

YASH TRADING AND FINANCE LIMITED

1207/A, P.J. Towers, Dalal Street, Mumbai - 400 001

DIRECTORS' REPORT

To the Members :

Your Directors have pleasure in presenting the Company's Twenty Third Annual Report and Annual Accounts for the year ended 31st March, 2008.

1) During the year under consideration your company made a profit of Rs. 13,63,699/- as compare to the profit of Rs. 13,20,785 /-.

2) Shri. Suresh Ahiya, Director of the Company who retire by rotation and being eligible offers himself for re-appointment.

3) CORPORATE GOVERNANCE

Clause 49 of the listing agreement does not apply to your Company and therefore no comments are called for.

4) Dividend

In order to conserve the resources, no dividend is recommended by the Board for the year.

5) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgoing

The Company has no activity relating to conservation of energy or Technology absorption. There have not been any earnings or outgoing in foreign exchange during the year.

6) Fixed Deposits

The Company has no deposits within the meaning of the Companies (Acceptance of Deposits) Rule, 1975

YASH TRADING AND FINANCE LIMITED

1207/A, P.J. Towers, Dalal Street, Mumbai - 400 001

7) Particulars of Employees

The Company has no employees of the Category specified under Sections 217 (2A) of the Companies Act, 1956 (as amended by the Companies Amendment Act, 1988)

8) Directors Responsibility Statement

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 an amended by Companies (Amendment) Act, 2005 your Directors state;

- I. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- II. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March, 2008 and of the profit or loss of the Company for that period.
- III. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and of the Irregularities.
- IV. that the Directors have prepared the annual accounts on a going concern basis.

9) Directors :

Shri. Suresh Ahiya who retires by rotation and being eligible offer himself for reappointment in the ensuing Annual General Meeting.

10) Auditors

Mohanlal Jain & Co, Mumbai, the Auditors of the company hold office till the conclusion of the Twenty Second Annual General Meeting and are recommended for re-appointment.

YASH TRADING AND FINANCE LIMITED

1207/A, P.J. Towers, Dalal Street, Mumbai - 400 001

The notes forming part of the accounts referred to in the Auditors Report are self explanatory and complete.

Information as per Section 217 (1) (e) of the Companies Act, 1956.

Particulars required under companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 as amended are furnished in the Annexure I.

11) Acknowledgement

The Directors wish to express their gratitude to all the shareholders, bankers, clients and employees for the confidence reposed on them and look forward to their continued co-operation and support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For YASH TRADING AND FINANCE LTD


DIRECTOR

Place : Mumbai, Date : 04/08/2008

MOHANLAL B. JAIN

B.Com . , LL.B., F.C.A.

MOHANLAL JAIN & CO

CHARTERED ACCOUNTANTS

CHARTERED HOUSE, GR, FLOOR, OFFICE NO.

Dr. C. H. Street, Marine Lines, Mumbai No. 400002.

Phone No. 2207 6886 Fax : 2207 9496

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

- 1) We have audited the attached balance sheet of *M/s. Yash Trading And Finance Ltd* as at 31st March 2008, and the profit & loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - i. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.



- iii. the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. in our opinion, the balance sheet, profit and loss account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v. on the basis of the written representations received from the directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. in our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 2008, and
 - b. in the case of the profit and loss account of the profit for the year ended on that date;

For MOHANLAL JAIN & Co.
Chartered Accountants



Mohanlal Jain
Proprietor

M.NO.36824

Place: Mumbai

Date : 04/08/2008

MOHANLAL B. JAIN

B.Com . , LL.B., F.C.A.

MOHANLAL JAIN & CO

CHARTERED ACCOUNTANTS

CHARTERED HOUSE, 6R, FLOOR, OFFICE NO.
Dr. C. H. Street, Marine Lines, Mumbai No. 400002.

Phone No. 2207 6886 Fax : 2207 9496

Annexure to the Auditors' Report of

M/S. YASH TRADING & FINANCE LIMITED for the year ended 31st March 2008.

(Referred to in paragraph (3) thereof)

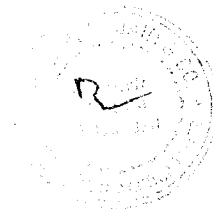
1. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
2. Physical verification of fixed assets was carried out during the year. In our opinion the frequency of verification is at reasonable intervals. No material discrepancies between the book of records and the physical inventory were noticed.
3. During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the company.
4. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.
5. On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation to the operation of the company.
6. In our opinion and according to the information and explanation given to us, the company has not granted unsecured loans to parties covered in the register maintained under section 301 of the Companies Act, 1956. The company has taken loans from the Directors and Shareholders listed in the register maintained under section 301 of the Companies Act, 1956.

e

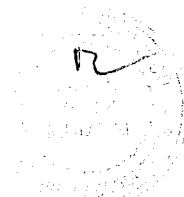


7. As explained to us the company has not granted any loan.
8. In our opinion and according to the information and explanation given to us in respect of parties where overdue amount is more than one lac rupees, reasonable steps have been taken by the company for the recovery of the same.
9. In our opinion and according to the information and explanations 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 audit, we have not observed any continuing failure to correct major weakness in internal controls.
10. In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under sec 301 of the Companies Act, 1956 have been so entered.
11. 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 Sec 301 of the Companies Act, 1956 and exceeding the value of five lac rupees in respect of any party during the year have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
12. The Company has not accepted deposits during the year from public. No order has been passed by the Company Law Board.
13. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
14. As explained to us the maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 are not applicable to the Company.

