

**AASWA TRADING AND EXPORTS LIMITED**

**AHMEDABAD**

**23<sup>rd</sup> ANNUAL REPORT 2007 - 2008**

**REGN. NO. 04 - 24704**

**BOARD OF DIRECTORS**

**MR. KEYUR J. PARIKH  
MR. MAYUR J. PARIKH  
MR. ANISH A. SHAH**

**AUDITORS**

**M/S. DHIRUBHAI SHAH & CO.  
CHARTERED ACCOUNTANTS  
AHMEDABAD**

**BANKERS**

**BANK OF INDIA  
KOTAK MAHINDRA BANK LTD.**

**REGISTERED OFFICE**

**32, MILAN PARK SOCIETY,  
OPP. PRAKASHNAGAR BUS STOP,  
NEAR JAWAHAR CHOWK,  
MANINAGAR  
AHMEDABAD - 380 008.**

**VERIFIED TRUE COPY**

**For Aaswa Trading & Exports Ltd.**

**Authorised Signatory**

**AASWA TRADING AND EXPORTS LIMITED**

**NOTICE**

NOTICE is hereby given that the twenty third annual general meeting of the members of AASWA TRADING AND EXPORTS LIMITED will be held on Thursday, the 31<sup>st</sup> July, 2008 at 11.30 a.m. at the registered office of the company situated at 32, Milan Park Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad - 380008 to transact the following business: -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited balance sheet as at 31<sup>st</sup> March, 2008 and profit and loss account for the year ended on that date alongwith reports of directors and auditors thereon.
2. To appoint a director in place of Mr. Keyur J. Parikh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors to hold office from conclusion of this meeting until the conclusion of next annual general meeting and to fix their remuneration.

Registered Office:  
32, Milan Park Society,  
Nr. Jawahar Chowk, Maninagar,  
Ahmedabad - 380008.

Date: 30/06/2008

By Order of the Board



Chairman

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The register of members and register of share transfers, of the company will remain closed from 28<sup>th</sup> July, 2008 to 30<sup>th</sup> July, 2008 (both days inclusive).
3. Shareholders are requested to notify change in addresses, if any, at an early date, at the registered office of the company.
4. Secretarial compliance audit report pursuant to section 383A of the Companies Act, 1956 is annexed herewith.

Registered Office:  
32, Milan Park Society,  
Nr. Jawahar Chowk, Maninagar,  
Ahmedabad - 380 008.

Date: 30/06/2008

By Order of the Board



Chairman

# AASWA TRADING AND EXPORTS LIMITED

## DIRECTORS' REPORT

To  
The members  
Aaswa Trading and Exports Limited

Your directors have pleasure in presenting the twenty third annual report together with audited annual accounts for the financial year ended on 31<sup>st</sup> March, 2008.

### FINANCIAL RESULTS

Your company's performance during financial year 2007-2008 is summarised below:

	31/03/2008 Rs.	31/03/2007 Rs.
Sales and other income	3,62,42,646	3,47,62,026
Profit before depreciation	7,26,886	6,67,698
Less : Depreciation	48	27,724
Profit before tax	7,26,838	6,39,974
Less : Provision for current taxes	83,000	2,17,000
Provision for tax on fringe benefits	451	2,962
Profit after tax	6,43,387	4,20,012
Add : Balance brought forward from previous year	64,37,674	60,17,662
Balance carried to Balance Sheet	70,81,061	64,37,674

### DIVIDEND

In view of the requirement of funds for future business activities, your directors do not recommend any dividend on equity shares for the year ended on 31<sup>st</sup> March, 2008.

### OPERATIONS

During the year, under review, your company has continued its activity of trading in cotton fabrics. The company posted net profit of Rs.6.43 lacs as compared to Rs.4.20 lacs of previous year. Your directors are putting in their best efforts to improve the performance of the company in the coming years.

