

Goyal Associates Limited

604, 6th Floor, Sakar-III
Income Tax Circle
Ashram Road
Ahmedabad 380014

16th ANNUAL REPORT FOR THE YEAR ENDED
(2009-10)

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the members of **Goyal Associates Limited** will be held on Tuesday, the 10th August ,2010 at the Registered office of the Company at 604, Sakar III , Income-Tax Circle , Ahmedabad-380014 at 10:00 A.M to transact the following business :

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance sheet as at 31st March, 2010 and profit and Loss Account for the Financial Year ended on that date and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. VijayKumar Goyal retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditor M/ s Hemant S. Jain & Co. and fix there remuneration and in that connection, to consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** M/s. Hemant S. Jain & Co., Chartered Accountants, Ahmedabad be and are hereby appointed as Auditors of the company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting at a remuneration to be mutually agreed between the Board of Directors of the Company and the aforesaid Auditors, in addition to re-imbusement out of pocket expenses in connection with the Audit of the Company.”

SPECIAL BUSINESS:

To Consider and if thought fit, to pass, with or without modification, the following Resolution as a ordinary Resolution:

To appoint Company Secretary in whole-time practice for giving Compliance Certificate for the financial year ended 31.03.2010:

“**RESOLVED THAT** M/s Harish p.Jain & Associates, practicing Company Secretaries, Ahmedabad be and are hereby re-appointed as Company Secretary in Whole-time Practice to give Compliance Certificate for the financial year ended 31.03.2011 pursuant to the provisions of Section 383A of the Companies Act, 1956 read with Rules made there under on a remuneration as may be mutually decided with the management of the Company.”

To Consider and if thought fit, to pass, with or without modification, the following Resolution as a ordinary Resolution:

To appoint Mr. Mr. Kishan Choudhary as a additional Director of the Company:

“RESOLVED THAT Mr. Kishan Choudhary be and is hereby appointed as a Director of the Company.”

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/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, IN ORDER TO BE VALID. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF THE SIXTH ANNUAL GENERAL MEETING.**
2. The shareholders are requested to notify the change in address, if any, to the Share Department at the registered office of the company quoting their Ledger Folio Number.
3. The Register of Members and the Share Transfer Book of the Company will remain closed From Wednesday, the 04th day of August, 2010 to Tuesday, the 10th day of August, 2010 (Both days Inclusive).
4. The Shareholders, holding shares in identical order of names in more than one Folio, are requested to write to the company enclosing their share certificates to enable a company to consolidate their holding in one Folio.
5. The share holders/ Proxies are requested to produce at the Entrance Gate of the meeting Hall the attached attendance slip, duly completed and signed, for admission to the meeting Hall.
6. In case you have any query relating to the enclosed Annual Accounts, you are requested to send the same to the Shares Department at the Registered Office of the Company at least 10 days before the Date of Annual General Meeting so as to enable the Management to keep the information ready.
7. As a measure of Economy copies of Annual Reports will not be distributed at the Venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the Meeting.
8. The Equity Shares of the Company are available for Dematerialization, as the Company has entered into an agreement with National Securities Depository Limited (NSDL) AND THE Central Depository Services Limited (CDSL). Those Shareholders who wish to hold the Company's Share in electronic form may approach their Depository participants.
9. Information required to be furnished under the listing Agreement, as required under the listing agreement with the stock Exchanges, the particulars of Directors who are proposed to be appointed, are as given.

-Name of the Director	Mr. Vijaykumar Goyal
-Date of Birth	24.12.1949
-Date of Appointment	01.11.2007
-List of limited Companies in which Directorship held	1
-Chairman/Member of the Committees of the Board of Directors Of the Company	4
1) Audit Committee	
2) Remuneration Committee	
3) Shareholder/Investor Grievance cum Share transfer Committee.	
4) Limited Review Committee.	
-Chairman/Member of the Committees of Directors of other Companies	-----

-Name of the Director	Mr. Kishan Choudhary
Date of Birth	06.11.1963
-Date of Appointment	03.07.2010
-List of limited Companies in which Directorship held	---
-Chairman/Member of the Committees of the Board of Directors Of the Company	---
-Chairman/Member of the Committees of Directors of other Companies	-----

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE Companies act,1956

ITEM NO.4

Vide its notification dated 05/ 01/ 2009, Ministry of Finance, Department of Company Affairs, has made it compulsory for all Companies having their paid-up Capital exceeding 10 lacs and up to 5 crores to obtain a Compliance Certificate from a Company Secretary in Whole-time Practice to the effect that the Company concerned has complied with all the provisions of the Companies Act, 1956 during the year under review. A Copy of the same is required to be attached to the Report of the Board of Directors .Since the paid up Capital of the Company falls with in the aforesaid bracket, Company was required to appoint a Company Secretaries in whole time practice. Accordingly, you are requested to make the re-appointment.

ITEM NO.5

Mr. **Kishan Choudhary** has been appointed as an Additional Directors of the Company. Pursuant to Section 260 of the Company Act,1956 and Article of Association of the Company be hold office only upto the ensuring Annual General Meeting.

The Board consider it desirable that the Company should continue to avail his Service and recommends his Appointment as a Director of the Company.

By order of the Board
For, **GOYAL ASSOCIATES LIMITED**

Place : Ahmedabad
Dated : 15th July, 2010

SD/-
(KRISHNAKANT GOYAL)
Director

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DIRECTOR' REPORT

To,

Your Directors have pleasure in presenting the 16th Annual Report and Audited Account of the Company for the period ended 31st March, 2010.

FINANCIAL RESULTS :

<u>Particulars</u>	<u>2009-2010</u>	(Rs.in lacs) <u>2008-2009</u>
Total Turnover	455.13	2031.06
Profit before interest and Depreciation	-9.81	3.69
Less:Interest	0	0
	-----	-----
Profit before Depreciation	-9.81	3.69
Less:Depreciation	0	0
Less/Add:Prior period expences/(Income)	0	0
	-----	-----
Profit before Tax	-9.81	3.69
Less:Provisions for :Current Taxation	0	-1.51
Provision for FBT	-0.002	-0.13
Transfer to Reseve U/s 45 (1A) Of RBI Act	0	-0.74
	-----	-----
Profit after Taxation	-9.98	1.31
Balance Brought forward from last year	-58.83	-60.14
	-----	-----
Profit available for Appropriation	68.81	58.83
	=====	=====
<u>Appropriation:</u>		
Dividend	0	0
Dividend Distribution Tax	0	0
Balance Carried to Balance Sheet	68.81	58.83
	-----	-----
	68.81	58.83
	=====	=====

DIVIDEND

Due to inadequate profit during the year under review, your Directors express their in ability to recommend any dividend for the Year ended 31st March, 2010.

REVIEW OF OPERATION

During the year under review, the Company has carried out trading of Shares and fabrics activity.

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During the year under review, The Company has achieved Turnover of Rs.455.13 Lacs as compared to 2031.06 lacs of the previous year thus registering a decrease of 77.59% over the previous year. The loss before Tax incurred Rs.980665 during the year 2009-2010 as compared to profit before tax of Rs.368872 during the year 2008-2009.

After providing for FBT of Rs.234 the net loss of the Company stood at 9.98 lakh during the year 2009-2010 under review as compared to net profit stood at Rs.1.31 lacs during the year 2008-2009.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year review and therefore the provisions of the Companies Act, 1956 read with company's (acceptance of deposit) rules, 1975 are applicable to the Company.

INSURANCE

Company does not have fixed Assets.

AUDITOR'S REPORT

All the items in the Auditors Report are self explanatory and does not require any comments.

AUDITORS

M/s. Hemant S. Jain & Co., Chartered Accountants, Ahmedabad, Auditors of the Company has offered themselves for re-appointment.

Company has received a Certificate from the aforesaid Firm of Auditors under Section 224(1B) of the Companies Act, 1956, Certifying their eligibility for the position, if appointed and willingness to work as such.

DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

Pursuant to section 217 (2AA) of the Companies Act, 1956 your Directors, based on the representations received from the operating management and after due inquiry, confirm that:

- i) In the preparation of the annual account, the applicable accounting standards have been followed.alongwith proper explanation relating to material departure.
- ii) They have, in the selection of the accounting policies, consulted the Statutory Auditors and, read with paragraph (i) above, these have been applied consistently and reasonable and prudent judgements and estimates have been made also as give a true and fair view of the state of affairs of the company as at 31st March, 2010 and of the profit of the company for the year ended on that date.
- iii) Proper and sufficient care has been taken 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) The annual accounts have been prepared on a going concern basis.

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COMPLIANCE CERTIFICATE:-

Compliance Certificate in accordance with Section 383A of the Companies Act, 1956 is enclosed from M/S Harish P. Jain & Associates, Company Secretaries, Ahmedabad.

DIRECTORS:-

There is change in Directorship during the year under review. Mr. Vijaykumar Goyal who is retire by rotation at the ensuring Annual General Meeting and being eligible offer himself for re-appointment. The Board recommends the reappointment of the aforesaid Director. Board also recommends the Appointment of Mr. Kishan Choudhary as a Director of the Company w.e.f. 03/07/2010 .

LISTING:-

The equity Shares of the Company are listed at Ahmedabad Stock Exchange Limited and Bombay Stock Exchange Limited. The Company has paid annual listing fee to all the Stock Exchanges for the year 2009-2010.

CORPORATE GOVERNANCE:-

As per Clause 49 of the listing Agreement executed with the Stock Exchanges, A Management Discussion and Analysis Report, A Report on the Corporate Governance together with the Auditors Certificate thereon regarding Compliance with the Conditions of the Corporate Governance form part of the annual Report.

DEMATERIALISATION OF EQUITY SHARES:-

As informed earlier ,the Company has entered into an Agreement with the NSDL and CDSL to facilitate holding and settlement of trades in the equity shares of the Company in electronic form .All those Shareholders who have not got their Shares Certificates demated are requested to get in touch with any of the Depository participants and take the benefits of the Depository Systems.

EMPLOYEES

There are no employees drawing salary of Rs.2,00,000/-p.m. and/or Rs.24,00,000/- p.a. and therefore particulars u/s/217 (2A) of the companies Act,1956 read with companies (particulars of employees) amendment rules 1988 is not required.

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

Since the Company is engaged in the activities of trading, it was advised to the Company that provisions relating to Research and Development, Conservation of Energy, Technology Absorption/adaptation and Innovation are not applicable to it during the year.

There has been no foreign exchange inflow in the current year. Company has not incurred any expenditure in foreign Currency.

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INDUSTRIAL RELATIONS:-

The Directors are happy to note that Industrial relations continue to remain cordial during the year. The Directors expressed their appreciation towards the workers, staff and executive staff for their co-operation and hope for continued harmonious relations in the year ahead.

APPRECIATION

The Board wishes to express its sincere appreciation and gratitude to the Promoters, Shareholders, Bankers, Government Authorities, Suppliers and Customers for the co-operation and continued Support. Thanks is also due to the employees of the Company.

Place : Ahmedabad
Date : 15th July, 2010

By order of the Board
For GOYAL ASSOCIATES LIMITED

SD/-
(KRISHNAKANT GOYAL)
Director

HARISH P.JAIN & ASSOCIATES
PRACTISING COMPANY SECRETARIES
304, SHILP-II, NEAR SALES INDIA,
ASHRAM ROAD,
AHMEDABAD-380009.
PH :(079)27545524
FAX :(079)27545524
MOBILE: 9825355626
E-MAIL:cs.harishjain@gmail.com

CIN No: L74999GJ1994PLC023281

Nominal Capital Rs 3, 40, 00,000

COMPLIANCE CERTIFICATE

To,
The Members,
GOYAL ASSOCIATES LIMITED
603, Sakar III, 6th Floor ,
Off-Asharam Road,
Income Tax, Navjivan Post Office,
Ahmedabad-380014.

We have examined the registers, records, books and papers of **GOYAL ASSOCIATES LIMITED.**, (the Company) as required to be maintained under the Companies Act, 1956 (the Act), and the rules made thereunder 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 and to the best of our knowledge and belief, 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 thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure “B”** to this certificate, with the Registrar of Companies (**ROC**), Gujarat, Company Law Board (**CLB**), Regional Director (**RD**), Central Government (**CG**) or any other authorities as may be prescribed under the Act with in the time prescribed under the Act or on payment of late fee, in case of delay.
3. The Company is a Limited Company; no comments are required under this Para.
4. The Board of Directors duly met **Four** times on (1)10/05/ 2009, (2)01/09/2009, (3)23/12/2009, and (4)30/02/ 2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company has not passed any Resolution by Circulation.
5. The Company has not closed its Register of Members during the year under review.
6. The Annual General Meeting for the financial year ended on 31-03-2009 was held on 23/09/2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year under review.
8. The Company has not granted loan/advance falling with in the purview of Section 295 of Act
9. The Company has duly entered into contracts falling within the purview of section 297 of the Act.

10. The Company has made necessary entries in the register maintained under section 301 of the Act in respect of notices of Disclosure of interest made by the Directors of the Company.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the year under review.
13. During the year under review :
 - (i) There was no Allotment/ Transfer/transmission of shares or securities.
 - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared.
 - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared.
 - (iv) The Company has not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debenture and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no such amounts outstanding.
 - (v) The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Director, alternate directors and directors to fill casual vacancy during the year under review.
15. The Company's Paid-up Share Capital being less than the prescribed limit of Rs. 5 Crores, it is not required to appoint any Managing Director / Whole – time Director / Manager and accordingly provisions of Section 269 of the Act, are not applicable.
16. The Company has not appointed any sole-selling agent during the year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act during the year under review.
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 thereunder.
19. The Company has not issued Shares, Debentures or other securities during the year under review.
20. The Company has not bought back any shares during the year under review.
21. There was no redemption of preference shares or debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58 A of the Companies Act, 1956 during the year under review.

24. Company has not made any borrowing during the year under review and therefore the provisions of Section 293(1)(d) of the Act regarding borrowing in excess of the paid-up Share Capital and free Reserves is not applicable.
25. The Company has not entered into any transaction falling within the purview of Section 372A of the Act relating to Inter-Corporate loans and Inter-Corporate investment and / or providing of Guarantee or giving securities on behalf of other bodies corporate during the year under review.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year under review for offences under the Act.
32. The Company has not received any money as security from its employees during the year under review.
33. The Company has not constituted any separate provident fund of employees or any class of employees as envisaged under section 418 of the said Act.

Place: Ahmedabad
Date : 15/07/2010

for HARISH P.JAIN & ASSOCIATES
PRACTISING COMPANY SECRETARIES

SD/-
(HARISH JAIN)
Proprietor
Membership No.4100

Annexure “A”

Name of the Company : **GOYAL ASSOCIATES LIMITED**

CIN NO : **L74999GJ1994PLC023281**

Authorized Share Capital : **Rs. 3,40, 00,000**

Registers as kept and maintained by the Company :

Sr. No.	Name of Registers	Relevant Section under the Companies Act, 1956
1.	Register of Members.	150
2.	Copies of Annual Returns.	159
3.	Register of Contracts, Companies and Firms in which Directors are interested.	301
4.	Register of Directors, Managing Directors, Manager and Secretaries.	303
5.	Register of Directors' Shareholding.	307
6.	Minutes of the General Meetings and Meetings of Board of Directors.	193
7.	Register of Share Transfer.	-----

Place: Ahmedabad

Date : 15/07/2010

**for HARISH P.JAIN & ASSOCIATES
PRACTISING COMPANY SECRETARIES**

**SD/-
(HARISH JAIN)
Proprietor
Membership No.4100**

Annexure-“B”Name of the Company : **GOYAL ASSOCIATES LIMITED**CIN NO : **L74999GJ1994PLC023281**Authorized Share Capital : **Rs. 3,40, 00,000**

Forms and Returns as filed by the Company with the Registrar of Companies, Company Law Board, Regional Director, Central Government or other authorities during the financial year ended on 31-03-2010.

