

**AASWA TRADING AND EXPORTS LIMITED**  
**(CIN: L51100GJ1984PLC024704)**

**34<sup>th</sup>**  
**ANNUAL REPORT**  
**2018-19**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Keyur J. Parikh - Chairman & Independent Director

Mr. Anish A. Shah - Managing Director

Mrs. Aashini A. Shah - Non-executive Director

Mr. Bhavesh G. Shah - Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Nitin L. Bhavsar

**COMPANY SECRETARY**

Mr. Nareshkumar J. Prajapati (upto 02.02.2019)

Ms. Urvi C. Shah (w.e.f. 07.02.2019)

**REGISTERED OFFICE**

32, Milan Park Society,

Nr. Jawahar Chowk, Maninagar,

Ahmedabad – 380 008

**REGISTRAR AND SHARE TRANSFER AGENT**

Link Intime India Private Limited

Centre-1 (ABC-1), Beside Gala Business Centre,

5<sup>th</sup> Floor, 506-508, Amarnath Business,

Off C G Road , Navrangpura,

Ahmedabad – 380 009, Gujarat.

**STATUTORY AUDITORS**

M/s Mukesh M. Shah & Co.

Chartered Accountants

Ahmedabad

**BANKERS**

Kotak Mahindra Bank Limited

Bank of India

**SHARES LISTED ON STOCK EXCHANGES**

BSE Ltd.

Ahmedabad Stock Exchange

**NOTICE**

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting ("AGM") of the Aaswa Trading and Exports Limited will be held on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m. at the Registered Office of the Company at 32, Milanpark Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad – 380 008, to transact the following businesses:-

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Mr. Anish A. Shah - Managing Director (DIN: 00156517), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:-**

3. Re-Appointment of Mr. Keyur J. Parikh (DIN: 00156455) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149(10) and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations"), Mr. Keyur J. Parikh (DIN: 00156455), whose present term of office as an Independent Director expires on 29<sup>th</sup> September, 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence as provided in 149(6) of the Act and 16(1)(b) of SEBI Listing Regulations and who is eligible for re-appointment, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director and whose re-appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, be and is hereby re-appointed as an Independent Director of the Company, for a term of five consecutive years commencing from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024, not liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors /Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

4. Approval for the Fees/Charges to be levied for the Delivery of Document(s) through a particular mode as may be sought by the Member(s).

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

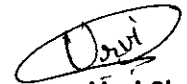
“RESOLVED THAT pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs.100/- (Rupees One Hundred Only) per document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode;

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document;

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.”

**Date:** 13<sup>th</sup> August, 2019  
**Place:** Ahmedabad

**By order of the Board of Directors**  
**For Aaswa Trading and Exports Limited**



**Urvi Shah**  
**Company Secretary**

**Regd. Office:**

32, Milan Park Society,  
Nr. Jawahar Chowk, Maninagar,  
Ahmedabad – 380 008.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the company. Members holding more than 10% of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report.
2. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.

3. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, in respect of the businesses under Item No. 3 and 4 of the accompanying notice is annexed hereto. The relevant details of the persons seeking appointment/re-appointment as Director are also annexed to this Notice.
4. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 12.00 noon) on all working days except Saturdays, up to and including the date of the Annual General Meeting (AGM) of the Company.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21<sup>st</sup> September, 2019 to Friday, 27<sup>th</sup> September, 2019 (both days inclusive).
6. All Investor related complaints or queries be addressed to [aaswaexports@yahoo.co.in](mailto:aaswaexports@yahoo.co.in) or at the registered office address of the Company.
7. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Link Intime India Pvt. Ltd or Secretarial Department of the Company immediately. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. Electronic copy of the Annual Report for the year 2018-19 is being sent to all the members whose email IDs are registered with the company/depository participant(s) for communication purpose unless any member has requested for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2018-19 is being sent in the permitted mode.
9. Process and manner for voting through Electronic means –
  - i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) & (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited (“remote e-voting”).
  - ii. The remote e-voting will commence on Tuesday, 24<sup>th</sup> September, 2019 at 9.00 a.m. and will end on Thursday, 26<sup>th</sup> September, 2019 at 5.00 p.m. During this period, the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Friday, 20<sup>th</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.
  - iii. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting, but shall not be entitled to cast their vote again.

- iv. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 20<sup>th</sup> September, 2019, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- v. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 20<sup>th</sup> September, 2019, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- vi. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, 20<sup>th</sup> September, 2019.
- vii. M/s. A. Shah & Associates, Practising Company Secretaries (C. P. No. 6560) has been appointed as the Scrutinizer for conducting remote e-voting process in a fair and transparent manner and also voting by Poll Paper at the AGM
- viii. The procedure and instructions for remote e-voting are as under:-

**Remote E-Voting Process – Shareholders holding shares in Demat Form and Physical Form**

Step 1	:	Open your web browser during the voting period and log on to the e-voting website: <a href="http://www.evotingindia.com">www.evotingindia.com</a>
Step 2	:	Click on "Shareholders" to cast your vote(s).
Step 3	:	Please enter your USER ID – <ul style="list-style-type: none"> <li>• For account holders in CDSL: Your 16 digits beneficiary ID.</li> <li>• For account holders in NSDL: Your 8 characters DP ID and followed by 8 digits Client ID.</li> <li>• Members holding shares in physical form should enter folio number registered with the company.</li> </ul>
Step 4	:	Please enter the Image verification as displayed and Click on Login. If you are holding shares in demat form and had logged on to <a href="http://www.evotingindia.com">www.evotingindia.com</a> and voted on an earlier voting of any company, then your existing password is to be used.
Step 5	:	If you are a first time user follow the steps given below:
PAN	:	<ul style="list-style-type: none"> <li>• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</li> <li>• Members who have not updated their PAN with the company/depository participant are requested to use the sequence number which is printed on Attendance Slip/Address Slip, in the PAN field</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Date of Birth (DOB)	:	DOB- Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Or	:	Dividend Bank Details- Enter the dividend bank details as recorded in your demat account or the Company records for the said demat account or folio.
Dividend	:	Please enter the DOB or Dividend bank details in order to login. If DOB or

Bank Details		Bank details are not recorded with the depository or Company please enter the Member ID / Folio No. in the Dividend bank details field as mentioned in step 3.
Step 6	:	After entering these details appropriately, click on "SUBMIT" tab.
Step 7	:	Members holding shares in physical form will then reach directly to the Company selection screen.  Members holding shares in Demat form will reach 'Password Creation' menu wherein, they are required to create their login password in the new password field. Kindly note that this password can be also be used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.  If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
Step 8	:	For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
Step 9		Click on the EVSN of the Company i.e. <b>190817011</b> to vote
Step 10	:	On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO and click on SUBMIT. The option "YES" implies that you assent to the resolution and Option "NO", implies that you dissent to the Resolution. Enter the number of shares (which represents number of votes) under "Yes/No" or alternatively you may partially enter any number in "Yes" and partially "No", but the total number in "Yes" and "No" taken together should not exceed your total shareholding.
Step 11	:	Click on the "RESOLUTIONS FILE LINK" if you wish to view the Notice or Resolution Details.
Step 12	:	After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
Step 13	:	Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
Step 14	:	Shareholders can also cast their vote using CDSL's mobile app "m-Voting" available for Apple, Android and windows based mobile. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
Step 15	:	<b>Note for Non Individual Shareholders and Custodians:-</b> <ul style="list-style-type: none"> <li>• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <a href="https://www.evotingindia.com">https://www.evotingindia.com</a> and register themselves as Corporate.</li> <li>• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>.</li> <li>• After receiving the login details, a compliance user should be created</li> </ul>

		<p>using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.</p> <ul style="list-style-type: none"> <li>• The list of accounts should be mailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> and on approval of the accounts they would be able to cast their vote.</li> <li>• A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same</li> </ul>
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- ix) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.aaswatrading.in](http://www.aaswatrading.in) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within three days after the conclusion of 34<sup>th</sup> AGM and shall also be communicated to Stock Exchanges where the shares of the Company are listed.
- x) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Contact Details:**

Company	:	Aaswa Trading and Exports Limited Regd. Office: 32, Milanpark Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad-380 008.
Registrar & Share Transfer Agent		Link Intime India Pvt. Ltd Centre-1 (ABC-1), Beside Gala Business Centre, 5th Floor, 506-508, Amarnath Business, Off C G Road , Navrangpura, Ahmedabad – 380 009, Gujarat. Tel No. +91 79 26465179 /86 / 87 Email Id: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> ; Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
E-Voting Agency		Central Depository Services (India) Ltd.
E-mail		<a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer		M/s. A. Shah & Associates , Practising Company Secretary
Email		<a href="mailto:anishshahcs@gmail.com">anishshahcs@gmail.com</a>



**EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013**

**Item 3**

The Company had appointed Mr. Keyur J. Parikh as Independent Director at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014 for a term of five consecutive years commencing from 30<sup>th</sup> September, 2014.

Mr. Keyur J. Parikh, Independent Director shall be completing his term of appointment as an Independent Director on 29<sup>th</sup> September, 2019. He is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. He has consented to his re-appointment and confirmed that he is not suffering from any disqualifications which stand in the way of his re-appointment as an Independent Director and provided a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Act and as per Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board has formed an opinion that he fulfills the conditions specified in the Act and the rules made thereunder and is independent of the management.

Brief resume of Mr. Keyur J. Parikh whose re-appointment is proposed are provided in the annexure to the Notice.

Based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee has recommended and the Board of Directors has approved the re-appointment of Mr. Keyur J. Parikh as an Independent Director for a term of five consecutive years commencing from 30<sup>th</sup> September, 2019. During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

A copy of the draft letter of re-appointment of Mr. Keyur J. Parikh setting out his terms and conditions is available for inspection at the Registered Office of the Company during normal business hours on working days up to the date of Annual General Meeting.

Except Mr. Keyur J. Parikh and their relatives, none of other Directors or Key Managerial Personnel or their relatives are in any way, concerned or interested, financial or otherwise, in the said Resolution. The Directors recommend the special resolution as set out at item no. 3 for approval of the members.

**Item 4**

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly commend the Ordinary

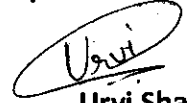
**Aaswa Trading and Exports Limited  
Annual Report 2018-19**

Resolution at item no. 4 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the accompanying Notice.