### AUDITORS' REPORT

The observations in the auditors' report are dealt with in notes forming part of accounts at the appropriate places and are self-explanatory.

### LISTING AGREEMENT

The equity shares of the company are listed on stock exchanges at Ahmedabad, Mumbai. The company has already paid listing fees to both the stock exchanges.

## DIRECTORS

At the ensuing annual general meeting Mr. Keyur J. Parikh is to retire by rotation and being eligible offers himself for re-appointment.

## DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956 on the basis of information placed before them the directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures; if any;
- (ii) appropriate accounting policies have been selected and applied consistently, and the judgements and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2008 and of the profit of the company for the said year;
- (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.

## AUDITORS

The retiring statutory auditors Dhirubhai Shah & Company, Chartered Accountants, Ahmedabad, retire at the ensuing annual general meeting and being eligible for re-appointment, have indicated their willingness to act as such. You are requested to appoint them as statutory auditors to hold office till the conclusion of next annual general meeting and fix their remuneration.

## SECRETARIAL AUDIT

The secretarial compliance report pursuant to section 383A of the Companies Act, 1956, forms part of this annual report and is attached herewith.

## INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Your company is not engaged in any manufacturing activity and as such has no particulars to disclose under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, as regards conservation of energy and technology absorption. Further, during the year under review, your company has neither earned nor made any payment in foreign exchange.

## PARTICULARS REGARDING EMPLOYEES

The company does not have any employee covered under the provisions of section 217 (2A) of The Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### DEPOSITS

During the year under review, the company has not accepted any deposit from the public.

### APPRECIATION

Your directors would like to thank all its employees for rendering diligent services to the company. The deep sense of belonging and hard work of the employees has enabled the company to face up to the challenges in the competitive environment.

### ACKNOWLEDGEMENTS

Your directors would take this opportunity to express their gratitude to the customers, vendors, investors and banks for their continued support. Your directors would also like to thank statutory authorities for their support and look forward to their continued support and guidance in future.

PLACE : AHMEDABAD

FOR AND ON BEHALF OF THE BOARD

DATE : 30/06/2008

  
CHAIRMAN

**Dhirubhai Shah & Co.**  
Chartered Accountants

AUDITORS' REPORT

To,  
The Members of  
**AASWA TRADING AND EXPORTS LIMITED.**

1. We have audited the attached Balance Sheet of **AASWA TRADING AND EXPORTS LIMITED**, as at 31<sup>st</sup> March, 2008, the Profit and Loss Account and also 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 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 on 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 issued by Central Government of India in terms of section 227(4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that :-
  - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
  - (d) In our opinion, Balance Sheet; the Profit and Loss Account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the directors of the company as at March 31, 2008 and taken on record by the board of directors, we report that none of the directors is disqualified as on March 31, 2008 from being appointed as director of the company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



401/408, "Aditya" B/h. Abhijeet-I, Near Mithakhali Circle Ellisbridge, Ahmedabad-380 006.

Phone : (079) 26403326 • Telefax : (079) 26403325

E-mail : dshahco@dbshahgroup.com • Website : www.dbshahgroup.com

: 2 :

Subject to the foregoing, In our opinion and to the best of our information and according to the explanations given to us, the financial statements read with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) In the case of Balance Sheet, of the State of affairs of the Company as at 31<sup>st</sup> March, 2008; and
- (b) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the Cash Flows of the company for the year ended on that date.