With Registrar of Companies (ROC):-

SR N O.	FORM NO./ RETUR N	FILED UNDER SECTIO N	DESCRIPTION	DATE OF FILING	WHETHE R FILED WITHIN PRESC- RIBED TIME YES/ NO	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEE PAID YES/NO
1.	Form No.2 AC	220	Balance Sheet & Other Documents as on the financial year ended 31-03-2009.	29/01/2 010	NO	YES
2.	Form No.20 B	159	Annual Return made up to 23/09/2009.	29/01/2 010	NO	YES
3.	Form No.2 3AC A	220	Profit & Loss Account for the financial year ended 31.03.2008.	29/01/2 010	NO	N/A
4	Form No.66	383A	Compliance Certificate for the financial year ended 31.03.2009.	29/ 01/2 010	NO	YES

2. with Company Law Board (CLB): **NIL**3. with Regional Director (RD) : **NIL**4. with Central Government (CG) : **NIL**Place: **Ahmedabad**Date : **15/07/2010**

**for HARISH P.JAIN & ASSOCIATES
PRACTISING COMPANY SECRETARIES**

**SD/-
(HARISH JAIN)
Proprietor
Membership No.4100**

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

The Securities and Exchange Board of India (SEBI) has prescribed a code of corporate governance (hereinafter referred to as “the code”) through Clause – 49 in the Listing Agreement executed by the Company with Stock exchange, which lays down several corporate governance practices. The Code has been periodically revised to ensure the adoption of best corporate governance practices by the corporate. This report sets out the compliance status of the company with the requirements of code the financial year 2009-10.

1) Company’s Philosophy on Code of Corporate Governance.

Corporate Governance is the relationship between corporate manager, directors and the providers of equity, people and institutions who save and invest their capital to earn a return. It ensures that the Board of Directors is accountable for the pursuit of corporate governance objectives and that the corporation itself conforms to the law and regulations. This will lay the foundation for further development of superior governance practices, vital for successful business in the interest of all stakeholders in the best possible manner. We believe that governance process should be such as to ensure proper utilization of resources in a manner intended to meet the expectation of the shareholders. We believe in transparency, empowerment, accountability, safety of people and environment and we lay emphasis on Business ethics in all dealings.

2) Board of Directors

Composition:

The composition of the Board of Directors consists of total 3 Directors; of whom Mr. Krishnakant Goyal is the Chairman of the Company. The composition of Board is compliant with the requirements of Clause 49 (IA) i.e. more than 50% of Directors are non-executive Directors and more than 33% of Directors are independent Directors.

The Composition of the Board and other relevant details relating to Directors during the financial year 2009 - 2010 is as under:

Sr. No.	Name of Director	Category of Directorship	Board Meeting Attended	Attendance at Last AGM	No. of other Directorship *	No. of other Committee Members/ Chairman
1.	Mr. Krishnakant Goyal, Chairmen	Executive	5	Yes	3	2
2.	Mr. Prashant Agrawal, Director	Non-Executive/ Independent	5	Yes	2	4
3.	Mr. VijayKumar Goyal, Director	Non-Executive/ Independent	5	Yes	1	4
4.	Mr. Vikas Goyal, Director	Non-Executive/ Independent	5	Yes	2	2
5.	Ms.Narendrakumar Goyal	Executive	5	Yes	2	----
6.	Mr. Kishan Choudhary	Non-Executive/ Independent	1	No	--	----

None of directors on the Board are members in more than ten committee and they do not act as chairmen of more than five committees across all companies in which they are directors.

Board Meetings:

Dates of the Board Meetings are decided in advance. The Board meetings are convened by giving appropriate notice after obtaining the approval from Chairman and the Managing Directors. The Board meets at least once a quarter to review the results and other items on the agenda and also on the occasion of the annual shareholder's meeting. When necessary, additional meetings are held.

The agenda of the board meetings is drafted by the Chairman along with explanatory notes and these are distributed in advance to the Directors. Every Board member is free to suggest the inclusion of items on the agenda. All divisions/department in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/approval/decision in the Board/ Committee meetings. All such matters are communicated to the Chairman in advance so that the same could be included in agenda for the Board meetings.

Agenda papers are circulated to the Board by Chairman. Additional items on the agenda are permitted with the permission of the chairman.

To address specific urgent need, meetings are also convened at short notice. The Board also passes resolution by Circulation on need basis.

During the year under review the Board of Directors met Four times during the year on 10th May 2009, 1st September 2009, 23rd December 2009 and 30th February 2010.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure.

Code of Conduct:

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company. Board Members and Senior Management of the Company has affirmed compliance to the Code for the financial year ended 31st March, 2010.

Notes on Directors seeking Re-appointments:

The brief resume of Directors retiring by rotation and seeking re-appointing is appended in the notice for calling Annual General Meeting.

Mr. Krishnakant Goyal who is retiring by rotation and being eligible offer himself for re-appointment.

-Name of the Director	Mr. Vijaykumar Goyal
-Date of Birth	24.12.1949
-Date of Appointment	01.11.2007
-List of limited Companies in which Directorship held	1
-Chairman/Member of the Committees of the Board of Directors Of the Company	4
1) Audit Committee	

- 2) Remuneration Committee
- 3) Shareholder/Investor Grievance cum Share transfer Committee.
- 4) Limited Review Committee.

-Chairman/Member of the Committees of Directors of other Companies -----

3) **Audit Committee**

The present members of the Audit committee consist of Three Independent Directors – Prashant Agrawal, Chairman, Mr. Vikas Goyal, and Mr. Vijay Kumar Goyal.

During the year under review, Three meetings of Audit Committee were held on 12th July ,2009, 15th December 2009, and 15th March 2010,

Composition of the Committee and qualification are in compliance with the requirement of Clause-49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The Committee meetings were also attended by the representatives of the statutory auditors / Internal Auditors. The Committee invites senior executives as it considers appropriate to attend meetings of the Committee.

Major terms of reference of the Audit Committee include overseeing the financial reporting process, review of financial statements, ensuring compliance with the regulatory guidelines, review of internal audit reports, recommending appointment and remuneration of statutory auditors to the Board of Directors and review of adequacy of internal control Systems and internal audit function.

Board Terms of reference:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to insure that the financial statements are correct, sufficient and Credible.
2. Recommending the appointing and re-appointment of the statutory auditor and the Fixation of their remuneration.
3. Reviewing and discussing with the management, the annual financial statements before Submission to the Board with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility statement to be Included in the Board's report in the terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - (b) Changes, if any in accounting policy and practices and the reason for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by Managements.
 - (d) Significant adjustments made in the financial statement arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial Statement.
 - (f) Disclosure of any related party transactions.
 - (g) Qualification in the draft audit reports.
4. Reviewing the quarterly and half yearly financial results and the annual financial Statements before they are submitted to board.
5. Reviewing and the discussing with the managements, performance of statutory and internal auditors, and adequacy of the internal control systems.

6. Reviewing and discussing adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
7. Reviewing, if necessary, the finding of any internal investigation by internal auditor into matters where there is suspected fraud or irregularity or a failure of internal Control systems of a material nature and reporting the matter to the board.
8. Discussing with the internal auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
9. Looking into the reasons for substantial defaults in the payment of depositors, debenture holders, shareholders (in case of non payment of declared dividends) and Creditors, if any.
10. Reviewing the Management Discussion and Analysis of financial condition and result of operations.
11. Reviewing and Discussing the statement of significant related party transactions (as define by the audit committee), submitted by management.
12. Reviewing and Discussing the Management letters /letters of internal control weakness issued by the statutory auditors.
13. Reviewing the internal audit reports relating to internal control weakness.
14. Reviewing and Discussing the appointment, removal and term of remuneration of the chief internal audit.

4) Remuneration Committee

(i) Composition:

As on 31st March 2010, the remuneration Committee comprises of the following Non – executives Independent directors as its member: -

- (1) Mr. Prashant Agrawal, Chairmen
- (2) Mr. Vikas Goyal
- (3) Mr. Vijay Kumar Goyal

(ii) Brief description of the terms of reference:

The Broad terms of reference of the Remuneration Committee include:

- To determine on behalf of the board, the Company's Policy on remuneration package for Executive Directors including pension rights and compensation payments.
- To decide any other related matters.

Details of remuneration for the year ended 31-03-2010.