**Date:** 13<sup>th</sup> August, 2019  
**Place:** Ahmedabad

**By order of the Board of Directors  
For Aaswa Trading and Exports Limited**



**Urvi Shah  
Company Secretary**

**Regd. Office:**  
32, Milan Park Society,  
Nr. Jawahar Chowk, Maninagar,  
Ahmedabad – 380 008.

**Annexure to the Notice dated 13<sup>th</sup> August, 2019**

Details of Directors seeking Appointment /Re-appointment at the 34<sup>th</sup> Annual General Meeting to be held on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m. (Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings)

**Item no. 2**

<b>Name of Director</b>	Mr. Anish A. Shah
<b>Date of Birth</b>	22 <sup>nd</sup> October, 1964
<b>Date of Appointment on the Board</b>	31 <sup>st</sup> July, 2002
<b>Qualifications</b>	Graduate
<b>Experience / Expertise in Specific Functional Areas</b>	Mr. Anish Shah is a commerce graduate and large experience in various fields has relevant expertise with regard to the business management.
<b>Relationship between Directors inter-se</b>	Related to Mrs. Aashini A. Shah, Director of the Company
<b>Directorship held in Other Listed entities</b>	Amani Trading and Exports Ltd.
<b>Chairmanship/Membership of Board Committees in other listed entities</b>	<b>Audit Committee:</b> <ul style="list-style-type: none"> <li>• Member: Amani Trading and Exports Ltd.</li> </ul>
<b>Shareholding of Director</b>	Nil

**Item no. 3**

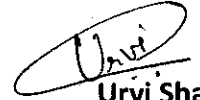
<b>Name of Director</b>	Mr. Keyur J. Parikh
<b>Date of Birth</b>	27/12/1958
<b>Date of Appointment on the Board</b>	8 <sup>th</sup> October, 1992
<b>Qualifications</b>	Graduate
<b>Experience / Expertise in Specific Functional Areas</b>	Mr. Keyur J. Parikh is a commerce graduate and large experience in the field of finance and accounts and has relevant expertise with regard to the business operations.
<b>Relationship between Directors inter-se</b>	Not related to any Board Member or KMP
<b>Directorship held in Other Listed entities</b>	Amani Trading and Exports Ltd.
<b>Chairmanship/Membership of Board Committees in other listed entities</b>	<b>A. Audit Committee:</b> <ul style="list-style-type: none"> <li>• Chairman: Amani Trading and Exports Ltd.</li> </ul>

**Aaswa Trading and Exports Limited  
Annual Report 2018-19**

	<b>B. Nomination and Remuneration Committee:</b> <ul style="list-style-type: none"><li>• Member: Amani Trading and Exports Ltd.</li></ul>
<b>Shareholding of Director</b>	200 shares

**Date:** 13<sup>th</sup> August, 2019  
**Place:** Ahmedabad

**By order of the Board of Directors  
For Aaswa Trading and Exports Limited**



**Urvi Shah  
Company Secretary**

**Regd. Office:**  
32, Milan Park Society,  
Nr. Jawahar Chowk, Maninagar,  
Ahmedabad – 380 008.

**BOARD'S REPORT**

Your Directors have pleasure in presenting their 34<sup>th</sup> Annual Report of your Company together with Audited Financial Statements for the year ended on 31<sup>st</sup> March, 2019.

**1. FINANCIAL RESULTS**

(Amount in Lacs)

Particulars	F.Y. 2018-19	F.Y. 2017-18
Total Revenue	386.10	283.70
Profit before Interest, Depreciation and Taxation	11.50	(0.29)
Less : Interest	0.00	0.00
Less : Depreciation and amortization	0.03	0.05
Profit / (Loss) before Tax	11.46	(0.34)
Provision for Taxation		
Less : Current Tax	0.00	0.00
Less : Deferred Tax	0.00	0.00
<b>Profit / (Loss) after Tax</b>	<b>11.46</b>	<b>(0.34)</b>

**2. DIVIDEND**

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

**3. RESERVES**

During the year under review, no amount is transferred to any reserve account.

**4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

Your Directors have pleasure to inform you that, during the year under review, the Company has earned total revenue of Rs. 365.24 Lacs from the operations of the Company as compared to previous year revenue of Rs. 273.22 Lacs. Your Company has reported a profit of Rs. 11.46 Lacs as compared to loss of Rs. 0.34 Lacs in previous year. The Company has continued its activity of trading in cotton fabrics. Your directors are confident for the improvement in the performance of the Company in the coming years.

**5. SHARE CAPITAL**

At present the Authorized Share Capital of the Company stands at Rs. 75 Lacs and the paid up capital stands at Rs. 72 Lacs. There has been no change in the share capital during the period ended 31<sup>st</sup> March, 2019.

**6. DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. There were no unpaid or unclaimed deposits as on 31<sup>st</sup> March, 2019.

**7. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF OUR COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes and commitments which affect the financial position of the company occurring between the end of financial year and the date of this Report, except as stated specifically in this Report.

**8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Your Company does not have any subsidiary, joint venture or associate company for the year ended on 31<sup>st</sup> March, 2019.

**9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of The Companies (Accounts) Rules, 2014, forms part of this Report and annexed at Annexure-1.

**10. RISK MANAGEMENT**

The Company has framed and adopted a "Risk Management Policy" to identify, monitor, minimize and mitigate risks and determine the responses to various risks to minimize their adverse impact on the organization. The Company is exposed to various financial risks viz. credit risk, liquidity risk, foreign currency risk, interest rate risk etc. The executive management oversees the risk management framework and the Audit Committee evaluates internal financial controls and risk management systems. However, the details of risk management objectives and policies made by the Company under the said provision are given in the notes to the Financial Statements. In the opinion of Board, there are no risk which may threaten the existence of the Company. The Risk Management Policy is placed on the website of the Company at [www.aaswatrading.in](http://www.aaswatrading.in).

**11. CORPORATE SOCIAL RESPONSIBILITIES INITIATIVES**

The requirements of corporate social responsibility in terms of Section 135 of the Companies Act, 2013 does not apply to your company.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF COMPANIES ACT, 2013**

Details of Loans covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. During the year, the Company has not provided any guarantee or security in connection with a loan and has not made any investments, hence the details are not provided.

**13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The members may note that all the related party transactions were on arm's length basis and hence disclosure in Form AOC-2 is not required. There were no materially significant

transactions with any of the related parties that may have potential conflict with the interest of the Company at large. Transactions with related parties as per requirements of IND-AS are disclosed in the notes to the Financial Statements.

#### **14. NOMINATION AND REMUNERATION POLICY**

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and the same was revised by the Board of Directors at their meeting held on 11<sup>th</sup> February, 2019 in the light of amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said revised policy is place on the Company's website at [www.aaswatrading.in](http://www.aaswatrading.in).

#### **15. ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

Pursuant to the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the policy laid down by the Nomination and Remuneration Committee (NRC), as approved by the Board of Directors, the Board has carried out an annual evaluation of its performance, its Committees and all individual Directors.

In a separate meeting of Independent Directors, performance of Non Independent Directors, performance of the Board as a whole and performance of the Chairman & Managing Director was evaluated.

#### **16. ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure-2**. The Annual Return of the Company has been placed on the website of the Company at [www.aaswatrading.in](http://www.aaswatrading.in).

#### **17. WEBSITE OF YOUR COMPANY**

Your Company maintains a website [www.aaswatrading.in](http://www.aaswatrading.in) where detailed information of the Company and specified details in terms of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been provided.

#### **18. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW AND ATTENDANCE THEREOF**

During the year, 4 (four) meetings of the Board of Directors were held, as required under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. viz; 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 5<sup>th</sup> November, 2018 and 11<sup>th</sup> February, 2019.

Sr. No.	Name of Director	Number of Board Meetings during the financial year 2018 -19	
		Held	Attended
1	Mr. Keyur Parikh	4	4
2	Mr. Bhavesh G. Shah	4	4

3	Mr. Anish A. Shah	4	4
4	Mrs. Aashini Shah	4	4

During the year, Your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

## **19. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Appointment:**

1. Mr. Keyur J. Parikh : He is completing his term of 5 (five) years of his appointment as an Independent Director on 29<sup>th</sup> September, 2019 and is eligible for re-appointment for another term of 5 (five) consecutive years subject to approval of the Members by Special Resolution. Based on the performance evaluation of the Independent Directors, the Nomination and Remuneration Committee (NRC) has recommended and the Board of Directors has approved his re-appointment as an Independent Director for a term of five consecutive years commencing from 30<sup>th</sup> September, 2019. He meet the criteria of independence as prescribed under Section 149(6) of the Act and as per Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received requisite Notices from Member(s) under Section 160 of the Companies Act, 2013 in respect of the aforesaid Director, proposing his candidature for the office of Director. The resolutions for appointment /re-appointments of aforementioned Director along with his brief profile forms part of the Notice of the 34<sup>th</sup> AGM and the respective resolution is recommended for approval of members.

2. Ms. Urvi C. Shah : The Board of Directors on recommendation of NRC appointed Ms. Urvi C. Shah as a Company Secretary of the Company w.e.f. 7<sup>th</sup> February, 2019.

### **Retirement by Rotation:**

In accordance with the Articles of Association and the relevant provisions of the Companies Act, 2013, Mr. Anish A. Shah retires by rotation at the ensuing Annual General Meeting of the Company and being eligible seeks re-appointment. Your Board recommends his reappointment.

### **Cessation:**

Mr. Nareshkumar Prajapati-Company Secretary of the Company, resigned w.e.f. 2<sup>nd</sup> February, 2019. Your Directors wish to place on record his sincere appreciation of services rendered by him during his association with the Company.

There was no change in the composition of the Board of Directors and Key Managerial Personnel during the year under review, except as stated above.



## 20. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) and 134 (5) of the Act, that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and of the loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 21. DECLARATION OF INDEPENDENT DIRECTORS

All the Independent Directors have given their declaration to the Company stating their independence pursuant to Section 149(6) and SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015. The terms and conditions of the appointment of Independent Directors have been disclosed on the website of the Company at [www.aaswatrading.in](http://www.aaswatrading.in).

## 22. PARTICULARS OF EMPLOYEES

- (i) The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report and is annexed as **Annexure - 3** to this Report.
- (ii) The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. However, the said statement is not being sent along with this Annual Report to the members in line with the provisions of Section 136 of the Companies Act, 2013. The same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary.

## 23. AUDITORS

### (a) STATUTORY AUDITORS

M/s. Mukesh M. Shah & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 106625W) were appointed as Statutory Auditors of the Company at the 32<sup>nd</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017, for a term of five (5) consecutive financial years i.e. commencing from FY 2017-18, subject to their appointment being ratified by the shareholders in every AGM.

The Companies Amendment Act, 2017 has with effect from 7<sup>th</sup> May, 2018 omitted the requirement of ratification of appointment of Statutory Auditors at every intervening Annual General Meeting and accordingly the same is not required to be placed before the Members at the Annual General Meeting.

The Statutory Auditor has given a confirmation to the effect that they are eligible to continue with their appointment and have not been disqualified in any manner from continuing as Statutory Auditor. The remuneration payable to the Statutory Auditor shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

The Auditors' Report for FY 2018-19 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

### (b) SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 as amended, the Company has appointed M/s. A. Shah & Associates, Practicing Company Secretary, Ahmedabad (Certificate of Practice No. 6560) to undertake the Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March, 2019. The Secretarial Audit Report is annexed herewith as **Annexure - 4**.

The Secretarial Audit Report contains observation that the Company is yet to comply with the Regulation 31(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for maintaining 100% Shareholding of promoters in Dematerialization Form.

As regard to the aforesaid observation, Board wishes to states that core promoters, holding 98.56% shares of promoters' holding, had already dematerialized their shares.

The said Report and does not contain any qualification, reservation or adverse remark except mention above.

## 24. REPORTING OF FRAUD BY AUDITORS

There have been no instances of fraud reported by the Auditors u/s 143 (12) of the Companies Act, 2013 and rules framed thereunder either to the company or to the Central Government.

## 25. DISCLOSURE OF COMPOSITION OF BOARD, COMMITTEE AND VIGIL MECHANISM

### CONSTITUTION OF BOARD

As on the date of this report, the composition of Board is as follows.

Sr No.	Name of the Director	Designation
1.	Mr. Anish A. Shah	Managing Director
2.	Mrs. Aashini A. Shah	Non Executive-Non Independent Director
3.	Mr. Bhavesh G. Shah	Independent Director
4.	Mr. Keyur J. Parikh	Independent Director

The composition of Board complies with the requirements of the Companies Act, 2013. Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from requirement of having composition of Board as per Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

### COMMITTEES OF BOARD

Your Company has constituted several Committees in compliance with the requirements of the relevant provisions of applicable laws and statutes, details of which are given hereunder.

