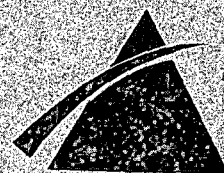


22nd Annual Report 2007

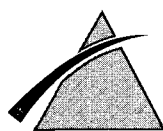


Sky is the limit.



ASHIRWAD
CAPITAL LIMITED

Solid, Consistent Growth. By Design



ASHIRWAD
CAPITAL LIMITED

Solid, Consistent Growth. By Design

Perhaps it may be perceived as a phenomenon. But our success greatly counts on our performance, consistence and inherent groundwork.

It's our 22nd year and we see our goal with an elevated fervor and enthusiasm. Our expertise and experience is streamlined towards greater heights. And the overwhelming returns to our respected stakeholders.

We are happy to state that we are on the path to unimaginable limits!

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Ashirwad Capital Limited • 22nd Annual Report 2007

□ BOARD OF DIRECTORS:

Ramprasad Poddar
Chairman

Dinesh Poddar
Managing Director

Shilpa Poddar
Rajesh Poddar
Sanjiv Rungta
Harshvardhan Agarwal
Directors

□ Registered Office:

303, Tanta Jogani Industrial Estate,
J.R.Boricha Marg,
Lower Parel,
Mumbai-400 011.

□ Corporate Office:

207, Tanta Jogani Industrial Estate,
J.R.Boricha Marg,
Lower Parel,
Mumbai-400 011.

□ BANKERS:

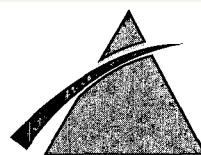
Centurion Bank of Punjab Ltd.
Citibank N.A.

□ AUDITORS:

Banshi Jain & Associates
Chartered Accountants



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ASHIRWAD
CAPITAL LIMITED

Solid, Consistent Growth By Design

□ 22nd ANNUAL REPORT 2007:

Date : 29th March, 2008
Time : 10:30 a.m.
Venue : Seminar I & II,
31st Floor,
World Trade Center 1,
Cuffe Parade,
MUMBAI - 400 005.

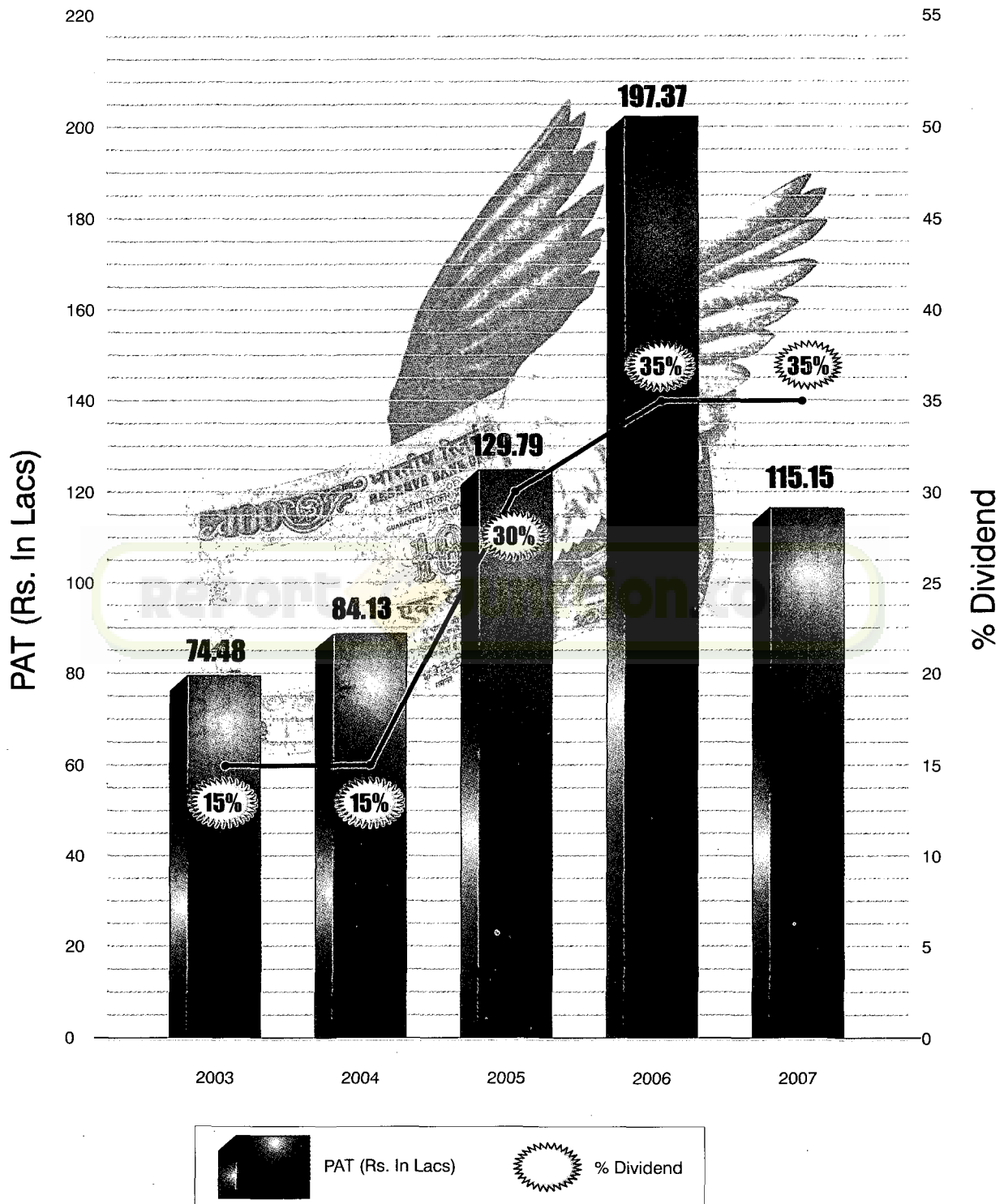
□ REGISTRARS & TRANSFER AGENTS:

Bigshare Services Pvt. Ltd.,
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (E),
MUMBAI- 400 072.
Tel. No. : 28573034 / 28573108 / 40430200
Fax No. : 28475207
E-Mail : bigshare@bom7.vsnl.net.in

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PAT & Dividend Payout



•••NOTICE

■ NOTICE is hereby given that the 22nd Annual General Meeting of the Company will be held on Saturday, the 29th March, 2008 at 10.30 a.m. at Seminar I & II, 31st Floor, World Trade Center 1, Cuffe Parade, Mumbai 400 005 to transact the following business:-

■ ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at December 31, 2007 and the Profit and Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mrs. Shilpa Poddar, who retires by rotation and being eligible, offer herself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

■ SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution.

"RESOLVED THAT a sum of Rs. 1,50,00,000/- being a part of the undistributed profits of the Company standing to the credit of its General Reserve be capitalized and that the said amount be applied in paying up in full at par 1,50,00,000 equity shares of Re. 1/- each in the capital of the company to be allotted and distributed as fully paid bonus shares to and amongst the Members who are on the company's Register of Members of the equity shares on such date as may be determined by the Board of Directors of the Company (hereinafter called "the Board") to the holders of the existing 2,50,00,000 issued and paid up equity shares of the Company in the proportion of 3 (Three) new equity shares for every 5 (Five) issued and paid up equity shares held by them, respectively on the said date on the footing that they become entitled to their new equity shares as capital and not as income.

RESOLVED FURTHER THAT the new equity shares shall in all respects rank pari passu with the existing equity shares including for the payment of dividend, if any, declared by the company at any time after the allotment of the aforesaid Bonus Shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to allot and issue new equity shares credited as fully paid provided that if any fractions of shares are involved in making the aforesaid allotment, no fractional certificates will be issued, but that such fractions shall be consolidated and that the Board be and is hereby authorised to allot the shares resulting from such consolidation to such person or persons (Including any Director(s) or employee(s) of the company) upon trust for sale on such terms and conditions as the Board may think fit and that the net proceeds of sale (after payment of costs and charges of such sale) be distributed proportionately amongst those said members entitled to such fractions in proportion to their respective entitlements."

Registered Office:
303, Tania Jogani Indl. Estate,
J R Boricha Marg, Lower Parel,
Mumbai 400 011.

By Order of the Board
For Ashirwad Capital Limited

Ramprasad Poddar
Chairman

Date: January 21, 2008
Place: Mumbai

■ NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books will remain closed from Thursday, the March 20, 2008 to Saturday, the March 29, 2008 (Both days inclusive).
3. Dividend, if declared, shall be disbursed to the members:-
 - a) Whose name appear as Beneficial Owners as at the end of business hours on 19th March, 2008 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. in respect of the shares held in electronic form.
 - b) Whose names appear as Members in the Register of Members of the Company after giving effect to valid transfers in physical form lodged with the Company or Registrar and Share Transfer Agents on or before 19th March, 2008.
4. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business under Item No. 5 to be transacted at the meeting is annexed to this notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 5

The Board of Directors has decided to reward members with bonus shares by capitalization of free general reserves. As per Articles of association of the company, capitalization of general reserve requires member's approval and the above ordinary resolution is for the members' consideration to authorize the said capitalization of general reserve. The issued and paid-up capital, post allotment of bonus shares, will increase from present Rs. 2.5 Crores to Rs. 4 Crores.

Your directors recommend to the members to pass the ordinary resolution for the issue of Bonus shares by capitalization of general reserve.

None of the Directors are concerned or interested in the ordinary resolution except to the extent of entitlement to the bonus shares against respective shareholdings in the Company.

Registered Office:
303, Tania Jogani Indl. Estate,
J R Boricha Marg, Lower Parel,
Mumbai 400 011.

By Order of the Board
For Ashirwad Capital Limited

Ramprasad Poddar
Chairman

Date: January 21, 2008
Place: Mumbai



•••DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in presenting the 22nd Annual Report and the Audited Statement of Accounts for the year ended December 31, 2007.

FINANCIAL RESULTS

(Rs. In Lacs)

Sr.#	Particulars	YEAR ENDED	
		31.12.2007	31.12.2006
1	Net Sales / Income	171.88	239.16
2	Total Expenditure		
	i) Staff Cost	2.64	2.81
	ii) Depreciation	2.60	1.37
	iii) Other Expenditure	9.17	13.70
	Total	14.41	17.88
3	Interest	24.38	10.41
4	Reversal of Provision for Diminution	(4.00)	(0.50)
5	Profit Before Tax	137.09	211.37
6	Provision for Taxation	21.94	14.00
	i) Current Tax	21.30	13.00
	ii) Deferred Tax	0.63	0.98
	iii) Fringe Benefit Tax	0.01	0.02
7	Net Profit After Tax	115.15	197.37
8	Proposed Dividend	102.38	99.77
	(Inclusive of Tax on Dividend)		
9	Paid-up Equity Share Capital (Face Value of Re.1/- each)	250.00	250.00
10	Reserves & Surplus (Excluding Revaluation Reserves)	237.53	224.75
11	Basic & Diluted EPS (Rs.)	0.46	0.79
12	Non Promoters Shareholding		
	-Number of Shares	8489210	6834490
	-Percentage of Shareholding	33.96%	27.34%

During the period under review the profit after tax (PAT) stood at Rs. 115.15 lacs, a decrease of 41.66% as compared to last year. This is mainly attributed to non booking of long term investments since the future of these investments looks good with more upside anticipated. The company is very confident of the current year's outlook and hence the Board is encouraged to recommend a 35% dividend (88.9% payout ratio) for the financial year ended 31st December, 2007.

The bullish trend which started way back in 2003 is finally showing signs of fatigue, which does not mean the beginning of a bear market but only that the broader market will not perform like the previous years but sector wise and company wise there will be pockets of strength. Return of investment will be more difficult to earn and only a studied approach and systematic investment strategies will be able to deliver results.

India still remains an attractive destination for global investors and fund managers because of its growth momentum of 8% - 9% GDP growth and strong corporate performance. The stock market has recorded very high growth by which the valuation gap between the fundamentals and the Index levels is now bridged. All of the above lead us to believe that the market will pause for a period of 6 to 8 months before resuming its new upward move.

Thank you shareholders for your continued support and trust in Ashirwad and its management team, which we cherish and value from the bottom of our hearts.

FOLLOWING IS A LIST OF QUOTED INVESTMENTS. THESE CONSTITUTES 100% OF OUR INVESTED FUNDS IN THE EQUITY MARKET.

SR #	PARTICULARS	FACE VALUE RS.	31.12.2007		HOLDING %
			NO OF SHARES	AMOUNT RS.	
	FULLY PAID UP EQUITY SHARES (QUOTED)				
1	RANBAXY LABORATORIES LTD.	5	45000	1,80,57,133	39.13
2	HINDUSTAN UNILEVER LTD.	1	75000	1,51,81,088	32.90
3	COLGATE- PALMOLIVE (INDIA) LTD.	1	38000	1,20,59,477	26.13
4	STERLING HOLIDAY RESORTS (INDIA) LTD.	10	2300	3,26,525	0.71
5	INTERGRATED DIGITAL INFO SERVICES LTD.	10	2500	1,77,625	0.38
6	VELAN HOTELS LTD.	10	42800	1,31,345	0.28
7	TIMEX WATCHES LTD.	1	2000	1,15,190	0.25
8	MANJUSHRI PLANTATION LTD.	10	333	78,698	0.17
9	FOMENTO RESORTS & HOTELS LTD.	10	2000	16,000	0.03
Total				4,61,43,080	100.00
AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS				5,20,79,454	

■ DIRECTORS:

Mrs. Shilpa Poddar, who retires by rotation and being eligible, offer herself for re-appointment.

■ DIRECTOR'S RESPONSIBILITY STATEMENT:

The Directors state that: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgment 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 covered under this Report and of the profit of the Company for the year.
- 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.
- The Directors had prepared the annual accounts on a going concern basis.

■ FIXED DEPOSITS:

The Company has not accepted / renewed any Fixed Deposits from the Public under section 58A of the Companies Act, 1956.

■ AUDITORS:

M/s Banshi Jain & Associates, Chartered Accountants, Mumbai; the retiring Auditors, being eligible have expressed its willingness to be re-appointed as the Statutory Auditors and who, if appointed, will hold office from the conclusion of this Annual General Meeting till conclusion of next Annual General Meeting.

■ ADDITIONAL INFORMATION:

Additional Information required to be given under the Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988 have not been given as they are not applicable to the Company.

■ EMPLOYEES:

There are no employees drawing remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975.