**FOR DHIRUBHAI SHAH & CO.  
CHARTERED ACCOUNTANTS**

*H. B. Patel*

**H. B. PATEL  
PARTNER  
Membership No.14427**

**Place : Ahmedabad**

**Date :30.06.2008**



**ANNEXURE TO THE AUDITOR'S REPORT**  
(Referred to in paragraph (3) of our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management at reasonable intervals. In our opinion, the program of verification is reasonable having regard to the size of the company and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.  
(c) During the year, the company has not disposed off any of its fixed asset.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable  
(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion, the company is maintaining proper records of inventory. As informed to us, no discrepancies were noticed on verification between the physical stocks and book records.
3. (a) The company has not granted any loan, secured or unsecured to companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
(b) Not applicable in view of 3(a) above.  
(c) Not applicable in view of 3(a) above.  
(d) Not applicable in view of 3(a) above.  
(e) The company has not taken any loan, secured or unsecured from companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
(f) Not applicable in view of 3(e) above.  
(g) Not applicable in view of 3(e) above.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. (a) We have been informed that there is no transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956.  
(b) In our opinion and according to the information and explanation given to us; there is no transaction 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 rupees five lakhs in respect of any party during the year.





6. In our opinion and according to the information and explanations given to us, the company has not accepted any fixed deposits from the public. Further, no order has been passed by the Company Law Board.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed for maintenance of cost records as required under clause (d) of sub-section (1) of Section 209 of the Company's Act, 1956.
9. (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, value added tax, sales tax, wealth tax, custom duty, service tax, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, value added tax, sales tax, wealth tax, custom duty, service tax, excise duty, cess and other material statutory dues applicable to it were in arrears as at 31<sup>st</sup> March, 2005 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the details of disputed statutory dues are as follows :

Sr. No.	Nature of Statute	Nature of Dues	Amount Rupees in Lacs	Period to which the amount relates	Forum where dispute is pending
1	The Income tax Act, 1961	Income tax	43.99	A.Y.2004-05	C.I.T.(A)

10. As the company has not any accumulated losses, so this clause is not applied to it.
11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. As per the information and explanations 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.
13. As per the information and explanations given to us, the company is not a Chit Fund, Nidhi / Mutual Benefit Fund, Society. Therefore, the provision of clause 4(xlii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.



14. As per the information and explanations given to us, the company is not dealing in or trading in shares, securities debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 is not applicable to the company.
15. As per the information and explanations given to us, the company has not given guarantees for loans taken by others from Bank or Financial Institutions.
16. As informed to us, the company has not received any money by way of term loans, hence the question of application of it does not arise.
17. 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 a short term basis have been used for long term investments and vice versa except permanent working capital.
18. According to the information and explanations given to us, the company has not made any Preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, the provision of clause 4(xviii) of Companies (Auditor's Report) Order, 2003 is not applicable to the company.
19. According to the information and explanations given to us, the company has not issued any debentures and hence the question of creating security in respect thereof does not arise.
20. As per the information and explanations given to us, the company has not raised any money by way of public issues during the year under audit.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For DHIRUBHAI SHAH & CO.  
Chartered Accountants.



Harish B. Patel  
PARTNER.

Membership No.14427

Date :30.06.2008

Place : Ahmedabad



# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

## BALANCE SHEET AS AT 31st MARCH, 2008

	SCHEDULE NO	AS AT 31/03/2008 Rupees	AS AT 31/03/2007 Rupees
<b>(I) SOURCES OF FUNDS</b>			
<b>1. Shareholder's Funds</b>			
(a) Share Capital	1	7200000	7200000
(b) Reserves & Surplus	2	7081061	6437674
<b>2. Deferred Tax Liability (Net)</b>		<b>14924</b>	<b>14924</b>
<b>TOTAL</b>		<b>14295985</b>	<b>13652598</b>
<b>(II) APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>			
(a) Gross Block	3	16942	16942
(b) Less : Depreciation		16140	16092
(c) Net Block		802	850
<b>2. Current Assets, Loans &amp; Advances</b>			
(a) Cash & Bank Balances	4	26415	107260
(b) Loans & Advances	5	14739815	14662288
Total (A)		14766230	14769548
<b>LESS :-</b>			
<b>Current Liabilities &amp; Provisions</b>			
(a) Current Liabilities	6	167634	897838
(b) Provisions	7	303413	219962
Total (B)		471047	1117800
<b>Net Current Assets (A - B)</b>		<b>14295183</b>	<b>13651748</b>
<b>TOTAL</b>		<b>14295985</b>	<b>13652598</b>
Significant Accounting Policies & Notes Forming Part of Accounts	11		



# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

As per our report of even date attached

For & on Behalf of  
DHIRUBHAI SHAH & CO.  
Chartered Accountants

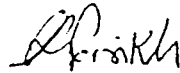


H.B.PATEL  
PARTNER

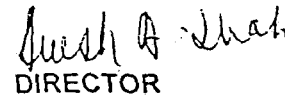
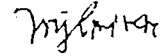
Ahmedabad

Date : 30 JUN 2008

Signatories to Schedules 1 to 1.1



CHAIRMAN



DIRECTOR

Ahmedabad

Date : 30 JUN 2008

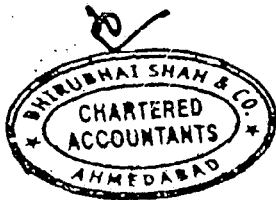


# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2008

	SCHEDULE NO	For the year ended 31/03/2008 Rupees	For the year ended 31/03/2007 Rupees
<b><u>INCOME</u></b>			
Sales		35239510	33698993
Interest Income (Gross) (TDS Rs.4222/- Previous Year Rs.18987/-)		998998	1013378
Other Income	8	4138	49655
<b>TOTAL</b>		<b>36242646</b>	<b>34762026</b>
<b><u>EXPENDITURE</u></b>			
Purchases		35230473	33691449
Employees Remuneration & Benefits	9	52131	74889
Administrative, Selling & Other Expenses	10	233156	327990
Depreciation on Fixed Assets	3	48	27724
<b>TOTAL</b>		<b>35515808</b>	<b>34122052</b>
Profit / (Loss) before Tax		726838	639974
Less : Provision for current taxes		83000	217000
Provision for tax on Fringe Benefits		451	2962
Profit / (Loss) after Tax		643387	420012
Balance brought forward from Previous year		6437674	6017662
Balance carried to Balance Sheet		7081061	6437674
Significant Accounting Policies & Notes Forming Part of Accounts	11		



# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

As per our report of even date attached

Signatories to Schedules 1 to 11

For & on Behalf of  
DHIRUBHAI SHAH & CO.  
Chartered Accountants

*H.B. Patel*

H.B.PATEL  
PARTNER

Ahmedabad

Date: 30 JUN 2008

*[Signature]*

CHAIRMAN

*[Signature]*

*Dinesh A. Shah*

DIRECTOR

Ahmedabad

Date: 30 JUN 2008



# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

Schedules Forming Part of the Balance Sheet

SCHEDULE 1 : SHARE CAPITAL	AS AT 31/03/2008 Rupees	AS AT 31/03/2007 Rupees
<b><u>AUTHORISED</u></b>		
(1) 750000 Equity Shares of Rs.10/- each (Previous Year : 750000 Equity Shares of Rs.10/-each)	7500000	7500000
TOTAL	<u>7500000</u>	<u>7500000</u>
<b><u>ISSUED, SUBSCRIBED &amp; PAID UP</u></b>		
(1) 720000 Equity Shares of Rs.10/- each fully paid up (Previous Year : 720000 Equity Shares of Rs.10/-each fully paid up)	7200000	7200000
TOTAL	<u>7200000</u>	<u>7200000</u>

SCHEDULE 2 : RESERVES AND SURPLUS	AS AT 31/03/2008 Rupees	AS AT 31/03/2007 Rupees
Surplus in Profit and Loss Account	7081061	6437674
TOTAL	<u>7081061</u>	<u>6437674</u>

SCHEDULE 4 : CASH AND BANK BALANCES	AS AT 31/03/2008 Rupees	AS AT 31/03/2007 Rupees
(1) Cash on Hand	2534	29316
(2) Balance with Scheduled Banks in Current Accounts	23881	77944
TOTAL	<u>26415</u>	<u>107260</u>