#### 1. AUDIT COMMITTEE

Audit Committee meeting is generally held once in quarter for the purpose of recommending the quarterly/half yearly/ yearly financial results and the gap between two meetings did not exceed one hundred and twenty days. The Audit Committee met four times during the financial year 2018-19 viz; 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 5<sup>th</sup> November, 2018 and 11<sup>th</sup> February, 2019.

The Audit committee Comprises of the following directors as on the date of the Board Report:

Sr. No.	Name of Director	Category	Designation
1	Mr. Keyur J. Parikh	Independent Director	Chairman
2	Mr. Bhavesh G. Shah	Independent Director	Member
3	Mr. Anish A. Shah	Executive Non-Independent Director	Member

The details of meetings attended by Committee members are given below:

Sr. No.	Name of Director	Number of meetings during the financial year 2018 -19	
		Held	Attended
1	Mr. Keyur Parikh	4	4
2	Mr. Bhavesh G. Shah	4	4
3	Mr. Anish A. Shah	4	4

Mr. Keyur Parikh, the Chairman of the Committee had attended last Annual General Meeting of the Company held on 27<sup>th</sup> September, 2018. Further, Mr. Nareshkumar Prajapati, Company Secretary is acting as a secretary of the committee till 2<sup>nd</sup> February, 2019 then after Ms. Urvi C. Shah is acting as a secretary of the committee w.e.f 7<sup>th</sup> February, 2019.

Recommendations of Audit Committee, wherever and whenever given, have been accepted by the Board.

## 2. NOMINATION AND REMUNERATION COMMITTEE

The Company has formed Nomination and Remuneration committee in line with the provisions Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the person who is qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, one meeting was held on 11<sup>th</sup> February, 2019 inter alia, to recommend the appointment of KMP's and to review the performance of Directors of the Company.

The NRC committee Comprises of the following directors as on the date of the Board Report:

Sr. No.	Name of Director	Number of meetings during the financial year 2018 -19	
		Held	Attended
1	Mr. Bhavesh Shah	1	1
2	Mr. Keyur Parikh	1	1
3	Mrs. Aashini A. Shah	1	1

The details of meetings attended by Committee members are given below:

Sr. No.	Name of Director	Category	Designation
1	Mr. Bhavesh G. Shah	Independent Director	Chairman
2	Mr. Keyur Parikh	Independent Director	Member
3	Mrs. Aashini A. Shah	Non-Executive Non-Independent Director	Member

## VIGIL MECHANISM

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at [www.aaswatrading.in](http://www.aaswatrading.in)

## 26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations. All orders received by the Company during the year are of routine in nature which have no significant / material impact.

## **27. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has laid down the set of standards, processes and structure which enables it to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively. To maintain the objectivity and independence of internal audit, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with the operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditor, the process owners undertake the corrective action in their respective areas and thereby strengthen the control. Significant audit observation and corrective actions thereon are presented to the Audit Committee of the Board.

## **28. LISTING WITH STOCK EXCHANGES**

Your Company is listed with the BSE Limited and Ahmedabad Stock Exchange and the Company has paid the listing fees to each of the Exchanges.

## **29. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D, and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 does not apply to your Company and hence provisions relating to report on corporate governance are not applicable. The Management Discussion and Analysis Report forms part of this Report and are annexure as **Annexure -5** to this Report.

## **30. GENERAL DISCLOSURE**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employee Stock Option Scheme.
- c. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees.

## **31. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Directors state that during the year under review, there were no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **32. APPRECIATION**

Your Directors express their gratitude for the dedicated services put in by all the employees of the Company.

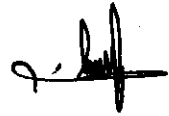
**33. ACKNOWLEDGEMENTS**

Your Directors places on record their sincere thanks to the customers, vendors, investors, banks and financial institutions for the continued support. Your Directors are also thankful to the Government of India, State Government and other authorities for their support and solicit similar support and guidance in future.

**FOR, AASWA TRADING AND EXPORTS LIMITED**



**KEYUR J. PARIKH**  
**CHAIRMAN**  
**DIN: 00156455**



**BHAVESH G. SHAH**  
**DIRECTOR**  
**DIN: 02333042**

**Date: 29<sup>th</sup> May, 2019**  
**Place: Ahmedabad**

**ANNEXURES TO THE BOARD'S REPORT**

**Annexure-1**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**

The Information under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014 for the year ended on 31<sup>st</sup> March, 2019 is given here below and forms part of the Board's Report.

**A. Conservation of Energy**

The principal business of the Company is of trading in cotton fabrics and therefore, the operations of the Company does not comprise of Manufacturing activities and not consume high level of energy. No capital investment has been made by the Company on energy conservation equipments.

**B. Technology Absorption**


The Company has no activity regarding technology absorption. The Company has not incurred any expenditure on research and development activity.

**C. Foreign Exchange Earning and Outgo**

During the year under review, there are no foreign exchange earnings and outgo.

**FOR, AASWA TRADING AND EXPORTS LIMITED**

  
**KEYUR J. PARIKH**  
**CHAIRMAN**  
**DIN: 00156455**

  
**BHAVESH G. SHAH**  
**DIRECTOR**  
**DIN: 02333042**

**Date: 29<sup>th</sup> May, 2019**  
**Place: Ahmedabad**

**Form No. MGT – 9**  
**Extract of Annual Return**

As on the financial year ended on 31<sup>st</sup> March, 2019

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS**

1.	CIN	L51100GJ1984PLC024704
2.	Registration Date	7 <sup>th</sup> November, 1984
3.	Name of the Company	Aaswa Trading and Exports Ltd.
4.	Category / Sub-category of the Company	Public Company Limited by Shares
5.	Whether listed Company (Yes/No)	Yes (BSE Ltd & Ahmedabad Stock Exchange)
6.	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Link Intime (India) Pvt. Ltd. Centre-1 (ABC-1), Beside Gala Business Centre, 5th Floor, 506-508, Amarnath Business, Off C G Road , Navrangpura, Ahmedabad – 380 009, Gujarat. Tel No. 079-26465179 Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of Main Product	NIC Code of the Product*	% to total turnover of the Company
1	Trading of Cotton Fabrics	46411	100%

\* As per National Industrial Classification (NIC-2008) – Ministry of Statistics and Programme Implementation.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN / GIN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
NIL					



**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup As % Of Total Equity)**

**(i) Category wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	-	497670	497670	69.12	493520	4150	497670	69.12	-
b) Cent. Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	3050	3050	0.42	-	3050	3050	0.42	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>0</b>	<b>500720</b>	<b>500720</b>	<b>69.54</b>	<b>493520</b>	<b>7200</b>	<b>500720</b>	<b>69.54</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total share-holding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>0</b>	<b>500720</b>	<b>500720</b>	<b>69.54</b>	<b>493520</b>	<b>7200</b>	<b>500720</b>	<b>69.54</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Cent. Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others, Specify	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non- Institutions</b>									
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 Lac	-	183250	183250	25.45	-	183250	183250	25.45	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lac	-	-	-	-	-	-	-	-	-

**Aaswa Trading and Exports Limited**  
**Annual Report 2018-19**

c) Others, Specify									
i) Trust	-	36030	36030	5.00	-	36030	36030	5.00	-
<b>Sub-total (B) (2)</b>	<b>0</b>	<b>219280</b>	<b>219280</b>	<b>30.46</b>	<b>0</b>	<b>219280</b>	<b>219280</b>	<b>30.46</b>	<b>0.00</b>
<b>Total Public Shareholding(B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>219280</b>	<b>219280</b>	<b>30.46</b>	<b>0</b>	<b>219280</b>	<b>219280</b>	<b>30.46</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>720000</b>	<b>720000</b>	<b>100.00</b>	<b>493520</b>	<b>226480</b>	<b>720000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year i.e. 01.04.2018			No. of Shares held at the end of the year i.e. 31.03.2019			% Change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Shefali Chintan Parikh	432920	60.13	0.00	432920	60.13	0.00	0.00
2.	Uttara Chintan Parikh	60600	8.42	0.00	60600	8.42	0.00	0.00
3.	Navnit C. M. Parikh & Shefali Chintan Parikh	3860	0.54	0.00	3860	0.54	0.00	0.00
4.	Shripal Sevantilal Morakhia	60	0.01	0.00	50	0.01	0.00	0.00
5.	Navinchandra Kantilal Morakhia	50	0.01	0.00	50	0.01	0.00	0.00
6.	Sangeeta Sevantilal Morakhia	50	0.01	0.00	50	0.01	0.00	0.00
7.	Shreyas Sevantilal Morakhia	50	0.01	0.00	50	0.01	0.00	0.00
8.	Vimal Sevantilal Morakhia	50	0.01	0.00	50	0.01	0.00	0.00
9.	Harsh Anubhai Javeri	10	0.00	0.00	10	0.00	0.00	0.00
10.	Swarup H. Javeri	10	0.00	0.00	10	0.00	0.00	0.00
11.	Urvashi A. Javeri	10	0.00	0.00	10	0.00	0.00	0.00
12.	Akalu Holdings Pvt. Ltd.	2950	0.41	0.00	2950	0.41	0.00	0.00
13.	Small Three Co-ordinates Inv. Pvt. Ltd.	100	0.01	0.00	100	0.01	0.00	0.00
	<b>Total</b>	<b>500720</b>	<b>69.54</b>	<b>0.00</b>	<b>500720</b>	<b>69.54</b>	<b>0.00</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding (Please specify, if there is no change)**

There is no change in the shareholding of the Promoter Group.

**(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year 01.04.18		Shareholding at the end of the year 31.03.19	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Arun Bhogilal Mody	17950	2.49	17950	2.49
2.	Virendra R. Sheth (Shivam Trust)	9030	1.25	9030	1.25
3.	Suryakant N. Patel (Suvidha Trust)	9000	1.25	9000	1.25
4.	Lalshankar S. Sevak (Saumya Trust)	9000	1.25	9000	1.25
5.	Ambalal C. Mehta (Sadhana Trust)	9000	1.25	9000	1.25
6.	Rameshchandra Gokaldas Shah	7500	1.04	7500	1.04
7.	Dhirendra Rameshchandra Shah & Tejal Dhirendra Shah	5000	0.69	5000	0.69
8.	Harshad Jagmohandas Shah & Sunil Jagmohandas Shah	5000	0.69	5000	0.69
9.	Harshad Jagmohandas Shah & Dhirendra Jagmohandas Shah	5000	0.69	5000	0.69
10.	Indira Rameshchandra Shah	5000	0.69	5000	0.69

**(v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2018		Shareholding at the end of the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Keyur J. Parikh	200	0.03	200	0.03
2.	Mr. Bhavesh G. Shah	150	0.02	150	0.02
3.	Mrs. Aashini A. Shah	200	0.03	200	0.03

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. In lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not paid	--	--	--	--
<b>Total (i+ii+iii)</b>	--	--	--	--
<b>Change in Indebtedness during the financial year</b>				
Addition	--	--	--	--
Reduction	--	--	--	--
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	--	--	--	--

**Aaswa Trading and Exports Limited**  
**Annual Report 2018-19**

ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not paid	--	--	--	--
<b>Total (i+ii+iii)</b>	--	--	--	--

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

1. None of the Directors were in receipt of any remuneration during the year 2018-2019.

2. Remuneration to Key Managerial Personnel, Other Than MD/Manager/WTD

(Amount in Rs.)