• Managing Director / Joint Managing Director

Name	Position held	Total Remuneration
------	---------------	--------------------

	During the Period	Rs. In lacs
Mr. Krishnakant Goyal	Executive Director	2.4

- **Non – Executive Directors**

No Remuneration by way of sitting fees for attending Board/ Committee Meetings have been paid to the non – executive Directors. And also no other remuneration by way of commission or otherwise was paid to them during the year.

There was no pecuniary relationship or transaction of the Non-executive Directors with the company. The company has not granted any stock option to any of its Directors.

5) Shareholders’/ Investors’ Grievances cum Share Transfer Committee

The Shareholders/ Investor’s Grievance Committee has been constituted to look into investors complaints like transfer of shares, non – receipt of declared dividend, etc and take necessary steps for redressal thereof. The Committee is a Board Level committee comprising of the following:

- (a) Mr. Krishnakant Goyal
- (b) Mr. Prashant Agrawal
- (c) Mr. Vijaykumar Goyal

The Board of Directors of the Company has constituted Shareholders’/ Investors’ Grievances cum Share Transfer Committee which looks in to allotment of shares, share transfer work and matter relating to investor / shareholders’ grievances.

As a measure of good corporate governance and to focus on the Shareholders’ grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee is constituted.

6) Limited Review Committee

During the year Company has constituted Limited Review Committee consisting of 1) Mr. Krishnakant Goyal 2) Mr. Prashant Agrawal 3) Mr. Vijaykumar Goyal to review the Quarterly Limited review Report of auditors in respect of financial results and other related matters.

7) General Body Meetings

The last three Annual General Meetings and Extra Ordinary General Meeting were held as under:-

Annual General Meetings:

Financial Year ended	Date	Time	Venue
31-03-2009	23-09-2009	10.30 a.m.	603, Sakar III, 6 th Floor, Off-Asharam Road, Income Tax, Navjivan Post Office, Ahmedabad-380014.
31-03-2008	30-09-2008	10.30 a.m.	603, Sakar III, 6 th Floor, Off-Asharam Road, Income Tax, Navjivan Post Office, Ahmedabad-380014.
31-03-2007	29-09-2007	10.30 a.m.	503, 5 th Floor, Ashvmegh Avenue, Near Mithakali Under bridge, Navrangpura, Ahmedabad-380014

Special Resolutions were passed by a show of hands. There is no item in Agenda that needs approval by Postal Ballot at the forthcoming AGM. The postal ballot exercise shall be conducted from time to time in compliance with the applicable provisions of Section 192A of the Companies Act, 1956 and rules made there under, as and when required.

8) Disclosures

Legal Compliances:

The Company has formalized a system for legal compliance applicable to the Company. Status of legal compliance and steps taken to rectify non-compliances, if any, are placed to the Board of Directors at its meetings.

There were no instances of material non-compliance during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock exchange or any statutory on any matter related to capital markets during the last three years.

Code of Business Conduct:

The Company has adopted a Code of Business conduct based on the business principles of the Company.

In compliance with the Code, directors and senior management of the Company have affirmed their compliance with the code for the year under review.

Related Party Transaction:

In preparation of financial statements, the Company has generally followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

There are no related party transactions during the year of material nature.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.

9) **Means of Communication**

Half – yearly result sent to each household : No
Of shareholders

Quarterly results are normally published : One English & one Vernacular Daily.
In

Website where displayed : No
Official’s News release and presentation : No

The Management Discussion & Analysis form part of the Annual Report, which is posted to all members of the Company.

10) **General Shareholder Information**

Date, time and venue of AGM	At registered office of the Company at 604, Sakar III, 6 th Floor, Off-Ashram Road, Income Tax, Navjivan Post Office, Ahmedabad-380014 as on 10 th August .2010 at 10.00 a.m.
Dates of Book Closure	Wednesday The 04 th August, 2010 to Tuesday, The 10 th August, 2010 (Both the days inclusive)
Listing on Stock Exchanges	The Bombay Stock Exchange Limited, Mumbai and Ahmedabad Stock Exchange Limited, Ahmedabad.
Listing Fees	Paid all the fees to Stock Exchange as per listing agreement.
Demat Arrangement	With NSDL and CDSL
ISIN NO.	INE 912B01024
Registered Office	604, Sakar III, 6 th Floor, Off-Ashram Road, Income Tax, Navjivan Post Office, Ahmedabad-380014.
Dividend Payment Date	N. A.
Registrar and Share Transfer Agent	Pinnacle Shares Registry Private Limited., Nr. Ashoka Mills, Naroda Road, Ahmedabad – 380 025.

Share Transfer System

The application for transfer of shares held in physical form is receives at the office of the Registrar and share transfer Agents of the Company. Shareholders/Investor’s Grievance Committee approves valid transfer of shares and shares certificates are dispatched within a period of 30 days from the date of receipt, provided the same are in order in ever respect.

Distribution of Shareholding as on 10th August, 2010

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Upto 500	525	14.22	203520	0.99
501 – 1000	921	24.94	905864	4.40
1001 – 2000	635	17.19	1195437	5.80
2001 – 3000	288	7.80	802986	3.90
3001 – 4000	126	3.41	485373	2.36
4001 – 5000	473	12.81	2353417	11.42
5001 – 10000	429	11.62	3680681	17.87
10001 and above	296	8.02	10974226	53.27
Total	3693	100	20601504	100

Pattern of Shareholding:

Sr. No.	Category	No. of Holder	No. of Shares	(%)
1.	Bank-Nationalized	1	150000	1.53
2.	Corporate Body Broker	9	93700	0.95
3.	Corporate Body-Domestic	25	218268	2.28
4.	Corporate Body-OCB Repatriable	1	5000	0.05
5.	Corporate Body -Others	2	6100	0.06
6.	Corporate CM/TM- Clint	13	222764	2.27
7.	Corporate CM/TM-Client	5	24578	0.25
8.	Individual-Director	3	6000	0.06
9.	Individual-HUFS/AOPS	45	221511	2.26
10.	Individual- Non-Resident Indian	8	22200	0.22
11.	Individual- Resident Indian	1781	8822475	90.09
Total :-		1893	9792596	100

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Dematerialization of Shares on 31st March 2010

As on 31st March 2010, 99.33 % of the Company's total shares representing 3,03,94,100 shares were held in dematerialized form and the balance 0.67 % representing 2,05,900 shares were in Physical form.

The ISIN Number in NSDL and CDSL is “**INE 912B01024**”

Address of Correspondence

The Company's Corporate Office is situated at 603, Sakar III, 6th Floor, Off-Asharam Road, Income Tax, Navjivan Post Office, Ahmedabad-380014. Shareholders' correspondence should be addressed to the Corporate Office of the Company as stated above.

Non-Mandatory Requirement:

- (1) (a) Whether chairman of the Board is entitled to maintain a chairman's office at the company's expenses and also allowed re-imbusement of expenses incurred in performance of his duties.

(b) Independent Director may have a time not exceeding in the aggregate a period of nine years on the board of the company.
- (2) **Audit Qualification:** There are no qualifications in the Auditors Reports on the financial statements to the shareholders of the Company.
- (3) **Whistle Blower Policy:** The Company has adopted a Whistle Blower Policy to provide a mechanism for its Employees, Directors, Vendors, or Customers to disclose any unethical and/or improper practice(s) taking place in the Company for appropriate action and reporting. This policy provides the necessary safeguards to all the whistle blowers for making disclosures in good faith. The disclosure can be made in writing to the Head of Legal Departments or to the Chairman of the audit Committee or Chairman of the company. The chairman of the Audit Committee is duly authorized to investigate/oversee any disclosures reported under this policy.

Certificate of Chief Executive Officer and Chief Financial officer:

We have received the financial statements and the cash flow statements for the year ended 31st march 2010 and that to the best of our knowledge and belief:

1. This statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the company's affaires and are in compliance with existing accounting standers, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st march, 2010 which are fraudulent, illegal, or vocative of the Company's Code of Conduct.'

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4. we accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

5. We further certify that we have indicated to the auditors and the Audit committee:
 - (a) There have been no significant changes in internal control system during the year.