7



15. According to the information and explanation given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, custom duty, excise duty, cess and other material statutory dues as applicable have generally been regularly deposited by the company during the year with the appropriate authorities. According to the information and explanation given to us, there are no arrears of outstanding statutory dues as mentioned above as at 31st March 2008 for a period of more than six months from the date they become payable.
16. According to the information and explanation given to us, there are no disputed dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any disputes.
17. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to financial institution or bank.
18. In our opinion and according to 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.
19. The provisions of any special statute as specified under Clause (xiii) of the Order are not applicable to the Company.
20. In our opinion, and according to the information and explanations given to us, the Company is a dealer or trader in securities.
21. The Company has not given any guarantee for loans taken by others from banks or financial institution.
22. In our opinion and according to the information and explanation given to us, the loans were applied for the purpose for which the loans were obtained.



23. According to the information and explanation 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 investment and vice versa.
24. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act.
25. No debentures have been issued by the Company during the year.
26. The Company has not raised monies by public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
27. According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

For Mohanlal Jain & Company
Chartered Accountants


Mohanlal Jain
(Proprietor)

M. No.36824



Place: Mumbai

Date : 04/08/2008

M/S. YASH TRADING & FINANCE LTD.

A.Y. : 2008-2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS ON 31/03/2008

2007	PARTICULARS	2008	2007	PARTICULARS	2008
150.00	To Bank Charges	125.00	-	By Interest from others	528,119.18
4,490.00	To CDSL Charges	4,494.00	69,987.85	By Dividend From Indian Companies	3,901.10
593.00	To Depreciation	502.00	1,576,347.28	By Shrot Term Capital Gain	1,016,153.00
10,100.00	To Listing Fees (BSE)	10,000.00	200,000.00	By FDR Interest	47,032.96
192,500.00	To OTC Expenses	122,500.00			
1,000.00	To Professional Fees	2,000.00			
100,000.00	To Interest Paid				
-	To NSDL Expenses	4,586.00			
163,010.67	To Miscellaneous Expenses	50,000.00			
32,360.07	To Service Tax				
21,346.00	To RTA Expenses	31,800.00			
-	To SEBI Expenses	5,500.00			
1,320,785.39	To Net Profit c/f	1,363,699.24			
<u>1,846,335.13</u>		<u>1,595,206.24</u>	<u>1,846,335.13</u>		<u>1,595,206.24</u>

PROFIT AND LOSS APPROPRIATION A/C FOR THE YEAR ENDED ON 31/03/2008

2007	PARTICULARS	2007	PARTICULARS	2008
400,100.21	To STT	1,421,779.94	By Balance b/f	2,236,750.12
105,715.00	To Advance Tax Paid	1,320,785.39	By Profit from P & L A/c	1,363,699.24
2,236,750.12	To Balance c/f	3,600,449.36		
<u>2,742,565.33</u>		<u>3,600,449.36</u>	<u>2,742,565.33</u>	<u>3,600,449.36</u>

Significant Accounting Policies & Notes on A/cs
As per our Report of even date attached hereto
For MOHANLAL JAIN & CO.

Chartered Accountants,

Proprietor

Mumbai, Dated : 04/08/2008



For M/s. YASH TRADING AND FINANCE LTD.

Director

SCHEDULE 'A'

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS

1. Basis of Preparation of Financial Statements

Accounts are drawn up on the principle of going concern concept with revenues recognized basis and in accordance with the provisions of the Companies Act, 1956.

2. Fixed Assets

The fixed assets have been valued at cost.

3. Investments

The Company had made investment in shares during the year.

4. Inventories

stock in trade is valued at cost or market price whichever is lower.

5. Revenue Recognition

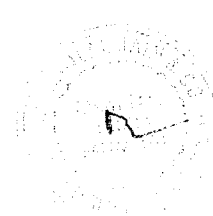
All Revenue is generally recognised on accrual basis. Revenue in respect of interest is recognised only when it is reasonably certain that the ultimate collection will be made.

6. Retirement Benefits

Liability in respect of Gratuity to employees is accounted for as and when paid.

7. Contingent Liabilities

a) No provision is made for liabilities, which are contingent in nature, but, if material, the same are disclosed by way of notes on accounts.



10. Expenditure and Earning in Foreign Exchange - Nil

11. Managerial Remuneration paid or payable to directors during the year.

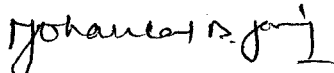
Salary (Gross) Rs. nil/-

i) Additional information as required under part IV of schedule VI to the Companies Act, 1956.

Signatures to the Schedules 'A' annexed to and forming part of accounts

As per our report of even date attached.

For MOHANLAL JAIN & Co.
Chartered Accountants


Proprietor

For & on behalf of the board
For YASH TRADING AND FINANCE LTD


Director

Place: Mumbai

Date : 04/08/2008



b) Loans and advances are subject to confirmation by the parties.

In the option of the Board, the investment, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

8. Value of Imports - N.A.

Retirement Benefits

Liability in respect of Gratuity to employees is accounted for as and when paid.

Taxation Policy:

- i. Provision for current tax is made in accordance with and at the rates specified under the Income Tax Act 1961, as amended.
- ii. Deferred Income Tax is provided, using the liability method, on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose.
- iii. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable Profits will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and the law that have been enacted or subsequently enacted at the Balance Sheet date.

	<u>2007-2008</u>	<u>2006-2007</u>
Profit available for Equity Shareholders	13,63,699/-	13,20,785/-
Weighted average no. of equity shares		
Outstanding	2,45,000	2,45,000
Basic earning Per Share	5.66	5.39
Nominal value of Shares.	10.00	10.00

9. Previous year's figures have been regrouped wherever necessary.