S.N.	Particulars of Remuneration	Company Secretary	Chief Financial Officer	Total Amount (In Rs.)
1.	Gross Salary	2,97,652	1,90,800	4,88,452
	(a) Salary as per the section 17(1) of the IT Act, 1961			
	(b) Value of perquisites u/s 17(2) of the IT Act, 1961	--	--	--
2.	Stock Options	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission;	--	--	--
	-As a % of Profit	--	--	--
	-Others, Specify	--	--	--
5.	Others, Specify	--	--	--
	<b>Total</b>	<b>2,97,652</b>	<b>1,90,800</b>	<b>4,88,452</b>

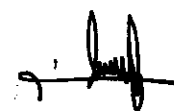
**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCE (UNDER COMPANIES ACT):**

There were no cases of penalties / punishment or compounding of offences either on the Company or on the Directors or officer in default under the Companies Act.

**FOR, AASWA TRADING AND EXPORTS LIMITED**



**KEYUR J. PARIKH**  
**CHAIRMAN AND DIRECTOR**  
**DIN: 00156455**



**BHAVESH G. SHAH**  
**DIRECTOR**  
**DIN: 02333042**

**DATE: 29<sup>th</sup> May, 2019**  
**PLACE: Ahmedabad**

Annexure-3

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Sr. No.	Particulars
1.	Directors including Managing Director were not paid any Remuneration for the financial year 2018-2019.
2.	The increase in remuneration of Directors is nil, that of Chief Financial Officer is -0.33% that of Company Secretary is 0.03% in the Financial Year 2018-2019.
3.	There is percentage increase in the median remuneration of employees is -0.15 for the financial year 2018-19.
4.	There were two permanent employees on the rolls of the company as on 31 <sup>st</sup> March 2019.
5.	The average percentile increase in salaries of employees other than managerial personnel is Nil and increase in salaries of managerial personnel during last financial year is disclosed in point no. 2.
6.	The remuneration is as per the Nomination and Remuneration Policy of the company

Note: Remuneration payable for the relevant year for employee is taken into consideration for all above calculations. Effect of any arrears or deferred payments for earlier periods has been ignored for the calculations.

FOR, AASWA TRADING AND EXPORTS LIMITED



KEYUR J. PARIKH  
CHAIRMAN  
DIN: 00156455



BHAVESH G. SHAH  
DIRECTOR  
DIN: 02333042

DATE: 29<sup>th</sup> May, 2019  
PLACE: Ahmedabad

**A.SHAH & ASSOCIATES**  
**PRACTICING COMPANY SECRETARIES**

**CS ANISH SHAH**

**B.COM, LL.B. FCS**

D/413, Shiromani Complex, Opp.  
Oceanic Park, Nehru Nagar  
Satellite Road, AHMEDABAD-380015

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MOBILE : +91-997-890-9231

**MR-3**

**SECRETARIAL AUDIT REPORT**

*[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**

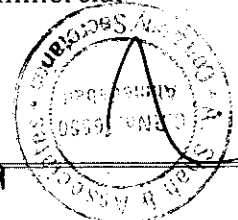
TO,  
The Members,  
**M/S. AASWA TRADING AND EXPORTS LIMITED**

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. AASWA TRADING AND EXPORTS LIMITED** (Herein after called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification on **M/S. AASWA TRADING AND EXPORTS LIMITED** Books, papers, Minutes Books, Forms and Returns filed and Other Records maintained by the Company and also the information Provided by the Company, its officers and agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2019** complied with the statutory provisions listed hereunder and so that Company has proper Board-processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by **M/S. AASWA TRADING AND EXPORTS LIMITED** for the Financial Year ended on **31<sup>st</sup> March, 2019** according to the provisions of:

- (I) The Companies Act, 2013 and the Rules made thereunder;
- (II) The Securities Contracts (Regulation) Act, 1956 ('SCARA) and the Rules made thereunder;
- (III) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (IV) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investments and External Commercial Borrowings;



## **CS ANISH SHAH**

**B.COM , LLB. FCS**

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 anishshahcs@gmail.com

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(V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) regulations, 2009 as well as Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (issue and Issue of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars on an Issue and Share Transfer Agents) regulations, 1993 regarding the Companies Act and dealing with Client,
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

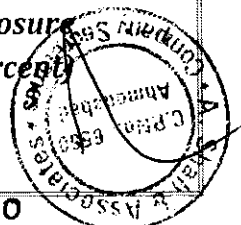
As company is engaged in Textile Trading activity no other sector specified laws are applicable to the company for the Financial Year under review.

I have also examined Compliances with the applicable clauses of the following:

- (I) Secretarial Standards Issued by the Institute of Company Secretaries of India;
- (II) Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review, the Company has complied with all the above provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:


- (1) **The Company is yet to comply with the Regulation 31 (2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for maintaining 100 % ( hundred percent) Share Holding of Promoters in Dematerialized Form.**




**A.SHAH & ASSOCIATES**  
**PRACTICING COMPANY SECRETARIES**

**CS ANISH SHAH**

**B.COM, LLB. FCS**

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**WE FURTHER REPORT THAT,**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings Seven days prior to the date of Meeting. Detailed agenda and detailed notes on agenda were sent along with the Notice, and therefore, there was a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

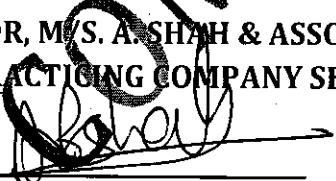
**WE FURTHER REPORT THAT** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

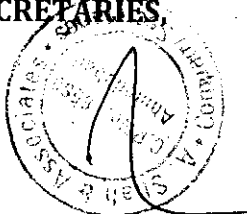
**WE FURTHER REPORT THAT** during the audit period in the company, there has been no material discrepancy found in the business and no specific change in the nature of the Business.

**PLACE: AHMEDABAD**

**DATE: 29-05-2019**

**FOR, M/S. A. SHAH & ASSOCIATES,**  
**PRACTICING COMPANY SECRETARIES,**

  
**MR. ANISH SHAH**  
**PROPRIETOR**  
**(C. P. NO: 6560)**  
**(FCS: 4713)**



**Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.**



**CS ANISH SHAH**

**B.COM , LLB. FCS**

**D/413,Shiromani Complex, Opp.  
Oceanic Park, Nehru Nagar  
Satellite Road, AHMEDABAD-380015**

**anishshahcs@gmail.com**

**OFFICE : 079-26740953  
MOBILE : +91-997-890-9231**

**ANNEXURE-A**

To,  
The Members  
**AASWA TRADING AND EXPORTS LIMITED**  
32, MILAN PARK SOCIETY,  
NEAR JAWAHAR CHOWK, MANINAGAR,  
AHMEDABAD - 380008

Our Report of even date is to be read with this letter:

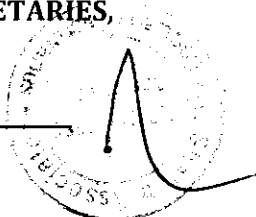
- (1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Secretarial Audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Where ever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**PLACE: AHMEDABAD**  
**DATE: 29-05-2019**

**FOR, A. SHAH & ASSOCIATES,**  
**PRACTICING COMPANY SECRETARIES,**

*Anish Shah*

**MR. ANISH SHAH**  
**PROPRIETOR**  
**(C. P. NO: 6560)**  
**(FCS: 4713)**

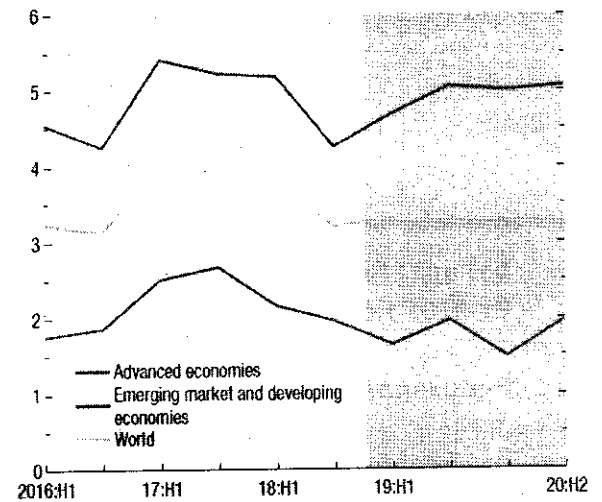


**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Overview:-**

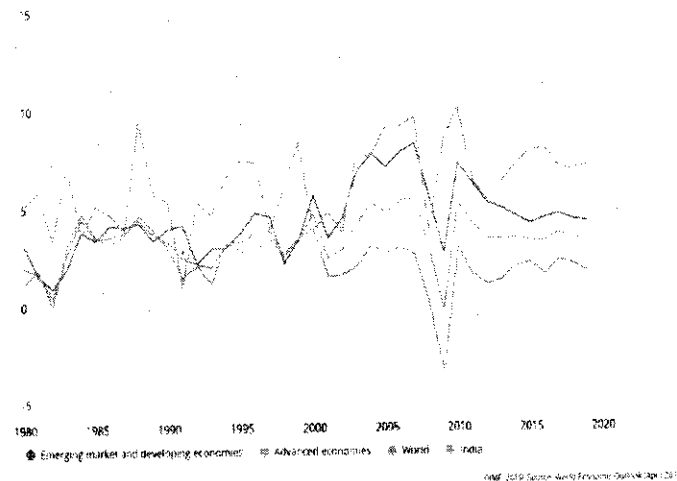
The year 2018 started with encouraging data on global economic growth. But as the year, momentum started fading. According to World Economic Situation and Prospectus 2019, the economic activities are severely disrupted as the global economy is facing convergence risks, which could have major impact on long term development. Improvements are expected later and global economic growth in 2020 is expected to return to 3.6 percent. The World Trade Organization (WTO) as well as the World Bank and the Organisation for Economic Cooperation and Development have downgraded their projections across trade, equities, currencies and interest rates.

Global growth is expected to level off in the first half of 2019 and firm up after that.



IMF DataMapper

Real GDP growth (Annual percent change)



According to IMF, India has transpired as the fastest growing major economy in the world. Forecast by the World Bank envisages India's GDP to grow at 7.3% in 2019 and likely to maintain growth rate for the next two years. It may so be assessed that this growth of India may even reach higher over the years with country's favorable demographics and continued streamlining of its reform policies. The domestic demand is likely to be the key

driver which gives the economy some protection from global headwinds. With an improving business ecosystem and stable macroeconomic indicators coupled with continued implementation of various reforms is likely to provide impetus to the domestic economy.

Despite these positive aspects, there seems to be various risks to the Indian Economy including ongoing global trade tensions, international crude oil price developments, financial market volatility and populist fiscal measures, etc. They may cause a growth slowdown and trigger inflationary implications. Continued implementation of structural and financial reforms remains essential for the health of economy's growth prospects.

**Segment Analysis and Review:-**

The company is predominantly a trading company and operates only in one segment, trading of Fabrics. Based on its product profile and its operating performance during the

year, the Company has been able to able to increase the volumes further during the year. However, the segment exercised better controls on other operational costs and kept overall costs under control.

**Financial Results and Outlook:-**

During the year under review, the Company has earned total revenue of Rs. 365.24 Lacs from the operations of the Company as compared to previous year revenue of Rs. 273.22 Lacs. Your Company has reported a profit of Rs. 11.46 Lacs as compared to loss of Rs. 0.34 Lacs in previous year.

**Significant Changes in Financial Ratios:**

Financial Ratio	FY 2018-19	FY 2017-18	Change in %	Reasons for change
Current Ratio	1.05	4.00	-73.83%	Current ratio during previous year were high since there were no trade payables and trade receivables.
Operating profit Margin	3.14	-0.13	2402.73%	Change in ratio due to recovery of doubtful advances for which provisions was made in earlier years.
Net Profit Margin	3.14	-0.13	2402.73%	Change in ratio due to recovery of doubtful advances for which provisions was made in earlier years.
Return on Net Worth	7.17	-0.23	3005.67%	Change in ratio due to recovery of doubtful advances for which provisions was made in earlier years.