 - (b) There have been no significant changes in accounting Policies during the year and that the same have been disclosed in the notes to the financial statements; and

 - (c) There have been no instances of significant fraud, of which we have become Aware, involving management or an employee having a significant role in the company's internal control system.

Declaration for Compliance of Code of Conduct:

All Board Members and the Senior Management personnel have, for the year ended on 31st March 2010, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Bombay Stock Exchange Ltd and Ahmedabad Stock Exchange Ltd.

**For and on behalf of Board of Directors
GOYAL ASSOCIATES LIMITED**

**Place : Ahmedabad
Date : 15th July, 2010**

**SD/-
(KRISHNAKANT GOYAL)
Director**

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CERTIFICATE ON COMPLIANCE OF CONDITION OF CORPORATE GOVERNANCE:-

We have examined the compliance of conditions of Corporate Governance by Goyal Associates Ltd. for the year ended on 31st March. 2010, as stipulated in clause 49 of the listing agreement of the said company with the Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited.

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 the certificate 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 required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no shareholders/investor grievance were pending for a period of one month against the company as per the records maintained by the shareholders Investor's Grievance Committee.

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

Place Ahmedabad
Date: 15th July, 2010

for **HARISH P. JAIN & ASSOCIATES**
PRACTISING COMPANY SECRETARY

SD/-
(HARISH JAIN)
Proprietor
Membership No. 4100

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GROUND REALITY OF CORPORATE GOVERNANCE

Corporate Governance is the process whereby people in power direct, monitor and lead corporations, and there by either create, modifies or destroys and structures and systems under which they operate. The term corporate governance can be stretched to include the entire network of formal and information relations involving the corporate sector and its consequence for the society in general. It includes the structure, process, culture and system that help in the successful operation of the organization. It is about value orientation, ethical norms, social accomplishment, performance and practices. It is concerned with holding a balance between economic, social and individual goals. Its framework encourages the efficient use of resources and accountability of those resources the aim is to align is nearly as possible the interest of individual, corporation and society. The basic principle is to encourage corporate houses to adopt internationally accepted governance standards which strengthen the economy and discourage fraud and mis-management.

A review of the literature on corporate governance suggests that some of the prerequisites for it are – proper system consisting of clearly defined rules, authority and responsibility. It included vision, principles and norms which promote development. It develops a proper system for guiding, monitoring, reporting and control. It should focus on works ethics based on transparency, accountability and responsibility.

A good corporate governance is considered vital from a medium and long term perspective to enable firms to complete in sustained way internationally, and to make them flourish and grow. It is not only seen to provide employment, wealth and satisfaction, but also to improve the standard of leaving and enhance social cohesion. Strong corporate governance is thus indispensable to vibrant capital market and is an important instrument for investor protection. It is almost truism that the adequacy and the quality of corporate governance shapes the growths and future of any capital market and economy. In an age where capital flows worldwide, just as quickly as information does, a company that does not promote a culture of strong, independent overseeing, risks its very stability and future health.

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MANAGEMENT DISCUSSION AND ANALYSIS:-

OVERVIEW:

The financial statements of the company have been prepared in compliance with the requirements of the companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. There are no material departures from prescribed accounting standards in the adoption of accounting standards. The management of the company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the form and substance of transactions and reasonably present the company's state of affairs and profit for the year.

OPPORTUNITY AND THREATS:-

OPPORTUNITY:

1) For sale of Security:

The company's present focus is on fund to be invested into the stock markets. Company is using its own funds and has not borrowed any funds. That makes the company in position to take more risky decisions for investment. In India people aspire to invest in investment products and services. The company has developed and is developing products to meet the demand. There is great potential in India to invest in the market by providing them opportunity to invest their funds. This market is being approached by the company through direct mail, targeted advertising and community seminars.

The company has advanced technology team that delivers market leading products innovation and also having strong and experienced promoters as well as Board of Directors group to develop the business of the company.

2) For sale of fabric:

In addition Company is also making the investment in fabrics to take the advantage of growing Market for fabrics. The company is in process to identify the best methods and strategies to increase its sale in the Market. The Overall growth of Domestic Market and Easy availability of Fabrics is good sign of future growth.

- Growing market for fabric
- Operating in value added segment.
- High quality of fabric
- Good Product portfolio
- Successful and rapid penetration in domestic market.
- Easy availability of fabrics.
- Cordial relations with suppliers and customers.
- Committed Workforce and Cordial industrial relations.

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-THREATS:

1) For sale of Securities:

With the rapidly expanding Indian Market and presenting a host of opportunities in the financial services sector, there are many players who are venturing in this business therefore there is threats of the tough competition to the company.

2) For sale of fabrics:

- Absence in export market.
- Market competition.
- Uncertainty of Economic Environment.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUANCY:

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal control system is supplemented by an extensive program of internal audit review by management and documented policies, guidelines and procedures.

The company has an effective system in place towards achieving efficiency in operations, optimum and effective utilization of resources monitoring thereof and compliance with applicable laws. This is continually reviewed for effectiveness and is augmented by written policies and guidelines, the careful selection of qualified personnel.

RISKS & MANAGEMENT PERCEPTION:

Risk is inherent aspect of business. Risk taking is essential for growth. The negative fallouts of such an ingredient, however, need to be managed through effective risk mitigation both at the strategic as well as at the transactional level.

The operations of the company are subject to general business risks and competition in the industry.

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT:

The company has always recognized the manpower as its asset and that the people had been the driving force for the growth and expansion of the company. The company has always laid special emphasis on the training and development on its people during the year. Industrial relations during the year were cordial and peaceful.

The company has taken a number of new initiatives, to improve efficiencies and welfare of its employer.

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OUTLOOK:

As India progressively moves to a free market environment, international producers will have increased access to the Indian market either through the establishment of manufacturing bases in India or from overseas. Indian manufacturers therefore would urgently need to re-engineer themselves, wherever possible, to compete in this environment in terms of costs, quality and product innovation. The company continued its emphasis as technology up-gradation and efficiency in operation. The company's initiatives for the past few years to modernize its facilities, focus on high-end products, substantially increase its efficiency and to face the global challenges ahead, both within India and overseas markets.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/ supply and price conditions in the domestic markets in which the company operates, changes in the government regulation, tax laws and other statutes and other incidental factors.

**For and on behalf of Board of Directors
GOYAL ASSOCIATES LIMITED**

**Place : Ahmedabad
Date : 15th July,2010**

**SD/-
(KRISHNAKANT GOYAL)
Director**

HEMANT S. JAIN & CO.
CHARTERED ACCOUNTANTS

714-Sahajanand Shopping Centre
Opp Swaminarayand Temple, Shahibaug Road Ahmedabad-380004
Phone No. : (O) 25623054

AUDITOR'S REPORT

TO,
THE MEMBERS OF,
GOYAL ASSOCIATES LTD

- 1) We have audited the attached Balance Sheet of GOYAL ASSOCIATES LTD as at 31st March, 2010 and also the Profit & Loss

Account of the Company 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 have 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 the 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, issued by the Central Govt. of India in terms of Section 227(4A) of the Companies Act, 1956, we have enclosed in the Annexure a statement on the matters specified in the paragraph 4 & 5 of the said order.

- 4) Further to our comments in the Annexure (A) 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 purpose of our audit.
 - b) 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.
 - 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, profit & loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act, 1956;

- e) On the basis of written representation 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 the section 274 of the Act, 1956;
- f) In our opinion and to the best of our information and according to explanations given to us, the said accounts 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;
- (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, Profit for the year ended on that date.
- (c) in case of the cash flow statement, of the cash flows for the year ended on that date.