**AASWA TRADING AND EXPORTS LIMITED**  
**AHMEDABAD**

Schedules Forming Part of the Balance Sheet

**SCHEDULE : 3 - FIXED ASSETS**

Sr. No.	Name of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As on 01/04/07	Additions during the year	Deduction during the year	As on 31/03/08	As on 31/03/07	Provided during the year	Deductions/ adjustments during the year	As on 31/03/08	As on 31/03/07	
1.	SCOOTER	15392	0	0	15392	14780	0	0	14780	612	612
2.	CYCLE	1550	0	0	1550	1312	48	0	1360	190	238
<b>TOTAL</b>		<b>16942</b>	<b>0</b>	<b>0</b>	<b>16942</b>	<b>16092</b>	<b>48</b>	<b>0</b>	<b>16140</b>	<b>802</b>	<b>850</b>
Previous Year		341192	0	324250	16942	162194	27724	173826	16092	850	178998





# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

Schedules Forming Part of the Balance Sheet

SCHEDULE 5 : LOANS AND ADVANCES	AS AT	AS AT
	31/03/2008	31/03/2007
	Rupees	Rupees
(1) Loans to Others / Staff Members	14438762	14445879
(2) Tax Deducted At Source on Interest	23209	18987
(3) Advance Payment of Income Tax	272000	192000
(4) Prepaid Expenses	418	440
(5) Sundry Deposit	1500	1500
(6) Advance Payment of Fringe Benefit Tax	3926	3482
TOTAL	<u>14739815</u>	<u>14662288</u>

SCHEDULE 6 : CURRENT LIABILITIES	AS AT	AS AT
	31/03/2008	31/03/2007
	Rupees	Rupees
(1) Sundry Creditors	70185	52185
(2) Other Liabilities	97449	845653
TOTAL	<u>167634</u>	<u>897838</u>

SCHEDULE 7 : PROVISIONS	AS AT	AS AT
	31/03/2008	31/03/2007
	Rupees	Rupees
(1) Provision for Taxation	300000	217000
(2) Provision for Fringe Benefits Tax	3413	2962
TOTAL	<u>303413</u>	<u>219962</u>



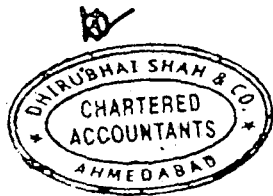
# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

Schedules Forming Part of the Profit & Loss Account

SCHEDULE 8 : OTHER INCOME	For the year	For the year
	ended	ended
	31/03/2008	31/03/2007
	Rupees	Rupees
(1) Misc. Income	1	2
(2) Excess Provision of Exps. Written Back	4137	77
(3) Profit on sale of Motor Car	0	49576
TOTAL	<u>4138</u>	<u>49655</u>

SCHEDULE 9 : EMPLOYEES REMUNERATION & BENEFITS	For the year	For the year
	ended	ended
	31/03/2008	31/03/2007
	Rupees	Rupees
(1) Salary	48936	73080
(2) Staff Welfare Exps.	0	1137
(3) Gratuity	3195	672
TOTAL	<u>52131</u>	<u>74889</u>



# AASWA TRADING AND EXPORTS LIMITED

AHMEDABAD

Schedules Forming Part of the Profit & Loss Account

SCHEDULE 10 : ADMINISTRATIVE, SELLING & OTHER EXPENSES	For the year ended 31/03/2008 Rupees	For the year ended 31/03/2007 Rupees
	2011	5506
(1) Postage & Telecom Expenses	16894	11547
(2) Stationary & Printing Expenses	8427	8418
(3) Audit Fees Expenses	32591	52363
(4) Professional Fees Expenses	1000	1000
(5) Professional Tax	5618	5612
(6) Tax Audit Fees Expenses	56500	67064
(7) Miscellaneous and other Expenses	12000	15250
(8) Office Facility Charges	20000	20200
(9) Listing Fees Expenses	15942	14562
(10) Advertisements Expenses	18000	22000
(11) Computer Service Charges	1576	8965
(12) Insurance Expenses	35197	34344
(13) Security Charges	1600	530
(14) Repairs & Maintenance Expenses	5800	39409
(15) Petrol Expenses	0	19815
(16) Income Tax Written Off	0	10
(17) Fringe Benefit tax written off	0	1395
(18) Security transaction tax w/off		
<b>TOTAL</b>	<b>233156</b>	<b>327990</b>



**AASWA TRADING AND EXPORTS LIMITED**  
**AHMEDABAD**

2007-08

**SCHEDULE : 11**

**NOTES FORMING PART OF ACCOUNTS**

**(A) SIGNIFICANT ACCOUNTING POLICIES**

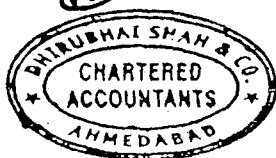
- (i) Method of Accounting  
Accounts have been prepared based on historical costs and going concern concept with revenues considered and expenses accounted, wherever possible, on their accrual.
- (ii) Fixed Assets and Depreciation  
Fixed assets are recorded at historical costs. Depreciation on fixed assets has been provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, as amended by Notification No. GSR (E) dated December 16, 1993 together with Circular No.14 dated December 20, 1993, issued by the Department of Company Affairs.
- (iii) Sales and Purchases  
Sales and Purchases accounted net of returns and discounts.
- (iv) Retirement Benefits  
Provision for gratuity is determined as per the provisions of the Gratuity Act, 1972.
- (v) Inventories are valued at cost.
- (vi) Taxation :- Provision for Current tax is made annually based on the tax liability computed after considering tax allowances & deductions.

Deferred tax is recognised on timing difference between the accounting income and the taxable income for the year that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

- (vii) Impairment Loss :

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of asset in the arm's length transaction between knowledgeable, willing parties, less the costs of disposal. The company assesses at each balance sheet date whether there is any indication that an asset may be impaired.



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(viii) Provisions and contingencies

Provisions are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

**(B) NOTES FORMING PART OF ACCOUNTS**

1. Previous years figures have been regrouped/rearranged wherever necessary to make them comparable with those of Current Year.

2. Micro and Small Scale business entites

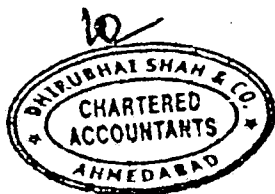
There are no micro and small enterprises, to which the company owes dues, which are out standing for morethan 45 days as at 31<sup>st</sup> March, 2008. This information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 has been determind to the extent such parties have been identified on the basis of information available with the company.

3. Additional Information pursuant to paragraph 3 and 4 of part II of Schedule VI of The Companies Act, 1956.

(i) Being a trading company, the information as to Licensed and Installed Capacity is not applicable to the Company.

(ii) Quantitative Information

	Quantity Mtrs.	Value Rs.
(a) <u>Opening Stock</u>		
(1) Cotton Fabrics	Nil (Nil)	Nil (Nil)
(b) <u>Purchases</u>		
(1) Cotton Fabrics	427897.00 (203205.00)	35230473 (33691449)
(c) <u>Sales</u>		
(1) Cotton Fabrics	427897.00 (203205.00)	35239510 (33698993)
(d) <u>Closing Stock</u>		
(1) Cotton Fabrics	Nil (Nil)	Nil (Nil)



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(iii) (a) Value of imports calculated on C.I.F. basis	Nil (Nil)	Nil (Nil)
(b) Value of imported and indigenous raw materials, parts and components consumed during the financial year	Nil (Nil)	Nil (Nil)
(c) <u>Information regarding foreign currency</u>		
(i) Expenditure in foreign currency		Nil (Nil)
(ii) Amount remitted in foreign currency		Nil (Nil)
(iii) Earnings in foreign currency		Nil (Nil)

4. The Company has only one revenue segment – trading business. Hence, no separate segment wise information on Revenue, Results and Capital employed is given.

5. **Earning Per Share ( EPS )**

	2007-2008 Rs.	2006-2007 Rs.
Profit (Loss) after tax and extra ordinary items	6,43,387	4,20,012
Profit (Loss) attributable to Equity Shareholders	6,43,387	4,20,012
No. of Equity Shares ( Face Value Rs.10/- each )	7,20,000	7,20,000
<b>Earnings Per Share ( EPS )</b>	<b>0.89</b>	<b>0.58</b>

6. As regards deferred tax as per Accounting Standard (AS-22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, since there is no deferred tax assets or liabilities during the year no provision for the same has been made.

7. Related Parties Disclosures ( Accounting Standard – 18 )

1. Relationships :-

(a) Other related parties where control exists :-

(i) Krupa Printers

2. Transaction carried out with related parties referred to in (i) above are in ordinary course of business.

Nature of Transactions	Related Parties	
	Other	Parties where control exists
Expenses	12,000/- (5500/-)	



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8. Adoption of accounting standard – 28 on "Impairment of Assets" issued by The Institute of Chartered Accountants of India, does not have any impact on either profit for the year or on the net assets of the company as at year end.
9. Balance of creditors are subject to confirmation.
10. During the year Contingent liability in respect of Income Tax not acknowledge by the Company Rs. 43.99 lacs (P.Y. NIL).
11. Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**1. Registration Details :**

Registration No. ,	State Code,	Balance Sheet Date		
2 4 7 0 4	0 4	3 1	0 3	2 0 0 8
		Date	Month	Year

**2. Capital raised during the year :**

Public Issue,	Rights Issue,	Bonus Issue,	Private Placement
N I L	N I L	N I L	N I L

**3. Position of Mobilisation and Deployment of Funds :**

Total Liabilities,	Total Assets
1 4 7 6 7 0 3 2	1 4 7 6 7 0 3 2

**SOURCES OF FUNDS :**

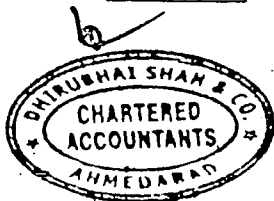
Paid-up Capital,	Reserves & Surplus
7 2 0 0 0 0 0	7 0 8 1 0 6 1
Secured Loans,	Unsecured Loans
N I L	N I L

**DEFERRED TAX LIABILITIES (NET)**

1 4 9 2 4

**APPLICATION OF FUNDS :**

Net Fixed Assets,	Investments,
8 0 2	N I L
Net Current Assets,	Profit and Loss Account
1 4 2 9 5 1 8 3	N I L
Misc. Expenditure	
N I L	



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4. Performance of Company :

Turnover (including other income),

3 6 2 4 2 6 4 6

Total Expenditure,

3 5 5 1 5 8 0 8

Profit Before Extra-ordinary Items & Taxation,

7 2 6 8 3 8

Profit Before Tax,

7 2 6 8 3 8

Profit After Tax,

6 4 3 3 8 7

Earning per Share (Rs.),

0 1 . 8 9

Dividend Rate %

N I L

5. Generic Name of Principal Products/Services of Company (as per monetary terms):

Item Code No. :

5 2 0 9

Product Description :

TRADING OF COTTON FABRICS

As per our report of even date attached

For & On Behalf of  
DHIRUBHAI SHAH & CO.  
CHARTERED ACCOUNTANTS

H.B.PATEL  
PARTNER

AHMEDABAD

DATE: 30 JUN 2008



SIGNATORIES TO SCHEDULES 1 TO 11

*[Signature]*

CHAIRMAN

*[Signature]*

*[Signature]*

DIRECTOR

AHMEDABAD

DATE: 30 JUN 2008