**Research and Development:-**

Company recognizes the importance of research and development across all important areas and continues to maintain and update its functional facilities, in spite of its financial position, in order to meet the changing product requirements of the customers, achieve cost efficiencies and meet compliance requirements of statutory agencies.

**Opportunities, Threats and Risks:**

With the financial reforms likely to add impetus to industry growth and likelihood of stable political environment, the domestic market should pose better opportunities in terms of volume growth. Improved financial liquidity in the economy as a whole would be a key concern for the company to achieve higher volumes coupled with improved margins.

**Human Resources Development and Health & Safety:-**

The Company follows proper policies and practices for the welfare of its employees and takes adequate measures for attracting and retaining the right talent. The Company does not operate in any manner in which it violates any laws. Moreover, the employees of the Company are being provided better work environment.

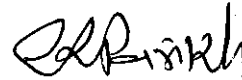
**Internal Control System:-**

There are adequate internal control system existing in the company across all the areas of operations and processes. This ensures efficiency of operations, compliance with internal policies and applicable laws and regulations, protection of resources and/or assets and accurate reporting of financial transactions. The audit committee reviews the adequacy and effectiveness of the internal control systems and improvements are carried out to strengthen them.


**Cautionary Statement:-**

Statements in the Management Discussion and Analysis Report containing the objectives, expectations or predictions of the company may be forward-looking within the meaning of securities laws and regulations. Actual results may differ materially from those expressed in the statement. The operations of the Company could be influenced by various factors such as domestic and global demand and supply conditions affecting sales volumes and selling prices of finished goods, input availability and cost, government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

FOR, AASWA TRADING AND EXPORTS LIMITED



KEYUR J. PARIKH  
CHAIRMAN  
DIN: 00156455



BHAVESH G. SHAH  
DIRECTOR  
DIN: 02333042

Date: 29<sup>th</sup> May, 2019  
Place: Ahmedabad

## INDEPENDENT AUDITOR'S REPORT

To the Members of Aaswa Trading and Exports Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Aaswa Trading and Exports Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

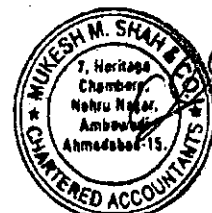
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have not observed any Key audit matters on our audit of the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholders Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

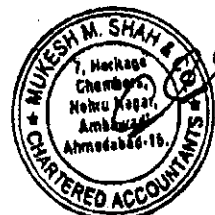
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

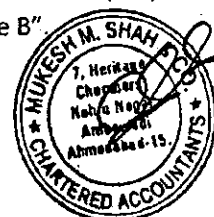
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and 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 Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"



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B/h. Bikanerwala, Off S.M. Road,  
Nr. Azad Society, Nehru Nagar, Ahmedabad-380 015.  
Phone : (B) 079 - 2647 2000 E mail : contact@mmsco.in  
Website : www.mmsco.in

**MUKESH M. SHAH & CO.**

CHARTERED ACCOUNTANTS  
AHMEDABAD • MUMBAI • BANGALORE

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2019 on its financial position in its financial statements – Refer Note 15 to the financial statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ahmedabad  
Date: 29<sup>th</sup> May, 2019



For MUKESH M. SHAH & CO.,  
Chartered Accountants  
Firm Registration No.: 106625W

*S. S. Shah*

Suvrat S. Shah  
Partner  
Membership No.: 102651



**"Annexure A" referred to in the Independent Auditors' Report of even date to the members of AASWA TRADING AND EXPORTS LIMITED on the Financial Statements for the year ended 31<sup>st</sup> March, 2019.**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.  
(b) Some of the fixed assets were physically verified during the year by the management in accordance with programme of verification. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.  
(c) At company does not have any immovable property, this clause is not applicable.
2. (a) The inventories have been physically verified by the management during the year. In our opinion, the procedures for the physical verification of inventory followed by management are reasonable and adequate in relation 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 company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii)(a) and (iii)(b) of paragraph of the Order are not applicable to the company for the current year.
4. In our opinion and according to the information and explanations given to us, in respect of the unsecured loan given by the Company, the provisions of section 186 of the Act have been complied with. The company has not provided any guarantee or security to which provisions of 186 of the Act is applicable. No loan is given by the company to which provisions of section 185 apply.
5. The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board of National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, in this regard.
6. As per the information and explanation given to us, the Central Government has not prescribed for maintenance of cost records under sub section 1 of section 148 of the Companies Act, 2013 are not applicable to the Company during the year under audit.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services tax, Service tax, Custom duty, Excise duty, Value added Tax, Cess and any other material statutory dues during the year with the appropriate authorities. Moreover, as at 31<sup>st</sup> March, 2019, there are no such undisputed dues payable for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there is no statutory dues which is disputed.



8. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or due to debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loan raised during the year has been utilised by the Company for the purpose for which the same has been taken.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and on the basis of our examination of the books of account; the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 (with schedule V) of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Ahmedabad

Date: 29<sup>th</sup> May, 2019



For MUKESH M. SHAH & CO.,  
Chartered Accountants  
Firm Registration No.: 106625W

*S. S. Shah*  
Suvrat S. Shah  
Partner

Membership No.: 102651

**"ANNEXURE B" TO THE AUDITORS' REPORT**

**Report on the Internal Financial Control clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act")**

We have audited the internal financial controls over financial reporting of **AASWA TRADING AND EXPORTS LIMITED** ("the company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management Responsibility for Internal Financial Controls**

The company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India [ICAI]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

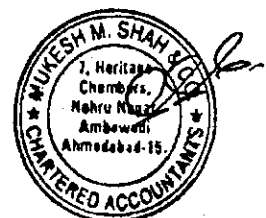
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad

Date: 29<sup>th</sup> May, 2019



For MUKESH M. SHAH & CO.,  
Chartered Accountants  
Firm Registration No.: 106625W

*S. S. Shah*  
Suvrat S. Shah  
Partner

Membership No.: 102651

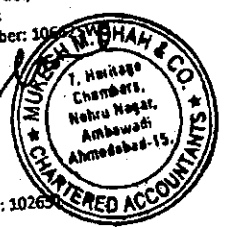
**AASWA TRADING AND EXPORTS LIMITED**  
Balance Sheet as at March 31, 2019

Particulars	Note No.	Amt. in Rs.	
		As at March 31	
		2019	2018
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	3	10 671	14 164
Financial Assets:			
Other Financial Assets	4	1 53 93 108	1 43 26 704
Assets for Current tax (Net)	5	3 86 301	3 64 042
<b>Current Assets:</b>			
Financial Assets:			
Trade Receivables	6	40 35 910	1 71 565
Cash and Cash Equivalents	7	1 00 614	22 429
Other Current Assets	8	88 420	1 93 994
		42 24 944	1 48 98 904
		2 00 15 024	
<b>Total</b>			
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity:</b>			
Equity Share Capital	9	72 00 000	72 00 000
Other Equity	10	87 81 025	76 34 631
		1 59 81 025	1 48 34 631
<b>Non-Current Liabilities:</b>			
Financial Liabilities:			
Other Financial Liabilities	11	2 416	15 822
		2 416	15 822
<b>Current Liabilities:</b>			
Financial Liabilities:			
Trade Payables	12		
Total Outstanding dues of Micro and Small Enterprises	13	39 97 070	38 284
Total Outstanding dues of creditors other than Micro and Small Enterprises	14	32 000	10 167
Other Financial Liabilities		2 513	
Provisions			
Current Tax Liabilities (Net)			
		40 31 583	48 451
		2 00 15 024	1 48 98 904
<b>Total</b>	2		
<b>Significant Accounting Policies</b>	1 to 27		
<b>Notes to the Financial Statements</b>			

As per our report of even date  
For Mukesh M. Shah & Co.,  
Chartered Accountants  
Firm Registration Number: 10263

Suvrat S. Shah  
Partner  
Membership Number: 10263

Ahmedabad Dated: 29th May, 2019



*Urvi C. Shah*  
Urvi C. Shah  
Company Secretary

*Nitin L. Bhavsar*  
Nitin L. Bhavsar  
Chief Financial Officer

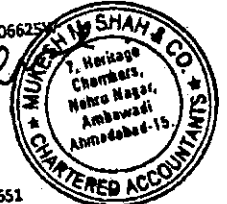
For and on behalf of the Board  
*Keyur J. Parikh*  
Keyur J. Parikh  
Chairman  
DIN : 00156415  
*Bhavesh G. Shah*  
Bhavesh G. Shah  
Director  
DIN : 02333042  
Ahmedabad Dated: 29th May, 2019

**AASWA TRADING AND EXPORTS LIMITED**  
Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	Amt. in Rs.	
		Year ended March 31	
		2019	2018
Revenue from Operations	16	3 65 23 809	2 73 21 682
Other Income	17	20 86 685	10 47 969
<b>Total Income</b>		<b>3 86 10 494</b>	<b>2 83 69 651</b>
EXPENSES:			
Purchases of Stock-in-Trade	18	3 64 87 685	2 73 13 578
Employee Benefits Expense	19	4 99 052	5 99 301
Depreciation, Amortisation and Impairment expense	3	3 493	4 716
Other Expenses	20	4 73 870	4 86 401
<b>Total Expenses</b>		<b>3 74 64 100</b>	<b>2 84 03 996</b>
Profit/(Loss) before Tax	21	11 46 394	- 34 345
Less: Tax Expense:			
Current Tax		-	- 80
Tax adjustment for earlier years		-	- 80
		11 46 394	- 34 265
<b>Profit/(Loss) for the year</b>	22	11 46 394	- 34 265
Other Comprehensive Income for the year [Net of tax]	2	1.59	(0.05)
<b>Total Comprehensive Income for the year [Net of Tax]</b>	1 to 22		
Basic & Diluted Earning per Equity Share [EPS] [In Rupees]			
Significant Accounting Policies			
Notes to the Financial Statements			

As per our report of even date  
For Mukesh M. Shah & Co.,  
Chartered Accountants  
Firm Registration Number: 1066251

*S.S. Shah*  
Suvrat S. Shah  
Partner  
Membership Number: 102651  
Ahmedabad Dated: 29th May, 2019



*Urvi C. Shah*  
Urvi C. Shah  
Company Secretary

*Nitin L. Bhevsar*  
Nitin L. Bhevsar  
Chief Financial Officer

For and on behalf of the Board

*Keyur J. Parikh*  
Keyur J. Parikh  
Chairman  
DIN : 00156455

*Bhavesh G. Shah*  
Bhavesh G. Shah  
Director  
DIN : 02333042  
Ahmedabad Dated: 29th May, 2019

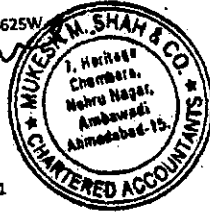
**AASWA TRADING AND EXPORTS LIMITED**  
**Statement of Change in Equity for the year ended March 31, 2019**

	No. of Shares	Amt. in Rs.
<b>a Equity Share Capital:</b>		
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:	7 20 000	7 20 000
As at March 31, 2018	7 20 000	7 20 000
As at March 31, 2019		
<b>b Other Equity:</b>	Amt. in Rs.	
	Reserves and Surplus Retained Earnings	Items of OCI
		Total
As at March 31, 2018	76 34 631	76 34 631
Add: Profit for the year	11 46 394	11 46 394
Total Comprehensive Income	87 81 025	87 81 025
As at March 31, 2019	87 81 025	87 81 025

As per our report of even date  
 For Mukesh M. Shah & Co.,  
 Chartered Accountants  
 Firm Registration Number: 106625W

S. S. Shah  
 Partner  
 Membership Number: 102651

Ahmedabad Dated: 29th May, 2019



*Urvi C. Shah*  
 Urvi C. Shah  
 Company Secretary

*Nitin L. Bhavsar*  
 Nitin L. Bhavsar  
 Chief Financial Officer

For and on behalf of the Board

*Keyur J. Parikh*  
 Keyur J. Parikh  
 Chairman  
 DIN : 00156451

*Bhavesh G. Shah*  
 Bhavesh G. Shah  
 Director  
 DIN : 02333042  
 Ahmedabad Dated: 29th May, 2019

**AASWA TRADING AND EXPORTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019**

[Amount in Rs.]