Place : Ahmedabad
Date : 15/07/2010



FOR, HEMANT S. JAIN & CO.
Chartered Accountants,
FRN-128228W

(CA Hemantprakash Jain)
Proprietor
M.N.117250

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITOR'S REPORT OF
EVEN DATE**

- (i) (a) The company does not have any fixed Assets during the year so other details are not applicable.
- (ii) (a) According to the information and explanation given to us, inventory has been physically verified by the management during the year and at the end of the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its business.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relating to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventory; No material discrepancies were noticed on verification between the physical stocks and book records.
- (iii) (a) The company has granted unsecured loan to 1 company and 1 other party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 4,55,000/- and the year end balance was Rs. Nil.
- (b) In our opinion the rate of interest and other terms and conditions of such loans, if any, are not, prima facie, prejudicial to the interest of the company. However, internal control system for interest free loans and outstanding need to be strengthened.
- (c) The parties have repaid the principal amount as stipulated and have also been regular in the payment of interest to the company.
- (d) There is no overdue amount in excess of Rs.1 lakh in respect of loans granted/taken to/from companies, firms or other parties listed in the register maintained under section 301 of the companies act, 1956.
- (e) The company has taken loan from 2 Companies, 1 firm and 1 other party covered in the register maintained under section 301 of the companies act, 1956. The maximum amount involved during the year was Rs. 3,49,43,970/- and the year-end balance was Rs. 1,29,45,570/-
- (f) The loan taken were interest free and in our opinion other terms and conditions of loan taken from company, firm and other parties listed covered in the register maintained under section 301 of the companies act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv) In our opinion, and according to the information and explanation given to us, there are adequate internal control system commensurate with size of the company and the nature of its business through personal supervision of management of the company with regard to purchase of inventories, fixed assets and for the sale of goods. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- (v) (a) According to the information and explanation given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered. There were no contracts to be recorded U/s 301 of the Companies Act, 1956

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act, 1956 and exceeding the value of Rs. 500000/- in respect of any party during the year have been made at price which are reasonable having regard to the prevailing market price at the relevant time.
- However, in absence of intrinsic value and market quotation of unlisted companies we can not comment on whether the price of such transactions are at arm length prices or not.
- (vi) The company has not accepted any deposit from public and hence the question of applicability of directives issued by the Reserve Bank of India and the provisions of section 58A,58AA or any other relevant provisions of the companies Act, 1956 and the rules framed there under, does not arise.
- (vii) In our opinion, based on the information and explanation given to us, the company has no internal audit system commensurate with its size and the nature of its business operation.
- (viii) Based on the information and explanations given to us maintenance of cost records have not been prescribed by the central government under clause (d) of subsection (1) of section 209 of the Act.
- (ix) (a) According to the information and explanation given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, income tax, cess and other material statutory dues, applicable to it.
- Further, since the central government has till date not prescribed the amount of cess payable under section 44IA of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanation given to us no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, service tax, excise duty and cess were in arrears as at 31st March, 2010 for a period of more than 6 months from the date the became payable to it.
- (c) According to the information and explanation given to us, there are no dues outstanding of income tax, wealth tax, sales tax, service tax, custom duty, excise duty and cess on account of dispute.
- (x) There are accumulated losses of Rs 68,81,354 of the company at the end of the year. However accumulated losses does not exceed fifty percent of it's net worth. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceeding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions, bank or debenture holders.
- (xii) According to the information and explanation given to us and based on the document and records produced to us, the company has not granted loans

and advances on the basis of security by way of pledge of shares, debenture and other securities.

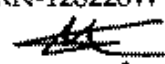
- (xiii) In our opinion, the company is not a chit fund of Nidhi/Mutual benefit fund/Society. Hence, provisions of clause 4 (xiii) of the companies (Auditors Report) order, 2003 are not applicable to the company.
- (xiv) The company has maintained proper records of the transactions and contracts and timely entries have been made therein regarding dealing in shares, securities and other investments. Shares, securities, debentures and other investments have been held by the company in its own name except to the extent of the exemptions, if any granted under section 49 of the Act.
- (xv) According to the information and explanation given to us, the company has not given, during the year, any guarantee for loans taken by others from Banks or financial Institutions. As a result, the question of our commenting whether the term and conditions are prejudicial to the interest of the company does not arise.
- (xvi) In our opinion and according to the information, given to us, company has not taken term loan during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the information and explanation given to us, the company has not made, during the year any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act, 1956.
- (xix) According to the information and explanation given to us, the company has not issued any debenture during the year.
- (xx) The company has not raised money from the public during the year.
- (xxi) On the basis of our examination of the book of account and other relevant records and information made available to us, prima-facie we have not noticed any fraud on or by the company during the year. Further, the management has represented to us that no fraud on or by the company has been reported during the year However, we are unable to determine /verify as to whether any such reporting has been made, during the year.

Place : Ahmedabad
Date : 15/07/2010



FOR, HEMANT S. JAIN & CO.

Chartered Accountants,
FRN-128228W


(CA Hemantprakash Jain)

Proprietor
M.N.117250

GOYAL ASSOCIATES LTD
BALANCE SHEET AS AT 31st March, 2010

Particulars	Schedule	31st March, 2010	31st March, 2009
SOURCES OF FUNDS			
A) SHAREHOLDER FUND			
Share Capital	A	30600000	30600000
Reserve & Surplus	B	73774	73774
Unsecured Loan	C	12945570	0
TOTAL		43619344	30673774
APPLICATION OF FUNDS			
A) INVESTMENTS	D	455150	2655650
B) CURRENT ASSETS, LOAN AND ADVANCES	E		
Inventories		6125950	18356250
Sundry Debtors		7231223	14053029
Cash & Bank Balance		2723400	(19480680)
Loans & Advances		22586138	14185324
		38666711	27113923
C) Less : CURRENT LIABILITIES AND PROVISION	F	2383871	4979400
NET CURRENT ASSETS		36282840	22134523
D) PROFIT & LOSS ACCOUNT (to the extent not written off)	G	6881354	5883601
TOTAL		43619344	30673774

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

M

As per our attached report of even date

FOR, HEMANT S. JAIN & CO.
Chartered Accountants
FRN-128228W



(CA Hemantprakash Jain)
Proprietor
M.N.117250

On Behalf of Board of Directors
FOR, GOYAL ASSOCIATES LTD

DIRECTOR

DIRECTOR

Place : Ahmedabad
Date : 15/07/2010

Place : Ahmedabad
Date : 15/07/2010

GOYAL ASSOCIATES LTD

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March, 2010

Particulars	Schedule	31st March, 2010	31st March, 2009
A) INCOME			
Sales Less Sales Return		45512504	203106448
Other Income	H	3313376	2951429
Increase/(Decrease) in Stock	I	(12230300)	(10741372)
		36595580	195316505
B) EXPENDITURE			
Purchase & Direct Expenses	J	34385227	192900611
Establishment & Other Expenses	K	3153895	2033524
Finance & Bank Expenses	L	37123	13498
		37576245	194947633
PROFIT/(LOSS) BEFORE TAXATION		(980665)	368872
Less: Prior Period Expenses		(16854)	0
Provision for Taxation		0	(151351)
FBT Expenses		(234)	(13006)
Transfer to Reserve U/s 45 IC of RBI Act		0	(73774)
PROFIT AFTER TAXATION		(997753)	130741
BALANCE BROUGHT FORWARD		(5883601)	(6014342)
BALANCE CARRY FORWARD		(6881354)	(5883601)
Earning Per Shares		-0.03	0.004

SIGNIFICANT ACCOUNTING POLICIES AND M
NOTES ON ACCOUNTS

As per our attached report of even date

FOR, HEMANT S. JAIN & CO.
Chartered Accountants
FRN-128228W

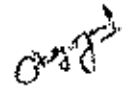


(CA Hemantprakash Jain)
Proprietor
M.N.117250

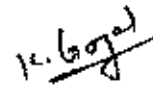


On Behalf of Board of Directors

FOR, GOYAL ASSOCIATES LTD



DIRECTOR



DIRECTOR

Place : Ahmedabad
Date : 15/07/2010

Place : Ahmedabad
Date : 15/07/2010

GOYAL ASSOCIATES LTD

SCHEDULE FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED ON 31st March, 2010

Particulars	31st March, 2010	31st March, 2009
SCHEDULE-A : SHARE CAPITAL		
AUTHORISED SHARE CAPITAL :- 34000000 (P.Y 34000000) Equity Shares of Rs. 1/- Each	34000000	34000000
ISSUED, PAID UP AND SUBSCRIBED CAPITAL :- 30600000 (P.Y 30600000) Equity Shares of Rs. 1/- Each	30600000	30600000
	30600000	30600000
SCHEDULE-B : RESERVE & SURPLUS		
1) Reserve U/s 45(1A) of RBI Act		
Opening Balance	73774	0
Add- Additions/(deduction) during the year	0	73774
	73774	73774
SCHEDULE-C : UNSECURED LOAN		
Unsecured Loan	12945570	0
	12945570	0
SCHEDULE-D : INVESTMENTS		
- Nil (P.Y 270000) Shares of Anjani Synthetics Ltd.	0	2200500
- 53920 (P.Y53920) Equity Shares of G2 International Export Ltd	455150	455150
	455150	2655650
SCHEDULE -E : CURRENT ASSETS, LOANS AND ADVANCES		
A) INVENTORIES	6125950	18356250
	6125950	18356250
B) SUNDRY DEBTORS		
More than Six Months	5126339	7310579
Others	2104884	6742450
	7231223	14053029
C) Cash & Bank Balances		
1) Cash on hand	110756	89135
2) Balance with :		
HDFC BANK	2174830	(19804600)
HDFC BANK Euro A/c	422799	0
Kalapur Commercial Co.Op Bank	10507	204349
Bank Of Baroda, Kaligam	4508	6036
State Bank of India	0	24400
	2723400	(19480680)
D) Loans & Advances		
Share Application Money	200000	0
Loan Given	22100684	13458320
Tax Deducted At Source	285454	221997
Duty Draw Back Receivable	0	505007
	22586138	14185324
TOTAL (A) + (B) + (C) +(D)	38666711	27113923

SCHEDULE - F : CURRENT LIABILITIES AND PROVISION**A) CURRENT LIABILITIES**

Sundry Creditors

2317134

4529190

2317134

4529190

B) PROVISIONS

Provision for Expenses

64201

284064

Provision for FBT

0

13006

Provision for Taxation

0

151351

64201

448421

B) STATUTORY LIABILITIES

TDS Payable

2536

1789

2536

1789

TOTAL (A) + (B) + (C)

2383871

4979400

SCHEDULE - G : PROFIT & LOSS ACCOUNT

Profit & Loss Account

5883601

6014342

Add/(Less)- Addition/(Reduction) during the year

997753

(130741)

6881354

5883601

SCHEDULE-H-DIRECT AND OTHER INCOME

Brokerage

0

167502

Kasar

32

0

Drawback Credit

1059503

1775503

Interest Received

2253841

1008424

3313376

2951429

SCHEDULE- I- Increase/(Decrease) in Stock

Closing Stock(Taken and Valued as certified by Management)

6125950

18356250

Less- Opening Stock

18356250

29097622

(12230300)

(10741372)

SCHEDULE-I-Purchase & Direct Expenses

Purchase Less Purchase Return

32713646

191022643

Job Work Charges

1671581

1877968

34385227

192900611

SCHEDULE-K ; ESTABLISHMENT AND OTHER EXPENSES

Audit Fees

✓19302

19302

Advertisement Expenses

0

5766

Annual Custody Charge

✓16545

0

Annual Fees-NSDL

✓32967

23423

Annual Fees-CDSL

✓15839

9814

Conveyance Expenses

✓2320

47760

Demat Charges

0

2000

Export Freight/Clearance Charges

✓1371092

967157

Exchange Fluctuation

✓825970

106040

Electricity Expenses

✓7398

29562

Office Expenses

✓7688

48000

Bad Debt Write Off

✓57819

0

Insurance Expenses

✓6568

15788

Kasar

0

7294

Professional Charges

✓15500

11000

Stock Exchange Fees

✓32075

78438

ROC Fees

✓6500

0

Salary Expenses

✓615000

534500

Staff Welfare Expenses

✓3587

34336

Telephone Expenses

✓13090

93344

Travelling Expenses

✓104635

0

3153895

2033524

SCHEDULE-L :FINANCE & BANK EXPENSES

Bank Charges

✓37123

13498

37123

13498

SCHEDULE : M

1) SIGNIFICANT ACCOUNTING POLICIES

A SYSTEM OF ACCOUNTING

(i) Company maintain its accounts on accrual basis following the historical cost convention in compliance with the Accounting Standards Specified to be mandatory by the Institute of Chartered Accountants of India and relevant provision of the Companies Act, 1956.

(ii) Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles.

B REVENUE RECOGNISE

1) Sales

Sale of Fabric is recognised on the basis of dispatch of goods is accounted net of sales return, if any.

Sale of securities is accounted on the basis of debit notes issued to party.

2) Interest, commission, Duty Drawback and other Income are accounted on accrual basis.

3) Dividend is accounted on receipt basis.

C EXPENSES

It is company's policy to account of expenses on accrual basis except expenses of traditional nature which are accounted on cash basis.

D FIXED ASSETS AND DEPRECIATION

Company does not have any fixed assets. Hence, no depreciation has been provided.

E INVENTORY

Closing stock of fabric, shares and securities has been valued at Cost or market price whichever is lower.

F INVESTMENT

Investments are long term. Investment are valued at cost. Provision for diminution in value of investments is made only if such a decline is otherwise than temporary.

G RETIREMENT BENEFITS

We have been informed that payment of Gratuity and provident fund are not applicable to company.

H PROVISION AND CONTINGENT LIABILITY

Provisions are recognised for present obligation, of uncertain timing or amount, arising as a result of past events where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of resources embodying economic benefit is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

I TAXATION

(a) Current corporate tax is provided on the profit for the year after considering applicable tax rates and laws.

(b)

Deferred tax is provided in accordance with the Accounting Standards - 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants of India on timing differences between tax and accounting treatments that originate in one period and are expected to be reversed or settled in subsequent periods. Deferred tax assets or liabilities are measured using the enacted tax rates for the current year. Adjustment of deferred tax assets or liability attributable to change in tax rates is shown in the profit and loss account as a part of deferred tax adjustment for the year.

J IMPAIRMENT OF ASSETS

Impairment of loss is charged to the Profit and Loss Account in the period in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

K EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

L SEGMENT REPORTING

The company has organised its operation into two business

- Trading in fabric
- Financial Activities

2) NOTES ON ACCOUNTS

- 1) Company is a Non Banking Financial Company.
- 2) Contingent liabilities NIL(Previous Year Nil)
- 3) Contracts remaining to be executed on capital account not provide for Rs. Nil (Previous year Rs. Nil)
- 4) Contingent liability that may arise due to suspension of trading of shares of the company on stock exchange has not been ascertained and provided for
- 5) Amount paid by way of Remeneration to Auditor(In Rs.)

	<u>2009-2010</u>	<u>2008-2009</u>
D) Audit Fees	19302	19302
	<u>19302</u>	<u>19302</u>

	<u>2009-2010</u>	<u>2008-2009</u>
6) Directors Remuneration	240000	240000

7) Related Party transactions are follow :

Transaction	Key Management Personnel	Association	Relatives of Key Management Personnel	Total
(a) Purchase	900000	195000 (102629030)	450000 (6274000)	1545000 (108903030)
(b) Sales	0	23578400 (94803394)	0 (0)	23578400 (94803394)
(c) Advance paid	0 (0)	455000 (26865000)	0 (0)	455000 (26865000)
(d) Advances Received	0 (0)	455000 (24195000)	0 (0)	455000 (24195000)
(e) Salary	240000 (240000)	0 (0)	240000 (0)	480000 (240000)
(g) Interest	0 (0)	0 (0)	0 (0)	0 (0)
(h) Unsecured Loan repaid	0 (0)	31415000 (0)	5225000 (200000)	36640000 (200000)
(i) Unsecured Loan Received	0 (0)	44360570 (0)	5225000 (200000)	49585570 (200000)

Note :

Previous year figures have been provided in the bracket.

This is based on the information provided by the management of the company.

(A) Key Management : Krishnakant Goyal
Prashantkumar Agarwal
Vijaykumar Saligram Goyal
Vikaskumar Vijaykumar Goyal
Narendrakumar Bhimsen Goyal

(B) Associations : Gujarat Financial & Capital Ltd
Goyal Arcade Pvt. Ltd
Gujarat Roadlines Ltd
Bluefox Securites & Leasing Ltd
Shree Roadways Ltd.

(C) Realtive of Key Management Persons : Bhimsen Goyal HUF
Pushpadevi Goyal
Pawankumar Vijaykumar
Durgadevi Family Trust
Vandanadevi Goyal
Kavitadevi Goya

- 8) Provisions of Clause 4D of part II of Schedule VI of the companies Act, 1956, regarding :
- Value of Import : Rs. 32,53,525/-
 - Expenditure incurred in Foreign Currency : Nil
 - Amount of remittance in Foreign Currency on accounts of dividends : Nil
 - Export Earnings : Rs.1,51,69,247/- (FOB Value)
- 9) Quantitative details of clause 3 of part II of Schedule VI of companies Act, 1956 is as under (Previous year figure are provided in the bracket)

Particulars	Op Stock	Purchase	Sales	Cl. Stock
Shares(Nos)	600000 (768946)	2001450 (2583850)	337250 (2752796)	2264200 (600000)
Fabrics(Meters)	0 (0)	323407 (1066161)	323407 (1066161)	0 (0)
Sets(Nos)	0 (0)	89035 (51060)	89035 (51060)	0 (0)
Zipper(Meters)	0 (0)	1065600 (0)	1065600 (0)	0 (0)
Runner(Nos)	0 (0)	2000000 (0)	2000000 (0)	0 (0)

- 9) Details of clause 4C of part II of Schedule VI of companies Act, 1956 has not been furnished as such information are Nil.

10) **Segment Reporting**

Company has organised its operation into tow business

- Trading of Fabrics
- Trading of Shares & Securities

Particulars	Fabric(Rs)	Shares(Rs)	Total(Rs)
Sales & Direct Income	19579507	29246341	48825848
Purchase & Direct Expenses	19274619	16481700	35756319
Net Result	304888	12764641	13069529
Less- Unallocate Expenses	0	0	1836780
Add- Unallocate Income	0	0	0
Net Profit Before Tax	0	0	(997753)

11) Earning Per Share

Particulars	2009-10	2008-09
Profit After Tax	(997753)	130741
The weighted average number of ordinary shares of Rs.1 each	30600000 shares	30600000 shares
Total Number of Shares		
Earning Per Share(Basic)/(Diluted)	-0.03	0.00

- 12) The Company has initiated the process of indentifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March, 2010, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
- 13) All debit and credit balances appearing under the head loans and advances, unsecured loans, sundry debtors and current liabilities are subject to confirmation by the parties concerned, and subsequent reconciliation, if any.
- 14) In the opinion of the Management, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet and provision of all known liabilities has been made.
- 15) Figures in the Balance sheet are rounded off to the nearest of rupees.
- 16) Previous year figures in Balance sheet has been regrouped and rearranged wherever necessary.
- 17) The statement of significant Accounting policies and the Notes numbered 1 to 16. Above form an integral part of the accounts for the accounts for the year ended on 31st March, 2010.

For, HEMANT S. JAIN & CO.
Chartered Accountants


(CA Hemantprakash Jain)
Proprietor



For, On behalf of the Board
Goyal Associates Ltd


(Director)


(Director)

Place : Ahmedabad
Date : 15/07/2010

Place : Ahmedabad
Date : 15/07/2010

GOYAL ASSOCIATES LIMITED
CASH FLOW STATEMENT ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED ON 31.03.2010

	31st March, 2010	31st March, 2009
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/(Loss) after tax	(997753)	130741
Adjustment for :		
(a) Preliminary Expenses	0	0
(b) Depreciation	0	0
(c) Financial Charges	0	0
(d) Dividend	0	0
(e) Prio Period (Income)/Expenses	0	0
(f) Provision for Deferred tax	0	0
(g) Profit on sale of fixed Assets	0	0
(h) Interest Received	(2253841)	(1008424)
(i) Prior Period Expenses	16854	0
(j) Income Tax	234	164357
(k) Transfer to Reserve U/s 45 IC of RBI Act	0	73774
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3234506)	(639552)
Adjustment for :		
(a) Trade and Other Receivables	6821806	23185316
(b) Inventories	12230300	10741372
(c) Trade Payable	(2595529)	(44827469)
(d) Other Current Assets	(8400814)	(4080406)
CASH GENERATED FROM OPERATION	4821257	(15620739)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	4821257	(15620739)
Extraordinary Items Prior Period		
(a) Priorperiod Expenses/Income	(16854)	0
(b) Income Tax	(234)	(164357)
	4804169	(15785096)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(a) Purchase of Fixed Assets	0	0
(b) Sale of Fixed Assets	0	0
(c) Purchase of Investment	0	0
(d) Sale of Investments	2200500	0
NET CASH FLOW IN INVESTING ACTIVITIES	2200500	0

C. CASH FLOW FROM FINANCIAL ACTIVITIES

(a) (Decrease)/ Increase in Borrowing	12945570	(1640000)
(b) Dividend	0	0
(c) Interest (Paid)/ Received	2253841	1008424
	<u>15199411</u>	<u>(631576)</u>
Net Increase (Decrease) in Cash (A + B + C)	22204080	(16416672)
Opening Balance of Cash & Cash Equivalents	(19480680)	(3064008)
Closing Balance of Cash & Cash Equivalents	2723400	(19480680)

For and behalf of the Board
Goyal Associates Ltd.

[Signature]
Director

[Signature]
Director

Date : 23 June, 2010
Place : Ahmedabad.

AUDITOR'S REPORT

We have checked the attached cash flow statement of GOYAL ASSOCIATES LIMITED for the year ended 31st March, 2010 from the books and records maintained by the company in the ordinary course of business and have subject to comparative figures for the year ended 31st March, 2009

Date : 10th July, 2010
Place : Ahmedabad.



For, Hemant S. Jain & Co.,
Chartered Accountants,

[Signature]
CA Hemantprakash Jain
Proprietor

GOYAL ASSOCIATES LTD

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. : L74999GJ19994PLC023281 State Code : 4
Balance Sheet Date : 31/03/2010

II. Capital Raised during the year (Amount in Rs.)

Public Issue : Nil Right Issue : Nil
Bonus Issue : Nil Private Placement : Nil

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Sources of fund

Paid-up Capital : 30600000 Reserve & Surplus : 73774
Secured Loan : Nil Unsecured Loan : 12945570
Deferred tax Liability : Nil

Application of funds

Net fixed Assets : Nil Investments : 455150
Net Current Assets : 36282840 Misc. Expenditure : Nil

IV. Performance of Company (Amount in Rs.)

Net Turnover : 36595580 Total Expenditure : 37576245
Profit/(loss) before tax : (980665) Profit/(loss) after tax : (997753)
Earnings per Share in Dividend Rates % : Nil
Rs. : (0.03)

**V. Generic Name of Three Principal Products/Services of company
(as per monetary terms)**

Item Code No. :
(ITC Code)
Product Description : -

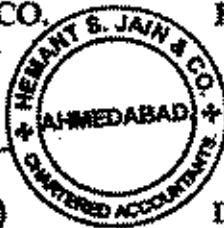
As per our Attached reprot of even date.

On Behalf of Board of Directors

FOR, HEMANT S. JAIN & CO.
Chartered Accountants

FOR, GOYAL ASSOCIATES LTD


(CA Hemantprakash Jain)
Proprietor




DIRECTOR


DIRECTOR

Place : Ahmedabad
Date : 15/07/2010

Place : Ahmedabad
Date : 15/07/2010

ANNUAL REPORT 2009-2010

Registered Office: 604, Sakar III, Incom Tax Circle, Ahmedabad-380014.

ATTENDANCE SLIP

16th Annual General Meeting

Tuesday the 10th August, 2010 at 10.00 A. M.

Place: At the Registered Office of the Company at:
604, Sakar III, Incom Circle,
Ahmedabad-380 014

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.

ANNUAL REPORT 2009-2010

Registered office: 604, Sakar III, Incom Tax Circle, Ahmedabad-380014

FORM OF PROXY

Member's Folio Number.

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 -----

As my/our proxy to attend and vote for me/us or on my/our behalf at the 16th Annual General Meeting of the Company, to be held on Thursday, the 30th 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, at 604, Sakar III, Incom Tax Circle, Ahmedabad 380 014 not less than 48 hours before the time fixed for holding the meeting.

