meetings. The Chairman/Director briefs the Directors at every Board Meeting about the overall performance of the Company. All major decisions/Approvals are taken at the Meeting of the Board of Directors such as policy formation, Business plans, budgets, investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors during the financial year 2009-10 was held on 22/06/2009, 29/07/2009, 25/08/2009, 31/10/2009, 30/01/2010 and 23/03/2010.

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3) AUDIT COMMITTEE

The said committee comprises of three non-executive directors with all of them being independent.

The composition of the Audit Committee is as under.

Name of the Director	Category	Remarks
Mr. Devang J. Gadoya	Independent Non-Executive	Chairman
Mr. Hemantparvat K. Goswami	Independent Non-Executive	Member
Mr. Kalpesh J. Jariwala	Independent Non-Executive	Member

Terms of reference:

The terms of reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement.

During the Year, five meetings of the Committee were held on 19th June 2009, 27th July 2009, 22nd August, 2009, 29th October, 2009 and 28th January, 2010 which were attended by majority of the members of the committee.

4) SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee ensures the effective redressal of the Complaints of the investors. The Committee also recommends steps to be taken for further Implementation in the quality and services to the investors. Composition of the Investors' Grievance Committee

Name of Directors	Category	Remarks
Mr. Kalpesh J. Jariwala	Independent Non-Executive	Chairman
Mr. Devang J. Gadoya	Independent Non-Executive	Member

The Company received NIL complaints during the year. There was no valid request for transfer of share pending as on 31st March, 2010.

Shri Hemantparvat K. Goswami, Director is the Compliance Officer for the above purpose.

5) REMUNERATION COMMITTEE

Name of Directors	Category	Remarks
Mr. Hemantparvat K. Goswami	Independent Non-Executive	Chairman
Mr. Devang J. Gadoya	Independent Non-Executive	Member

Details of Remuneration/sitting fees paid

There was no Executive Director during the year under report, hence no salary to any director. No sitting fee has been given to any of the director during the year under report.

6) GENERAL BODY MEETING

The location and time of the last three Annual General Meetings are as under.

AGM	Date	Time	Venue
23 rd	18/08/2007	10.00 a.m	86/4, Phase-1, G. I. D. C. Vatva Ahmedabad-382445
24 th	23/08/2008	10.00 a.m	S/52, Municipal Ind. Estate, Bapunagar, Ahmedabad-380024
25 th	30/09/2009	2.00 p.m	Ground Floor, Dhaval Avenue, B/h. Associated Petrol Pump, Panchvati, Off C. G. Road, Ahmedabad-380009

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There was no special resolution passed by the Company at the previous AGM.

Pursuant to the provisions of Sections 192 A of the Companies Act, 1956, there was no matter during the year 2009-10, required to be dealt by the Company to be passed through postal ballot.

7) DISCLOSURES

- a) There was no transaction of material nature with Management or with the Directors of the Company during the year.
- b) There was no instance of Non-compliance of any matter related to the capital markets during the last three years.
- c) All the statutory registers that are required to be maintained, particularly Register of Contracts in which Directors have interests, Register of Director's Shareholdings, Register of Investments etc. are maintained and continuously updated.

8) MEANS OF COMMUNICATION

During the year, quarterly and Annual Financial results (Unaudited) of the company were submitted to the Stock Exchanges immediately after the Board meeting approved the same and Western Times (English and Gujarati).

9) FINANCIAL CALANDER FOR FINANCIAL YEAR 2010-11

Financial year	1 st April, 2010 to 31 st March, 2011
Results for the first quarter ending 30 th June, 2010	First Week of August, 2010
Results for the second quarter ending 30 th September, 2010	Last Week of October, 2010
Results for the third quarter ending 31 st December 2010	First Week of February, 2011
Result for the year ending 31 st March, 2011	First Week of May, 2011
Annual General Meeting	August/September, 2011
Annual General Meeting for the year 2009-10	27 th September 2010
Place of 26th AGM	Ground Floor, Dhaval Avenue, B/h Associated Petrol Pump, Panchvati, Off C. G. Road, Ahmedabad - 380 009.
Date of Book-Closure	20 th September 2010 to 27 th September 2010 (Both days inclusive)
Dividend Payment date	Not Applicable

Listing on Stock Exchange : Ahmedabad and Mumbai

Stock Code : ASE : 22800
BSE : 513337

10) MARKET PRICE DATA

Market price data of Bombay Stock Exchange Limited, Mumbai for the year 2009-2010 is given below:

Month	High	Low	Volume
April, 2009	13.00	11.17	2200
May, 2009	-	-	-
June, 2009	-	-	-
July, 2009	10.46	8.97	188800
August, 2009	14.01	9.66	803600
September, 2009	17.87	12.20	424400
October, 2009	13.45	10.00	249100
November, 2009	14.30	10.25	107800
December, 2009	12.28	10.26	51000
January, 2010	11.56	9.80	104800
February, 2010	14.80	10.04	31800
March, 2010	14.70	9.25	23100

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11) DISTRIBUTION OF SHAREHOLDINGS AS ON 31st March, 2010

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholdings
Up to 500	12429	95.39	1720200	49.48
501-1000	369	2.83	309300	8.90
1001-2000	125	0.96	191200	5.59
2001-3000	27	0.21	69700	2.00
3001-4000	16	0.12	58100	1.67
4001-5000	23	0.18	108100	3.11
5001-10,000	20	0.15	153700	4.42
Above 10,000	21	0.16	863200	24.83
TOTAL	13030	100.00	3476800	100.00

12) CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH 2010

Category	No. of Share held	% of Shareholding
Promoters & PAC	Nil	Nil
Financial Institutions/ Banks	Nil	Nil
Mutual Fund	77500	2.23
Bodies Corporate	530100	15.25
NRIs	61500	1.77
Public	2807600	80.75
Grand Total	3476800	100.00

13) SHARE TRANSFER SYSTEM

The Company has appointed the below mentioned agency as Registrar and Share Transfer Agent (RTA) for both physical and Demat segment of equity shares of the Company.

Sharepro Services (India) Pvt Ltd.

416-420, 4th.Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, AHMEDABD-380006

Tel Nos.079 26582381/82/83/ 84 Fax No. 079 26582385 Email Id: sharepro@shareproservices.com

14) DEMATERIALISATION OF SHARES

The company has entered into Agreement with NSDL/CDSL for Dematerialization of Shares. As on 31st March, 2010, a total of 1307100 Shares of the Company which is 37.59% of the share Capital of the Company stands dematerialized. **The ISIN No. of the Company is INE145J01016.**

15) REGISTERED OFFICE LOCATION:

The Registered Office of the Company is located at;

A-61, Dhaval Avenue, B/h Associated Petrol Pump, Panchvati, Off C.G. Road, Ahmedabad – 380 009.

Tel. Nos. :- 079-32448619, 32448620 Email :- gujtoolroom@gmail.com

16) ADDRESS FOR CORRESPONDENCE

For both Physical and Electronic Form :

Sharepro Services (India) Pvt Ltd.

416-420, 4th.Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, AHMEDABD-380006

Tel Nos.079 26582381/82/83/ 84 Fax No. 079 26582385 Email Id: sharepro@shareproservices.com

For any assistance regarding correspondence dematerialization of shares, share transfers, transactions, change of address, non-receipt of divided or any other query, relation to shares;

A-61, Dhaval Avenue, B/h Associated Petrol Pump, Panchvati, Off C.G. Road, Ahmedabad – 380 009.

Tel. Nos. :- 079-32448619, 32448620 Email :- gujtoolroom@gmail.com

Compliance Officer: Mr. Hemantpravat K. Goswami

For and on behalf of the Board

Place : Ahmedabad
Date : 12/08/2010.

DEVANG J. GADOYA
Chairman

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct:

In terms of the requirements of the amended Clause 49 of the Listing Agreement, this is to confirm that all Directors of the Board of Directors have affirmed compliance with the Code of Conduct for the year ended 31st March, 2010.

Date: 12-08-2010
Place: Ahmedabad

For and on behalf of the Board
Chairman

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members
GUJARAT TOOLROOM LIMITED
Ahmedabad

We have examined the compliance of conditions of corporate governance by GUJARAT TOOLROOM LIMITED for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was Limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the corporate governance. 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 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 Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India. We have to state the Company has maintained records to show investor's grievance against the company and have certified that as on 31st March, 2010, there were no investor grievance remaining unattended/ pending for a period exceeding one month.

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

FOR **Shyam Sundar & Associates**
Chartered Accountants

PLACE : AHMEDABAD
DATE : 12/08/2010

Shyam Sundar
Proprietor
M. No. 128896

GUJARAT TOOLROOM LIMITED

AUDITORS' REPORT

To
The members of
GUJARAT TOOLROOM LIMITED
AHMEDABAD.

1. We have audited the attached Balance Sheet of GUJARAT TOOLROOM LIMITED as at 31st March 2010, and also the Profit and Loss Account and the Cash Flow Statement 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 the 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 and Companies (Auditors Report) (Amendment) order 2004 thereon 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;
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
 - iii. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with this Report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v. On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other notes thereon, given the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
 - (b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.
 - (c) In the case of the Cash Flow statement, of the cash flows for the year ended on that date.

FOR SHYAM SUNDER & ASSOCIATES
Chartered Accountants,
(Firm No. 130197W)

[SHYAM SUNDER]
PROPRIETOR
M.No.128896

Place : Ahmedabad.
Date : 12/08/2010

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Annexure to the Auditor's Report referred to in paragraph 1 our report of even date:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification;
- (c) *The company has not disposed off any of the fixed asset during the year which effects the continuation of the company*
- (ii) (a) In our opinion, physical verification of inventory has been conducted by the management at reasonable intervals;
- (b) The procedures of physical verification of inventories followed by the management 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 and no material discrepancies were noticed on physical verification.
- (iii) (a) The company has not granted unsecured loans to the companies, firm or other parties covered in the register maintained under section 301 of the Act. The details of the parties and amount involved in the transaction are below:
- | | | |
|----------------------------|---|-----|
| Number of Parties involved | — | Nil |
| Loans granted | — | Nil |
- (b) *The company has not taken any unsecured loans from the companies, firms or other parties covered in the register maintained under section 301 of the Act during the year. Hence specific comment upon the other sub-clause of this clause is not applicable.*
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) According to the information and explanation given to us, there were no transactions during the year which required necessary entries of particulars of contractors arrangements referred to in section 301 of the Act in the register required to be maintained under that section.
- (vi) The Company has not accepted deposits from the public within the meaning of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under and we have informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vii) As per the information given to us and verification made by us the company has implemented proper internal check system with in the organization commensurate to nature of its business. In our opinion the system implemented is found adequate looking to the size of the company.
- (viii) The maintenance of cost records to the company has been not prescribed by the Central Government under Clause (d) of sub section (1) of the section 209 of the Act.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, cess and other material statutory dues applicable to it.
- (b) There were no disputes and forum where dispute is pending, on account of which the income tax Custom tax/wealth tax/service tax/excise duty/cess has not deposited.
- (x) There are accumulated losses in the company as on 31.03.2010. However the company has made cash loss of Rs. 2, 24,977/- and the company has accumulates losses of Rs. 1,97,68,034/- incurred in the immediately preceding

GUJARAT TOOLROOM LIMITED

financial years. The accumulated loss incurred during the year is not more than fifty percent of the net worth.

- (xi) Based on our audit procedure and according to the information and explanation given to us, the Company has not obtained any loan from financial institutions or banks. Further the Company has not issued any debentures.
- (xii) On the basis of the information and explanation given to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the company is not nidhi/mutual benefit fund/society/chit Fund Company. Therefore the provisions of clauses 4 (xiii) of the companies (Auditors' Report) , 2003 are not applicable to the company.
- (xiv) On the basis of examination of books and records of the company and information and explanation given by the management the company is not dealing or trading in shares, securities, debentures and other securities with a view to make profit, hence information with regard to other point is not applicable.
- (xv) As per the information provided to us the company has not given any guarantees for loans taken by others from bank or financial Institutions.
- (xvi) The company has not borrowed any term loans during the year, hence specific comment upon this clause not applicable.
- (xvii) In our opinion on the basis of our verification the funds are utilized for the purpose they borrowed, no funds borrowed on short-term basis have been utilized for long term and vice-versa.
- (xviii) During the year the company has not allotted any shares to parties and companies covered in the Register maintained under section 301 of the Act, .
- (xix) The company has not issued any debentures during the year specific comment upon the creation of securities in respect of debentures not applicable.
- (xx) The company has not raised money by public issue during the year.
- (xxi) To the best of our Knowledge and belief, and according to the information and explanation given to us, no frauds on or by the company was noticed or reported during the year.

FOR SHYAM SUNDER & ASSOCIATES
Chartered Accountants,
(Firm No. 130197W)

[SHYAM SUNDER]
PROPRIETOR
M.No.128896

Place : Ahmedabad.
Date : 12/08/2010

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BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	31-03-2010 RS.	31-03-2009 RS.
I. SOURCES OF FUNDS :			
1. Shareholders' Funds			
(a) Share Capital	A	34768000.00	34768000.00
(b) Reserves & Surplus	B	46952.00	46952.00
		<u>34814952.00</u>	<u>34814952.00</u>
2. Loan Funds :			
(a) Unsecured Loans	C	-	-
TOTAL		<u>34814952.00</u>	<u>34814952.00</u>
II. APPLICATION OF FUNDS :			
1. Fixed Assets :			
(a) Gross Block,	D	948864.37	948864.37
(b) Less : Depreciation		585908.16	548220.16
(c) Net Block		362956.21	400644.21
2. INVESTMENTS :			
	E	-	-
3. CURRENT ASSETS, LOANS & ADVANCES :			
(a) Inventories	F	14910972.00	14910972.00
(b) Sundry Debtors	G	59967.70	59967.70
(c) Cash & Bank Balances	H	259827.33	1097421.38
(d) Loans & Advances	I	39381.00	38381.00
		<u>15270147.33</u>	<u>16106742.08</u>
LESS : CURRENT LIABILITIES & PROVISION	J	820547.41	1460468.41
Net Current Assets		<u>14449599.92</u>	<u>14646273.67</u>
4. MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
PROFIT AND LOSS ACCOUNT		20002395.87	19768034.12
TOTAL		<u>34814952.00</u>	<u>34814952.00</u>
Notes forming part of the Accounts	P		

As per our report of even date

For and on behalf of
M/s. Shyam Sunder & Associates
 Chartered Accountants
 (Registration No. 130197W)

(Shyamsunder)
 Proprietor
 M. No. 128896

Place :Ahmedabad.
 Date :12-08-2010

For and on behalf of
GUJARAT TOOLROOM LIMITED

Shri Devang J. Godoya Director
Shri Kalpesh J. Jariwala Director

Place :Ahmedabad
 Date :12-08-2010

GUJARAT TOOLROOM LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	31-03-2010 RS.	31-03-2009 RS.
I. INCOME			
Sales (Net)		-	13236000.00
Other Income	K	27516.95	204389.75
Increase(Decrease) in Stock	L	-	(13199028.00)
		27516.95	241361.75
II. EXPENDITURE			
Direct Expenses		-	100797.00
Admin. and Selling Exp.	M	223681.00	4259371.90
Employee Cost	N	-	68824.00
Financial Charges	O	1261.00	165031.34
Depreciation	D	37688.00	98965.00
Loss on Sale of Assets		-	25255.19
		262630.00	4718244.43
Loss after Depreciation		(235113.05)	(4476882.68)
Provision for Taxes		-	-
PROFIT / LOSS AFTER TAXES		(235113.05)	(4476882.68)
Deficit brought Forward		(19768034.12)	(15291151.44)
Adjustment of earlier year Taxes		(751.30)	-
Deficit carried Forward		(20002395.87)	(19768034.12)
Basic and Diluted EPS		(0.07)	(10.26)
Notes forming part of the Accounts	P		

As per our report of even date

For and on behalf of
M/s. Shyam Sunder & Associates
 Chartered Accountants
 (Registration No. 130197W)

(Shyamsunder)
 Proprietor
 M. No. 128896

Place :Ahmedabad.
 Date :12-08-2010

For and on behalf of
GUJARAT TOOLROOM LIMITED

Shri Devang J. Godoya Director
Shri Kalpesh J. Jariwala Director

Place :Ahmedabad
 Date :12-08-2010

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SCHEDULES 1 TO 18 ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2010

	31-03-2010 RS.	31-03-2009 RS.
SCHEDULE " A " SHARE CAPITAL		
AUTHORISED		
5000000 Equity shares of Rs. 10 each	50000000.00	50000000.00
TOTAL	<u>50000000.00</u>	<u>50000000.00</u>
ISSUED, SUBSCRIBED & PAID UP		
3476800 Equity shares of Rs. 10 each fully paid up	34768000.00	34768000.00
TOTAL	<u>34768000.00</u>	<u>34768000.00</u>
SCHEDULE " B " RESERVES & SURPLUS		
GENERAL RESERVE		
Balance Brought forward	46952.00	46952.00
TOTAL	<u>46952.00</u>	<u>46952.00</u>
SCHEDULE " C " UNSECURED LOANS		
Inter Corporate Borrowings		
	-	-
From Directors, Members & their Relatives		
	-	-
TOTAL	<u>-</u>	<u>-</u>

SCHEDULE " D " FIXED ASSETS

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
	ASON	Addition (Deduction)	ASON	ASON	For the The Year	Deduction/ Adjustemnt	ASON	ASON	
	01-04-2009		31-03-2010.	01-04-2009			31-03-2010	31-03-2009	
Plant & Machinery	948864.37	0.00	948864.37	548220.16	37688.00	0.00	585908.16	362956.21	400644.21
TOTAL	948864.37	0.00	948864.37	548220.16	37688.00	0.00	585908.16	362956.21	400644.21
PREVIOUS YEAR	3226516.56	(2277652.19)	948864.37	2251652.16	98965.00	1802397.00	548220.16	0.00	4400644.21

	31-03-2010 RS.	31-03-2009 RS.
SCHEDULE " E " INVESTMENTS (at cost)		
LONG TERM INVESTMENTS		
In Equity Shares of Corporates		
TOTAL	<u>-</u>	<u>-</u>
SCHEDULE " F " INVENTORIES		
(As certified and Valued by Management)		
Finished Goods	3500000.00	3500000.00
Semi Finished Goods	8900000.00	8900000.00
Stores & Spares	2510972.00	2510972.00
TOTAL	<u>14910972.00</u>	<u>14910972.00</u>
SCHEDULE " G " SUNDRY DEBTORS		
(UNSECURED BUT CONSIDERED GOOD)		
Outstanding more than six months	59967.70	59967.70
Others	-	-
TOTAL	<u>59967.70</u>	<u>59967.70</u>

GUJARAT TOOLROOM LIMITED

	31-03-2010 RS.	31-03-2009 RS.
SCHEDULE " H " CASH AND BANK BALANCES		
Cash on Hand	247555.91	1012555.91
Cash with Scheduled Bank:		
In Current Accounts :		
- Union Bank of India	<u>12271.42</u>	<u>84865.47</u>
TOTAL	<u>259827.33</u>	<u>1097421.38</u>
SCHEDULE " I " LOANS & ADVANCES (UNSECURED BUT CONSIDERED GOOD)		
Receivable in cash, kind or otherwise	<u>39381.00</u>	<u>38381.00</u>
	<u>39381.00</u>	<u>5742641.00</u>
SCHEDULE " J " CURRENT LIABILITIES		
Sundry Creditors for Goods	676060.00	1460468.41
Sundry Creditors for Expenses	95394.00	-
Provision & Other Liabilities	49093.41	-
Provision for Income Tax	-	-
	<u>820547.41</u>	<u>1460468.41</u>
SCHEDULE " K " OTHER INCOME		
Long Term Profit on Sale of Shares	-	172612.83
Sundry Balance Written off	27441.00	31630.00
Misc Income	<u>75.95</u>	<u>146.92</u>
TOTAL	<u>27516.95</u>	<u>204389.75</u>
SCHEDULE " L " INCREASE (DECREASE) IN FINISHED GOODS		
Finished & WORK-IN-PROCESS		
STOCK AT COMMENCEMENT	12400000.00	25599028.00
STOCK AT End	<u>12400000.00</u>	<u>12400000.00</u>
TOTAL	<u>-</u>	<u>-13199028.00</u>
SCHEDULE " M " ADMINISTRATIVE, SELLING & DISTRIBUTION EXPS.		
Advertisement Exp.	7310.00	29604.00
Audit Fees	15500.00	11235.00
Consultancy charges	1000.00	41908.00
Conveyance Exp.	-	80.00
Director Sitting Fees	1500.00	2000.00
ROC - Filing Fess	13500.00	-
FBT Expenses	161.00	-
Insurance Exp.	-	3436.00
Loss on Insurance Claim	-	3990000.00
Misc. Expenses	-	43474.90
Share Transfer Agent Fees	65601.00	78481.00
Stock Exchange - Listing Fees	29529.00	27938.00
Telephone & Telex Exp.	1127.00	22035.00
VAT (Interest Exp.)	88453.00	-
Travelling Exp.	-	9180.00
	<u>223681.00</u>	<u>4259371.90</u>
SCHEDULE " N " EMPLOYEES COST		
Salaries and Wages Expenses	-	32945.00
Contribution to Providend Fund	<u>35.00</u>	<u>35879.00</u>
TOTAL	<u>35.00</u>	<u>68824.00</u>
SCHEDULE " O " FINANCIAL CHARGES		
Bank Charges	1261.00	-
Interest Expenses	-	165031.34
TOTAL	<u>1261.00</u>	<u>165031.34</u>

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SCHEDULE " P "

01. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :

The Significant accounting policies to the extent applicable the company are as under::

(i) System of Accounting

The Financial statements are prepared on historical cost basis and on the accounting principles of going concern in accordance with generally accepted accounting principles comprising of the mandatory accounting standards referred to in sub section (3c) of section 211 of the companies Act., 1956 and guidance notes, etc. issued by Institute of chartered Accountants of India and the other provisions of the companies Act.

(ii) Revenue Recognition

All known income and expenditure quantifiable till the date of finalization of accounts are accounted on accrual basis when virtual certainty is established.

The presentation of financial statements require estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

(iii) Fixed Asset:

Cost of Fixed assets comprises of its purchase price including duties and other non refundable taxes or levies, expenditure incurred in the course of construction or acquisition and any directly attributable costs of bringing the asset to its working condition for the purpose of use for the business.

(iv) Depreciation:

Depreciation has been provided on written down value method accordance with the provision of section 205(2) (b) of Companies Act, 1956 at the rates prescribed in Schedule XIV of the companies Act, 1956 on prorata basis with reference to the day of acquisition/ installation.

(v) Investments:

During the year there is no Long term Investments.

(vi) Valuation of Inventories:

Stock-in-trade - at cost or net realizable value whichever is less

The cost of inventory is determined net of taxes on FIFO or Weighted Average cost formula method on relevant categories of inventories on a consistent basis after providing for obsolete, slow moving and defective inventories wherever necessary.

(vii) Cenvat:

VAT Credits: VAT Credit available on purchases input are reduced from purchases and balance at end of the stocks at end of the stocks is carried farword under current asset to avail the credit in the succeeding year.

(viii) Provisions and Contingent liabilities:

Provisions are recognized when the present obligation of the past event gives rise to a probable outflow embodying economic benefits on settlement, and the amount of obligation can be reliably estimated.

Contingent liabilities are disclosed after careful evaluation of facts and legal aspects of the matter involved.

Provisions and contingent liability are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(ix) Retirement Benefits.

As there are no permanent employees during the year hence no specific comment on the retirement benefits to the employees.

(x) Research & Development

No research and development expenditure has been incurred during the year.

(xii) Provision for current and Deferred Tax:

Deferred Tax Assets are recognized subject to prudence, only, if there is reasonable certainty that they will be realized and are subject to appropriate reviews at each balance sheet date for the purpose of measurement of Deferred Tax Liability or Assets, the applicable tax rates and enacted regulations expected to apply in the year in which the temporary differences are expected to be recovered or settled are applied.

(xiii) Impairment of Assets:

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense.

GUJARAT TOOLROOM LIMITED

02. NOTES ON ACCOUNTS :

01. Inventory is based upon physical verification by the management. The quantities of inventory are taken on the basis of detailed work out from the bills and the stock records maintained by the company.
02. In the opinion of the Board of Directors, Current Assets, Loans & Advances are realizable in the ordinary course of business, at the value at which they are stated.
03. Balance of Sundry creditors, debtors, loans and advances are subject to confirmation.
04. The audit has been carried out on the basis of the fresh computerized output reconciled.
05. Figures of the previous year have been regrouped / rearranged wherever necessary to confirm to current periods classification.
06. Schedules "A to P" form an integral part of the Balance Sheets as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date.
07. We are unable to categorize the dues to Small Scale Industries (SSI) separately due to lack of information regard to the status of the creditors for goods outstanding above 30 days as on the balance sheet date.
09. We have verified the vouchers and documentary evidences wherever made available. Where no documentary evidences were available, we relied on the authentication given by the management.
10. Balance Sheet Abstract and company's general business profile as per the annexure.
11. Additional information pursuant to provisions of paragraphs 4C and 4D of part II of Schedule VI to the companies Act, 1956 (Information given to the extent applicable)

I. Particulars in respect of Goods Manufactured :

(a) Capacity (in Tons.)

Particulars	Licensed		Installed (As certified by Management)	
	2009-10	2008-09	2009-10	2008-09
Plastic Moulded Goods	250	250	NIL	NIL
Moulds, Dies, Jigs, Fixtures & Tooling	600	600	NIL	NIL

(b) Actual Production of Goods Manufactured :

Particulars	[in No.]	
	2009-10	2008-09
Plastic Moulded Goods	NIL	0
Moulds	NIL	18
Parts	NIL	1

(c) Sales and Stock of Goods manufactured and Traded :

Particulars	Plastic Mould Goods		Moulds		Others	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Opening - Qty.	NIL	NIL	5	7	NIL	NIL
- Rs.			3500000	4243750		
Sales - Qty.	NIL	NIL	NIL	20	NIL	NIL
- Rs.			NIL	13126000		
Closing - Qty.	NIL	NIL	5	5	NIL	NIL
- Rs.			3500000	3500000		

(d) Item wise Break Up of Raw Materials Consumed :

Particulars	2009-10	2008-09
Raw Material	NIL	NIL

(e) Value of Import on C.I.F. Basis :

Particulars	2009-10	2008-09
Raw Material and Chemicals	NIL	NIL
Stores and Spare Parts	NIL	NIL
Capital Goods	NIL	NIL

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(f) Value of Raw Materials, Stores and Spare Parts consumed

Particulars	Raw Material		Store & Spare Parts	
	2009-10	2008-09	2009-10	2008-09
Imported	Nil	Nil	Nil	Nil
Indigenous	Nil	278608.04	Nil	434492.62

(g) The details of foreign exchange inflow and outflow during the year:

Particulars	Current Yr.	Previous Yr.
Value of goods exported during the year	NIL	NIL
Value of goods imported during the year	NIL	NIL

12. Expenditure incurred on employees who are in receipt of remuneration on the aggregate of not less than Rs.24,00,000/- per annum if employed throughout the year and of Rs.2,00,000/- per month if employed for a part of the month at works.

Particulars	Current Yr.	Previous Yr.
No. of Employees	NIL	NIL

13. The additional information pursuant schedule VI of the companies Act,

Auditors Remuneration	Current Yr.	Previous Yr.
Statutory/Tax Audit	15500/-	11235/-
Income Tax	5500/-	-

14. Details of Directors Remuneration:

NIL

15. Computation of profit in accordance with section 349 of the Companies Act, 1956 for the purpose of section 198 of the said Act is not applicable since no remuneration given to the directors.

16. The prior period expenses includes the sales tax difference of earlier years paid during the year for the accounting years 2004-05 and 2005-06.

03. DISCLOSURES:

01. Accounting for taxes of Income:

- (a) Deferred Tax Assets is not recognized as there is no reasonable certainty that they will be realized.
 (b) The Provision for current taxes has not been made in the account on the income computed as per the provisions of Income Tax Act, 1961.

02. Earning per share [As-20] :

- (a) The amount used as the numerator in calculating basic and diluted earnings per share is the loss after depreciations i.e.Rs.219613/-
 (b) The number of ordinary shares used as the denominator in calculating basic and diluted EPS 3476800.

03. Related Party Disclosures :

During the year the company has not entered into any transaction with the related parties. Those transactions along with related balances as at 31st March, 2010 and for the year ended are presented as NIL.

04. As per Accounting Standard (AS-28) impairment of assets the company has carried the impairment test during the year. resultant it is found that there is no material impairment loss in the carried cost in the assets in the books. The recoverable amount is not material lower than the carrying amount in the accounts hence the same is not considered.

As per our report of even date

For and on behalf of
M/s. Shyam Sunder & Associates
 Chartered Accountants
 (Registration No. 130197W)

(Shyamsunder)
 Proprietor
 M. No. 128896

Place :Ahmedabad.
 Date :12-08-2010

For and on behalf of
GUJARAT TOOLROOM LIMITED

Shri Devang J. Godoya Director
Shri Kalpesh J. Jariwala Director

Place :Ahmedabad
 Date :12-08-2010

GUJARAT TOOLROOM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended March, 31, 2010 Rs.	Year ended March,31,2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss after tax	(235113)	(4476883)
Adjusted for		
Depreciation	37688	-
Provision for Taxation - Current & Deffered	752	-
Loss on sale of Fixed Assets	-	-
Operating profit before working capital changes	(196673)	(4476883)
Adjusted for		
Trade and other receivable	(1000)	-
Increase in Inventories	-	-
Trade Payable	(639921)	-
Cash generated from operation	(837594)	(4476883)
Direct taxes paid	-	-
Net Cash from Operating Activities Total (A)	(837594)	(4476883)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Sale of Assets	-	-
Investment in Equity Shares	-	-
Net Cash used in Investing Activities Total (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	-	-
Proceeds from Secured Loan	-	-
Proceeds from Unsecured Loan	-	-
Net Cash used in Financing Activities TOTAL (C)	-	-
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	(837594)	-
CASH & CASH EQUIVALENT-OPENING BALANCE	1097421	-
CASH & CASH EQUIVALENT-CLOSING BALANCE	259827	-

For and on behalf of the Board

Shri S. N. Kinariwala	Chairman
Shri D.J. Godoya	Director
Shri K.J. Jariwala	Director

Place :Ahmedabad
Date :12-08-2010

AUDITORS' CERTIFICATE

We have verified the cash flow statement of Gujarat Toolroom Ltd. derived from the audited annual financial statements for the years ended March 31, 2010 and March 31,2009 and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreements with stock exchanges.

**As per our report of even date attached
FOR SHYAM SUNDER & ASSOCIATES
Chartered Accountants,**

Place : Ahmedabad.
Date : 12/08/2010

[SHYAM SUNDER]
PROPRIETOR
M.No.128896

26th ANNUAL REPORT

19. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

a. Registration details

Registration No.	6 0 5 6	State Code	0 4
Balance Sheet Date	31 - 03 - 2010		
	Date Month Year		

b. Capital Raised During the Year (Rs. in Thousands)

Public Issue	N I L	Bonus Issue	N I L
Right Issue	N I L	Private Placements	N I L

c. Position of Mobilisation and Deployment of Funds (Rs. in Thousands)

Total Assets	3 4 8 1 5	Total Liabilities	3 4 8 1 5
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SOURCES OF FUNDS

Paid up Capital	3 4 7 6 8	Reserve and Surplus	4 7
Secured Loans	N I L	Unsecured Loans	N I L

APPLICATION OF FUNDS

Net Fixed Assets	3 6 3	Net Current Assets	1 4 4 5 0
Investments	N I L	Accumulated Losses	2 0 0 0 2
Misc. Expenditure	N I L		

d. Performance of the Company (Rs. in Thousands)

Turnover	N I L	Total Expenditure	2 6 2 . 6 3
Profit / (Loss) Before Tax	(2 3 5 . 1 1)	Profit / (Loss) After Tax	(2 3 5 . 1 1)
Earning Per shares in Rs.	(0 . 0 7)	Dividend rate (%)	N I L

e. Generic Names of three Principal Products / services of Company :

Item Code No.	Product Description
N.A.	N.A.

As per our report of even date

For and on behalf of
M/s. Shyam Sunder & Associates
 Chartered Accountants
 (Registration No. 130197W)

(Shyamsunder)
 Proprietor
 M. No. 128896

Place :Ahmedabad.
 Date :12-08-2010

For and on behalf of
GUJARAT TOOLROOM LIMITED

Shri Devang J. Godoya Director
Shri Kalpesh J. Jariwala Director

Place :Ahmedabad
 Date :12-08-2010

GUJARAT TOOLROOM LIMITED

Regd. Office : Dhaval Avenue, B/h Associated Petrol Pump, Panchvati, Off C.G. Road, Ahmedabad – 380 009

26th Annual General Meeting

Monday, the 27th September, 2010 at 12.00 Noon

ATTENDANCE SLIP

Place : At the Registered Office of the Company at :
Dhaval Avenue, B/h Associated Petrol Pump,
Panchvati, Off C.G. Road, Ahmedabad – 380 009

Folio No. : _____ DP ID _____ Client ID _____

Signature of Member/ Proxy attending the meeting _____

Notes:

1. This meeting is only for members. Please, therefore, do not bring person in the meeting who is not a member.
 2. Please bring this attendance slip duly signed and hand it over to the representative of the Company at the entrance of the meeting place.
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GUJARAT TOOLROOM LIMITED

Regd. Office : Dhaval Avenue, B/h Associated Petrol Pump, Panchvati, Off C.G. Road, Ahmedabad – 380 009

FORM OF PROXY

I/We _____

of _____ in the district of _____

being member/s of the above named Company hereby appoint _____

of _____ in the district of _____

or failing him _____

of _____ in the district of _____

as my/our Proxy to attend and vote for me/us on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Monday, the 27th September, 2010 and at any adjournment thereof.

Signed the _____ day of _____ 2010.

Signature _____

Affix Revenue Stamp

N.B.: This Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

**BOOK-POST
PRINTED MATTER**

To,

If undelivered, please return to :

GUJARAT TOOLROOM LIMITED

Regd. Office : A-61, Dhaval Avenue,
B/h Associated Petrol Pump, Panchvati,
Off C.G. Road, Ahmedabad – 380 009