PARTICULARS	2018-2019		2017-2018	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit/(Loss) before Tax and extraordinary items :-		11 46 394		- 34 345
Adjustments for -			4 716	
Depreciation	3 493			
Short provision of expenses written off	361			- 10 35 228
Interest (Income) / Expenses	- 10 73 783	- 10 69 929	- 10 39 944	- 10 69 573
Operating profit before working capital charges		76 465		
Adjustments for-			2 14 051	
(Increase)/Decrease in other Financial Assets	- 10 66 404		2 234	
(Increase)/Decrease in other Current Assets	- 66 351		10 548	
Decrease/(Increase) in other Financial Liabilities - Non Current	- 13 406		- 29 806	
Decrease/(Increase) in provisions - Non Current	- 6 284		- 1 817	
Decrease/(Increase) in other Financial Liabilities - Current	- 7 654		- 21 050	
Decrease/(Increase) in provisions - Current	- 40 35 910			
(Decrease)/Increase in trade & other receivables	39 97 070		- 1 03 995	
Decrease/(Increase) in trade payable	- 22 259			70 165
Income tax Refund / (Paid)		- 12 21 198		- 9 99 408
<b>Net Cash inflow / (Outflow) from Operation Activities</b>		<b>- 11 44 733</b>		
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Interest Income / (Expenses)	10 73 783	10 73 783	10 39 944	10 39 944
<b>Net Cash Inflow / (Outflow) in Investing Activities</b>		<b>10 73 783</b>		<b>10 39 944</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Net Cash Inflow / (Outflow) from Financing Activities	0	0	0	0
<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>- 70 951</b>		<b>40 537</b>
Cash & Cash Equivalents - Closing Balance	1 00 614		1 71 565	
Cash & Cash Equivalents - Opening Balance	1 71 565	- 70 951	1 31 028	40 537

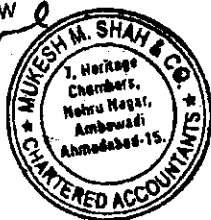
1. Cash and cash equivalents presented in Cash Flow Statements consists of Cash on hand and unencumbered, highly liquid bank balances.
2. The above cash flow Statement has been prepared as per the "Indirect Method" set out in the Indian Accounting Standard (Ind AS) - 7 "Statements of Cash Flow".

As per our report of even date

For Mukesh M. Shah & Co.  
Chartered Accountants  
Firm Registration No.106625W


Suvrat S. Shah  
PARTNER  
Membership No.102651

Ahmedabad  
Date : 29th May, 2019



For and on behalf of the Board

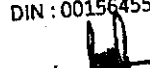
  
Urvi C. Shah  
Company Secretary

  
Nitin L. Bhavsar  
Chief Financial Officer

Ahmedabad  
Date : 29th May, 2019



Keyur J. Parikh  
Chairman  
DIN : 00156455

  
Bhavesh G. Shah  
Director  
DIN : 02333042



**Notes to the Financial Statements****Note: 1 - Corporate Information:**

Aaswa Trading and Exports Limited is engaged in trading of cotton fabrics and textiles products.

The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 (now Companies Act, 2013) (the Act). Its shares are listed on the Bombay Stock Exchange (BSE Limited) in India. The registered office of the company is located at 32, Millanpark Society, Near Jawahar Chowk, Maninagar, Ahmedabad – 380 008.

The financial statements for the year ended 31<sup>st</sup> March, 2019 were authorised for issue in accordance with a resolution of the directors on 29<sup>th</sup> May, 2019.

**Note: 2 - Significant Accounting Policies:**

The following note provides list of the significant accounting policies adopted in the preparation of these financial statements.

These policies have been consistently applied to all the years presented unless otherwise stated.

**1 Basis of preparation:**

- A The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
- B The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:
  - i Derivative financial instruments
  - ii Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
  - iii Defined benefit plans
  - iv Certain items of Property, Plant and Equipment

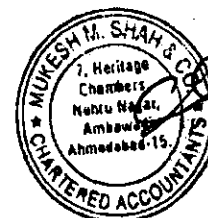
**2 Use of Estimates:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Critical estimates and judgments****a Income Taxes:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions, and in estimation of deferred tax asset or liability.



## Notes to the Financial Statements

## b Property, plant and equipment:

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at reasonable intervals and any revision to these is recognised prospectively in current and future periods. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Significant judgment is involved in determining the estimated future cash flows and/or net realisable value from the Property, Plant and Equipment to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.

## c Employee Benefits:

Significant judgments are involved in making estimates about the life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

## 3 Functional &amp; Presentation Currency:

A The Company's financial statements are presented in Indian Rupees (INR), which is the functional and presentation currency.

## 4 Revenue Recognition:

A Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and are shown net of returns, trade allowances, rebates, volume discounts and value added taxes.

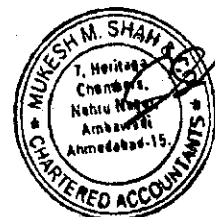
B GST is not received by the Company on its own account, but is tax collected on value added to the Goods / Services by the Company on behalf of the government. Accordingly, it is excluded from revenue.

C For revenue to be recognised, the following specific recognition criteria for each types of revenue must be satisfied:

## a Sale of Goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade allowances, rebates, volume discounts and GST.

The goods are often sold with volume discounts/pricing incentives and customers have a right to return defective products. Revenue from sales is based on the price in the sales contracts, net of discounts. Historical experience is used to estimate and provide for customer claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.



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**Notes to the Financial Statements**


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**b Interest Income:**

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**c Other Income:**

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

**5 Taxes on Income:**

Tax expenses comprise of current and deferred tax.

**A Current Tax:**

a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Current tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss, Other Comprehensive Income (OCI) or directly in equity.

**B Deferred Tax:**

a Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

b Deferred tax liabilities are recognised for all taxable temporary differences.

c Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax losses.

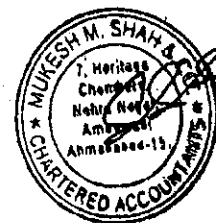
Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry forward of unused tax losses can be utilized.

d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

f Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss, Other Comprehensive Income (OCI) or directly in equity.

g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.



**Notes to the Financial Statements**

**6 Property, Plant and Equipment:**

A Property, Plant, and Equipment are stated at historical cost of acquisition less accumulated depreciation and impairment loss, if any. Historical cost (Net of input tax credit received / receivable) includes related expenditure and pre-operative & project expenses for the period up to completion of construction / up to the date of asset being ready for its intended use, if recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. On transition to Ind AS as on 1st April, 2016, the Company has elected to measure its Property, Plant and Equipment at carrying value as per previous GAAP.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

B Depreciation on tangible assets is provided on "Written down value method", Useful life of tangible fixed assets are as per prescribed in Schedule-II of the companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at reasonable intervals. Any revision to these is recognized prospectively in current and future periods.

C Depreciation on impaired assets is calculated on its reduced value, if any, on a systematic basis over its remaining useful life.

D Depreciation on additions/ disposals of the Property, Plant & Equipments during the year is provided on pro-rata basis according to the period during which assets are used.

E An item of property, plant and equipment and any significant part thereof initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

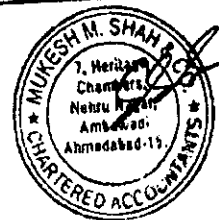
**7 Borrowing Costs:**

A Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per EIR method. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

B Borrowing costs that are directly attributable to the acquisition / construction of a qualifying asset are capitalised as part of the cost of such assets, up to the date the assets are ready for their intended use.

C For capitalization of eligible borrowing costs which are not specifically attributable to the acquisition, construction or production of a particular qualifying asset, a weighted average capitalization rate is applied for all the eligible assets.

The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.



## AASWA TRADING AND EXPORTS LIMITED

## Notes to the Financial Statements

## 8 Impairment of Assets:

The carrying amounts of Property, Plant and Equipment are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted estimated cash flows for the remaining years (remaining useful life). Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 9 Inventories:

- A Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- B Costs (net of input credit of VAT/GST) comprises all cost of purchase, cost of conversion and other costs incurred in bringing inventories to their present location and condition. Cost formulae used are "First In First Out", "weighted Average Cost", or "Specific Identification" as applicable.
- C Write down of inventories to net realisable value is recognised as an expense and included in "Changes in Inventories of Stock-in-Trade" in the Statement of Profit and Loss.

## 10 Cash and Cash Equivalents:

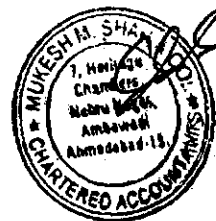
Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

## 11 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

- A Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision / disclosure is made. Contingent assets are not recognised but are disclosed separately in the financial statements. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingencies and commitments are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in financial statements.

- B If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.



Notes to the Financial Statements

12 Employee Benefits:

A Short term obligations:

Liabilities for wages and salaries, including leave encashments that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

B Long term employee benefits obligations:

a Defined Benefit Plans:

i Gratuity:

Liability of gratuity is determined as per the provision of Gratuity Act who have completed the requisite period for being eligible for Retirement benefits under the payment of Gratuity Act, 1972.

ii Provident Fund:

Provision of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 are not applicable to the company.

iii Leave Encashment:

Provision for leave encashment is made on accrual basis for accumulated leave that employees can encash in future.

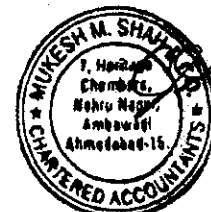
13 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A Financial assets:

a Initial recognition and measurement:

All financial assets are recognised initially at fair value plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date, i.e., the date that the Company settles to purchase or sell the asset.



## Notes to the Financial Statements

## b Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

## i Financial Assets at amortized cost:

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows.
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking

into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss. This category generally applies to trade and other receivables.

## ii Financial Assets at fair value through other comprehensive income (FVTOCI):

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

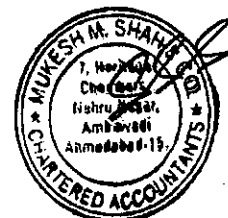
- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets.
- The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

## iii Financial Assets and derivatives at fair value through profit or loss (FVTPL):

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.



## Notes to the Financial Statements

## c Derecognition:

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when:

- i The right to receive cash flows from the asset has expired, or
- ii The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. When the Company has transferred the risk and rewards of ownership of the financial asset, the same is derecognised.

## d Impairment of financial assets:

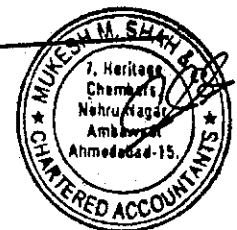
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a Financial assets that are debt instruments, and are measured at amortized cost.
- b Trade receivables or any contractual right to receive cash or another financial asset.
- c Financial assets that are debt instruments and are measured as at FVTOCI.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point "c" provided above. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it requires the company to recognise the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:





**Notes to the Financial Statements**

- a Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- b Financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics.

**B Financial liabilities:****a Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**b Subsequent measurement:**

Subsequently all financial liabilities are measured as amortized cost except for financial guarantee contracts, as described below:

**i Loans and borrowings:**

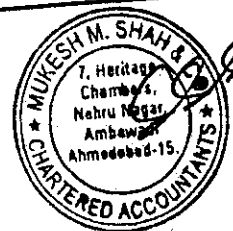
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**c Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

**C Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as per Ind AS 109.



## Notes to the Financial Statements

### D Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

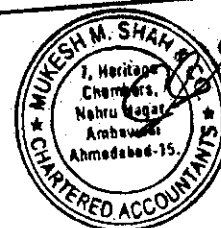
### 14 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### Note - 3 : Changes in Accounting Standards and other recent accounting pronouncements yet not effective:

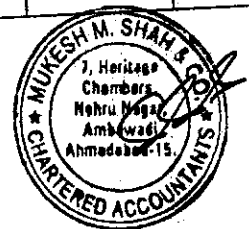
Following changes in accounting standards have been notified on March 30, 2019, which will be effective from accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of these changes in the financial statements.

- (1) **Ind AS 116, Leases** : Ind AS 116 would replace the existing Ind AS 17 – 'Leases'. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss.
- (2) **Amendment to Ind AS 12 'Income Taxes'** : The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.
- (3) **Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments** : It clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix.
- (4) **Amendment to Ind AS 19 'Employee Benefits'** : It relates to accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after amendment, curtailment or settlement of a defined benefit plan and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.



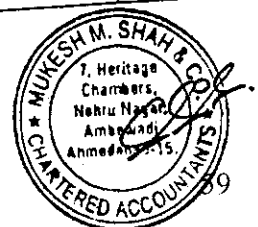
**AASWA TRADING AND EXPORTS LIMITED**  
Notes to the Financial Statements

	Amt. in Rs.	
	Vehicles	Total
<b>Note: 3-Property, Plant &amp; Equipment:</b>		
<b>A Property, Plant and Equipment:</b>		
Gross Block:		
As at March 31, 2017	74 997	74 997
Additions	-	-
As at March 31, 2018	74 997	74 997
Additions	-	-
As at March 31, 2019	74 997	74 997
Depreciation and Impairment:		
As at March 31, 2017	56 117	56 117
Depreciation for the year	4 716	4 716
As at March 31, 2018	60 833	60 833
Depreciation for the year	3 493	3 493
As at March 31, 2019	64 326	64 326
Net Block:		
As at March 31, 2017	14 164	14 164
As at March 31, 2018	10 671	10 671
As at March 31, 2019		
Depreciation, Amortisation and Impairment expenses:		
Depreciation		
Total		
	Year ended March 31	
	2019	2018
	3 493	4 716
	3 493	4 716
	Amt. in Rs.	
	As at March 31	
	2019	2018
<b>Note: 4-Other Financial Assets:</b>		
[Unsecured, Considered Good]		
Loans and advances to parties other than related parties *	1 53 93 108	1 43 26 704
Considered Good	-	13 59 088
Considered Doubtful	-	-13 59 088
Less : Impairment Allowance	1 53 93 108	1 43 26 704
Total	1 53 93 108	1 43 26 704
* Loans and advances have been given for business purpose		
<b>Note: 5-Asset for Current Tax [Net]:</b>		
Advance payment of Tax	3 86 301	3 64 042
Total	3 86 301	3 64 042
<b>Note: 6-Trade Receivables:</b>		
[Unsecured, Considered Good]		
From other than related parties	40 35 910	-
Total	40 35 910	-
<b>Note: 7-Cash and Cash Equivalents:</b>		
Balances with Banks in Current Accounts	96 425	1 67 611
Cash on Hand	4 189	3 954
Total	1 00 614	1 71 565
<b>Note: 8-Other Current Assets:</b>		
[Unsecured, Considered Good]		
Balance with Statutory Authorities	65 726	20 000
Advances to Suppliers	20 000	-
Prepaid Expenses	2 694	2 429
Total	88 420	22 429



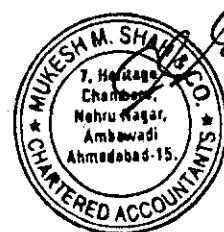
**AASWA TRADING AND EXPORTS LIMITED**  
Notes to the Financial Statements

	Amt. in Rs.	
	As at March 31	
	2019	2018
<b>Note: 9-Equity Share Capital:</b>		
<b>Authorised Capital:</b>		
7,50,000 Equity Shares of Rs. 10/- each [As at 31/03/2018 7,50,000 Equity Shares]	75 00 000	75 00 000
<b>Issued, Subscribed and Paid-up:</b>		
7,20,000 Equity Shares of Rs. 10/- each, fully paid-up [As at 31/03/2018 7,20,000 Equity Shares]	72 00 000	72 00 000
<b>Total</b>	7 20 000	7 20 000
<b>A</b> The reconciliation in number of shares is as under:		
Number of shares at the beginning of the year	7 20 000	7 20 000
Add: Issued during the year		
Number of shares at the end of the year	7 20 000	7 20 000
<b>B</b> Details of Shareholder holding more than 5% of aggregate Equity Shares of INR 10/- each, fully paid:		
1 Shefali C. Parikh	4 32 920	4 32 920
Number of Shares	60.13%	60.13%
% to total share holding		
2 Uttara Parikh	60 600	60 600
Number of Shares	8.42%	8.42%
% to total share holding		
<b>Rights of Equity Share holders</b>		
(a) Holder of equity shares is entitled to one vote per share.		
(b) The Company declares and pays dividends in Indian Rupees. The Companies Act, 2013 provides that the Dividend shall be declared only out of the profits of the relevant year or out of the profits of any previous financial year(s) after providing for depreciation in accordance with the provisions of the Act and the Company may transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the Company.		
(c) In case of inadequacy or absence of profits in any year, the Company may declare dividend out of free reserves subject to the condition that the rate of dividend shall not exceed average of the rates at which dividend was declared by the Company in three years immediately preceding that year.		
(d) In the event of Liquidation of the Company, the holders of shares shall be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the Shareholders.		
<b>Note: 10-Other Equity:</b>		
<b>Retained Earnings:</b>		
Balance as per last Balance Sheet	76 34 631	76 68 896
Add: Profit/(Loss) for the year	11 46 394	- 34 265
Balance as at the end of the year	87 81 025	76 34 631
<b>Total</b>	87 81 025	76 34 631
<b>Note: 11-Other Financial Liabilities [Non Current]:</b>		
Security Deposits	2 416	15 822
<b>Total</b>	2 416	15 822
<b>Note: 12-Trade Payables:</b>		
Micro and Small Enterprises [*]	39 97 070	-
Others	39 97 070	-
<b>Total</b>	39 97 070	-
[*] Based on the information available with the company regarding the status of its vendors under the Micros, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), the disclosure pursuant to the MSMED Act, is as follows:		
A Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	-	-
B The amount of interest paid by the buyer in term of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
C The amount of interest due and payable for the period of delay in making payment ( which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
D The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
E The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-
<b>Note: 13-Other Financial Liabilities [Current]</b>		
Unpaid Expenses	32 000	38 284
<b>Total</b>	32 000	38 284
<b>Note: 14-Provisions [Current]</b>		
Provision for Employee Benefits	2 513	10 167
For Gratuity	2 513	10 167
For Leave Encashment		
<b>Total</b>	2 513	10 167
<b>Note: 15-Contingent Liabilities and Commitments [to the extent not provided for]:</b>		
Contingent Liabilities	NIL	NIL
Commitments	NIL	NIL



**AASWA TRADING AND EXPORTS LIMITED**  
Notes to the Financial Statements

	Amt. in Rs.	
	Year ended March 31	
	2019	2018
<b>Note: 16-Revenue from Operations:</b>	<b>3 65 23 809</b>	<b>2 73 21 682</b>
Sale of Products	3 65 23 809	2 73 21 682
Total	3 65 23 809	2 73 21 682
<p>W.e.f. April 1, 2018, the Company has adopted Ind AS 115 - "Revenue from contracts with customers" under the full retrospective approach. Accordingly, the comparatives have been adjusted to give the effect of Ind AS 115. The effect of the same was insignificant on the financial results.</p>		
<b>Note: 17-Other Income:</b>	<b>10 73 783</b>	<b>10 39 944</b>
Finance Income:	8 940	-
Interest Income on Financial Assets measured at Amortised Cost	10 00 000	-
Other Interest	3 962	8 025
Excess Provision written back	20 86 685	10 47 969
Miscellaneous Income	-	-
Total	10 73 783	10 39 944
<b>Note: 18-Purchases of Stock-in-Trade:</b>	<b>3 64 87 685</b>	<b>2 73 13 578</b>
Purchases of Stock-in-Trade	3 64 87 685	2 73 13 578
Total	3 64 87 685	2 73 13 578
<b>Note: 19-Employee Benefits Expense:</b>	<b>4 88 452</b>	<b>5 75 551</b>
Salaries and wages	10 600	23 750
Staff welfare expenses	4 99 052	5,99,301
Total	4 88 452	5 75 551
<b>Note: 20-Other Expenses:</b>	<b>2 50 000</b>	<b>2 87 500</b>
Listing Fees	6 310	10 030
Insurance	2 400	800
Rates and Taxes [excluding taxes on income]	99 872	89 404
Legal and Professional Fees	23 419	22 567
Advertisement Exps	91 869	76 100
Miscellaneous Expenses [*]	4 73 870	4 86 401
Total	2 50 000	2 87 500
[*] Miscellaneous Expenses include:	10 330	10 125
[a] Payment to the Statutory Auditors	14 670	13 520
- As Auditor	25 000	23 645
- For Other Services	-	-
- Total	-	-
<b>Note: 21- Tax Expenses::</b>		
The major components of income tax expense are:		
A Statement of profit and loss:		
Profit or loss section:		
Current income tax:		
Current income tax charge	-	-
Tax adjustment for earlier year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Total Tax expense reported in the statement of profit or loss	-	-
OCI Section:		
Tax related to Items recognised in OCI during in the year:		
Net loss/ (gain) on remeasurements of defined benefit plans	-	-
Tax charged to OCI	11 46 394	- 34 345
B Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate:		
Profit/(Loss) before tax	26.00%	-
Enacted Tax Rate in India (%)	2 98 062	-
Expected Tax Expenses	93 363	-
Adjustments for:	-3 55 451	-
Effect of non-deductible expenses	-35 974	-
Effect of additional deductions in taxable income	-	-
Effect of unutilised business losses now utilised	-	-
Effect of MAT Credit available on which deferred tax asset is not created	-2 98 062	-
Total	-	-
Tax Expenses as per Statement of Profit and Loss	-	-
<b>Note: 22-Calculation of Earnings per Equity Share [EPS]:</b>	<b>11 46 394</b>	<b>- 34 265</b>
The numerators and denominators used to calculate the basic and diluted EPS are as follows:	7 20 000	7 20 000
A Profit/(Loss) attributable to Shareholders	10.00	10.00
B Average number of Equity shares outstanding during the year	1.59	(0.05)
C Nominal value of equity share	-	-
D Basic & Diluted EPS	-	-



**AASWA TRADING AND EXPORTS LIMITED**  
Notes to the Financial Statements

**Note: Deferred Tax:**

A Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:

	Amt. in Rs.		
	As at March 31 2018	Charge for the current year	As at March 31 2019
Deferred Tax Assets:			
Depreciation	3 550	- 550	3 000
Employee benefits/ Payable to Statutory Authorities	18 856	- 16 238	2 618
Receivables	2 37 945	- 18 932	2 19 013
Business Loss	1 948	849	2 797
Unabsorbed depreciation	2 62 299	- 34 871	2 27 428
Total	2 62 299	- 34 871	2 27 428
Net Deferred Tax Assets			

**Significant Estimates:**

As regards deferred tax as per Ind AS-12 on "Income Taxes" there is a net deferred tax asset for the past years and for the period up to 31st March, 2019. The Company has taken conservative view of future profitability. Accordingly, the Company has not recognised deferred tax asset.

**Note: 23-Segment Information:**

The company has only one revenue segment - trading of cotton fabrics. Hence primary segment reporting disclosure is not applicable as per Ind AS - 108 on operating segment.

**Note: 24-Related Party Transactions:**

As per the Ind AS-24 on "Related Party Disclosures", the transactions carried out and outstanding balances with the related parties of the Company are as follows:

**A Name of the Related Parties and Nature of Relationship:**

**Key Management Personal**

Mr. Anish A. Shah - Mr. Keyur J. Parikh -	Managing Director Director	Mr. Bhavesh G. Shah - Mrs. Aashini A. Shah -	Director Director
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**Enterprises significantly influenced by Directors and/or their relatives:**  
Krupa Printers

**B Disclosure in respect of Related Party Transactions :**

Nature of Transactions  
Expenses  
Krupa Printers  
Total

	Others	
	2019	2018
	12 000	12 000
Total	12 000	12 000

**Note: 25-Financial Instruments:**

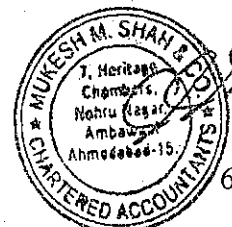
**A Fair values hierarchy:**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**B Financial assets and liabilities measured at fair value - recurring fair value measurements:**

	Amt. in Rs.			
	As at March 31 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
<b>Non Current Financial Assets:</b>			1 53 93 108	1 53 93 108
Other Financial Assets	-	-	-	-
<b>Current Financial Assets:</b>			40 35 910	40 35 910
Trade receivables	-	-	1 00 614	1 00 614
Cash and Cash Equivalents	-	-	88 420	88 420
Other Current Assets	-	-	1 96 18 052	1 96 18 052
<b>Total</b>				
<b>Financial liabilities</b>				
<b>Non Current Financial Liabilities:</b>			2 416	2 416
Other Financial Liabilities	-	-	-	-
<b>Current Financial Liabilities:</b>			39 97 070	39 97 070
Trade payables	-	-	32 000	32 000
Other Financial Liabilities	-	-	40 31 486	40 31 486
<b>Total</b>				
	As at March 31 2018			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
<b>Non Current Financial Assets:</b>			1 43 26 704	1 43 26 704
Other Financial Assets	-	-	-	-
<b>Current Financial Assets:</b>			1 71 565	1 71 565
Cash and Cash Equivalents	-	-	22 429	22 429
Other Current Assets	-	-	1 45 20 698	1 45 20 698
<b>Total</b>				
<b>Financial liabilities</b>				
<b>Non Current Financial Liabilities:</b>			15 822	15 822
Other Financial Liabilities	-	-	-	-
<b>Current Financial Liabilities:</b>			38 284	38 284
Other Financial Liabilities	-	-	54 106	54 106
<b>Total</b>				



**AASWA TRADING AND EXPORTS LIMITED**  
**Notes to the Financial Statements**

**Note: 26-Financial Risk Management:**

A Financial Instruments by category:	Amt. in Rs.			
	As at March 31 2019			
	FVTPL	FVOCI	Amortised Cost	Total
<b>Financial assets:</b>				
<b>Non Current Financial Assets:</b>				
Other Financial Assets	-	-	1 53 93 108	1 53 93 108
<b>Current Financial Assets:</b>				
Trade receivables	-	-	40 35 910	40 35 910
Cash and Cash Equivalents	-	-	1 00 614	1 00 614
Other Current Assets	-	-	88 420	88 420
<b>Total</b>			<b>1 96 18 052</b>	<b>1 96 18 052</b>
<b>Financial liabilities</b>				
<b>Non Current Financial Liabilities:</b>				
Other Financial Liabilities	-	-	2 416	2 416
<b>Current Financial Liabilities:</b>				
Trade payables	-	-	39 97 070	39 97 070
Other Financial Liabilities	-	-	32 000	32 000
<b>Total</b>			<b>40 31 486</b>	<b>40 31 486</b>
	As at March 31 2018			
	FVTPL	FVOCI	Amortised Cost	Total
<b>Financial assets:</b>				
<b>Non Current Financial Assets:</b>				
Other Financial Assets	-	-	1 43 26 704	1 43 26 704
<b>Current Financial Assets:</b>				
Cash and Cash Equivalents	-	-	1 71 565	1 71 565
Other Current Assets	-	-	22 429	22 429
<b>Total</b>			<b>1 45 20 698</b>	<b>1 45 20 698</b>
<b>Financial liabilities</b>				
<b>Non Current Financial Liabilities:</b>				
Other Financial Liabilities	-	-	15 822	15 822
<b>Current Financial Liabilities:</b>				
Other Financial Liabilities	-	-	38 284	38 284
<b>Total</b>			<b>54 106</b>	<b>54 106</b>

**B Risk Management:**

The Company's activities expose it to market risk, liquidity risk, interest risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements. The Risk Management is embedded in the company's operating framework. The Audit Committee of the Board evaluates the Risk Management systems and the Board takes responsibility for the total process of Risk Management in the organization, which includes framing, implementing and monitoring Risk Management Plan. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

The most significant financial risks to which the Company is exposed are described below:

**a Credit risk:**

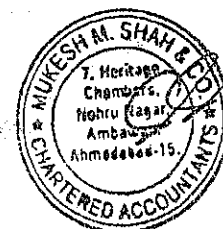
Credit risk arises from the possibility that customer may not be able to settle its obligations as agreed. The company is exposed to credit risk from trade receivables, and other financial assets. The Company periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Party-wise credit is monitored and reviewed accordingly.

**Bank deposits :**

The company maintains its Cash and cash equivalents and Bank deposits with reputed and highly rated banks Hence, there is no significant credit risk on such deposits.

**Trade Receivable:**

The Company is exposed to credit risk in the event of non-payment by customers. The Company trades with recognized and credit worthy customers. It is the Company's policy that all customers who wish to trade on credit terms are subjected to scrutiny and periodic review. In addition, receivable balances are monitored on an on-going basis.



**Note: 26-Financial Risk Management:-Continued:**

Adequate expected credit losses are recognized as per the assessments based on historic data and prevalent market conditions.

Ageing of Trade Receivables:	As at	
	March 31, 2019	March 31, 2018
0 - 3 Months	40 35 910	-
beyond 12 Months	-	-
<b>Total</b>	<b>40 35 910</b>	<b>-</b>

**b Liquidity risk:**

- a Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
- b Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these.

**c Maturities of financial liabilities:**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

	Amt. in Rs.				Total
	< 1 year	1-2 year	2-3 year	> 3 years	
<b>As at March 31 2019</b>					
Other non current financial liabilities	-	2 416	-	-	2 416
Trade payables	39 97 070	-	-	-	39 97 070
Other current financial liabilities	32 000	-	-	-	32 000
<b>Total</b>	<b>40 29 070</b>	<b>2 416</b>	<b>-</b>	<b>-</b>	<b>40 31 486</b>
<b>As at March 31 2018</b>					
Other non current financial liabilities	-	15 822	-	-	15 822
Trade payables	-	-	-	-	-
Other current financial liabilities	38 284	-	-	-	38 284
<b>Total</b>	<b>38 284</b>	<b>15 822</b>	<b>-</b>	<b>-</b>	<b>54 106</b>

**Note: 27-Capital Management:**

The Company's capital management objectives are:

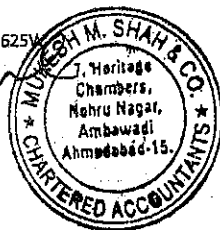
- a to ensure the Company's ability to continue as a going concern
- b to provide an adequate return to shareholders
- c maintain an optimal capital structure to reduce the cost of capital.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	Amt. In Rs.	
	As at	
	2019	2018
Net debts	1 59 81 025	1 48 34 631
Total equity	-	-
Net debt to equity ratio	-	-

As per our report of even date  
For Mukesh M. Shah & Co.,  
Chartered Accountants  
Firm Registration Number: 106625V

*S.S. Shah*  
Suvrat S. Shah  
Partner  
Membership Number: 102651



*Urvil C. Shah*  
Urvil C. Shah  
Company Secretary

*Nitin L. Bhavsar*  
Nitin L. Bhavsar  
Chief Financial Officer

For and on behalf of the Board

*Keyur J. Parikh*  
Keyur J. Parikh  
Chairman  
DIN : 00156455

*Bhavesh G. Shah*  
Bhavesh G. Shah  
Director  
DIN : 02333042  
Ahmedabad Dated: 29th May, 2019

Ahmedabad Dated: 29th May, 2019



**AASWA TRADING AND EXPORTS LIMITED**

Regd. Office: 32, Milan Park Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad – 380 008

CIN: L51100GJ1984PLC024704

Website: [www.aaswatrading.in](http://www.aaswatrading.in)

**ATTENDANCE SLIP**

Folio No./DP ID/Client Id	
No. of Shares held	

I certify that I am shareholder/proxy for the shareholder of the company.

I hereby record my presence at the 34<sup>th</sup> Annual General Meeting of the Company held at the Registered Office of the Company at 32, Milan Park Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad – 380 008 on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m.

Name of the Shareholder(s) (In Block Letter)	
Signature of the Shareholder(s)	
Name of Proxy (In Block Letter)	
Signature of Proxy	
Note: You are requested to sign and handover this slip at the entrance of the meeting venue.	

**Form MGT-11  
PROXY FORM**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN	-	L51100GJ1984PLC024704
Name of the Company	-	AASWA TRADING AND EXPORTS LIMITED
Registered Office	-	32, Milan Park Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad – 380 008
Name of the Member(s)	-	
Registered Address	-	
Email ID	-	
Folio No./Client ID/DP ID	-	

I/we being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name \_\_\_\_\_

Address \_\_\_\_\_

email Id \_\_\_\_\_

Or failing him \_\_\_\_\_ Signature \_\_\_\_\_

2. Name \_\_\_\_\_

Address \_\_\_\_\_

email Id \_\_\_\_\_

Or failing him \_\_\_\_\_ Signature \_\_\_\_\_

3. Name \_\_\_\_\_

Address \_\_\_\_\_

email Id \_\_\_\_\_

Or failing him \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m. at the Registered Office of the Company at 32, Milan Park Society, Nr. Jawahar Chowk, Maninagar, Ahmedabad – 380 008 and any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business**

1. Adoption of Audited Financial Statements of the Company as on 31<sup>st</sup> March, 2019. (Ordinary Resolution)
2. Re-appointment of Mr. Anish A. Shah, Managing Director, retiring by rotation and being eligible offering herself for re-appointment. (Ordinary Resolution)

**Special Business**

3. Re-Appointment of Mr. Keyur J. Parikh as an Independent Director. (Special Resolution)
4. Approval for the Fees/Charges to be levied for the Delivery of Document(s) through a particular mode as may be sought by the Member(s). (Ordinary Resolution)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy Holder: \_\_\_\_\_

Affix a  
Re. 1  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, Not less than 48 hours before the commencement of the Meeting.

*If undelivered:*

Please return to:

**AASWA TRADING AND EXPORTS LIMITED**

CIN: L51100GJ1984PLC024704

32, Milan Park Society,

Nr. Jawahar Chowk, Maninagar,

Ahmedabad – 380 008

# ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING

