

# SWADESHI INDUSTRIES AND LEASING LIMITED

## **SWADESHI INDUSTRIES AND LEASING LIMITED**

### **32ND ANNUAL REPORT (2015-16)**

#### **BOARD OF DIRECTORS:**

Mr. Gourav Jain	(DIN 06794973)	Managing Director
*Mr. Jagdishchandra Hansraj Ghumara	(DIN 00519468)	Director
**Ms. Krishna Kamalkishor Vyas	(DIN 07444324)	Director
#Mr. Kamal Kishor Hari Kishan Vyas	(DIN 03507954)	Director
#Mr. Amitkumar Vinod Agarwal	(DIN 06406596)	Director
#Mrs. Leela Devi Sanklecha	(DIN 06832283)	Director
Mr. Amit Kumar	(DIN 06393899)	Director

# Resigned w.e.f 10<sup>th</sup> February 2016

\*Appointed w.e.f 10<sup>th</sup> February 2016

\*\*Appointed w.e.f 19<sup>th</sup> February 2016

#### **BOARD COMMITTEES**

<b>Audit Committee</b>	<b>Nomination &amp; Remuneration Committee</b>	<b>Stakeholders' Relationship Committee</b>	<b>Share Transfer Committee</b>
Amit Kumar, <i>Chairman</i>	Amit Kumar, <i>Chairman</i>	Amit Kumar, <i>Chairman</i>	Amit Kumar, <i>Chairman</i>
*Jagdishchandra Ghumara	*Jagdishchandra Ghumara	* Jagdishchandra Ghumara	* Jagdishchandra Ghumara
**Krishna Vyas	**Krishna Vyas	**Krishna Vyas	**Krishna Vyas
Gourav Jain	Gourav Jain	Gourav Jain	Gourav Jain
#Amitkumar Agarwal	#Amitkumar Agarwal	#Amitkumar Agarwal	#Amitkumar Agarwal
#Kamal Kishor Vyas	#Kamal Kishor Vyas	#Kamal Kishor Vyas	#Kamal Kishor Vyas

# Resigned w.e.f 10<sup>th</sup> February 2016

\*Appointed w.e.f 10<sup>th</sup> February 2016

\*\*Appointed w.e.f 19<sup>th</sup> February 2016

#### **Key Managerial Personnel**

Gourav Jain	Chairman & Managing Director
Vikas Kushalchand Sanklecha	Chief Financial Officer & Compliance Officer

## SWADESHI INDUSTRIES AND LEASING LIMITED

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### **AUDITOR**

M/s. Motilal & Associates, *Chartered Accountants*,  
11/13, M.K. Amin Marg, 1st Floor, King Lane,  
Behind Central Camera,  
Bora Bazar, Mumbai- 400 001 Tel: 2266 3526  
E-mail: *motilalassociates@gmail.com*

### **BANKERS**

Axis Bank (Thakur Village Branch, Mumbai)  
HDFC Bank Limited (Borivali East Branch, Mumbai)

### **REGISTRARS & SHARE TRANSFER AGENTS**

M/s. System Support Services  
209, Shivai Ind. Estate, Saki Naka,  
89 Andheri Kurla Road, Andheri (East),  
Mumbai – 400 072.  
Phone: 022 2850 0835  
Fax: 022-28501438  
Email: *sysss72@yahoo.com*

### **REGISTERED OFFICE**

Shop No. 2-3, Shree Nath Krupa Building,  
Opp. Swagat Hall, Kasturba Rd No.5,  
Borivali (E), Mumbai – 400066.  
Phone 022 2864 8850  
Email: *compliance@swadeshiglobal.com*  
Website: *www.swadeshiglobal.com*

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## NOTICE

NOTICE is hereby given that the 32<sup>nd</sup> ANNUAL GENERAL MEETING of the Shareholders of **SWADESHI INDUSTRIES AND LEASING LIMITED** (CIN: L45209MH1983PLC031246) will be held on Friday 23<sup>rd</sup> September 2016 at 4.30 p.m. at Hotel Granville, Plot No. 680/D, Opp. Kora Kendra Ground, R.M. Bhattar Road, Borivali (West), Mumbai – 400 092 to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March 2016, together with the Report of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Gourav Jain, (DIN 06794973) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Audit Committee to appoint M/s. Dhawan & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 002864N in place of retiring auditors M/s. Motilal & Associates., Chartered Accountants, Mumbai having ICAI Firm Registration No. 106584W, who did not offered themselves for re-appointment. M/s. Dhawan & Co., Chartered Accountants, have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year 2016-17, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to re-imbusement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

### SPECIAL BUSINESS:

- 4) To pass the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 160, 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of the Listing Regulation, Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468), who was appointed as an Additional Independent Director in the Board Meeting held on 10<sup>th</sup> February 2016, having tenure up to the ensuing Annual General Meeting and who is not disqualified to become a Director under the

## **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

Companies Act, 2013 and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act be as is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 consecutive years w.e.f. 23<sup>rd</sup> September, 2016.”

- 5) To pass the following resolution as a Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 160, 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of the Listing Regulation, Ms. Krishna Kamalkishor Vyas (DIN 07444324), who was appointed as an Additional Independent Director in the Board Meeting held on 10<sup>th</sup> February 2016, having tenure up to the ensuing Annual General Meeting and who is not disqualified to become a Director under the Companies Act, 2013 and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act be as is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 consecutive years w.e.f. 23<sup>rd</sup> September, 2016.”

BY ORDER OF THE BOARD OF DIRECTORS  
For **SWADESHI INDUSTRIES AND LEASING LIMITED**

**GOURAV JAIN**  
**DIN: 06794973**  
**Managing Director**

**Registered Office:**

Shop No. 2-3, Shree Nath Krupa Building,  
Opp. Swagat Hall, Kasturba Rd No.5, Borivali (E), Mumbai - 400066.

Date: 27<sup>th</sup> May 2016

CIN: L45209MH1983PLC031246

**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 THE PROXY NEED NOT BE A MEMBER OF THE

## SWADESHI INDUSTRIES AND LEASING LIMITED

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COMPANY. THE PROXY TO BE EFFECTIVE SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Register of member and the Share Transfer Books of the Company will remain closed from, Saturday, 17<sup>th</sup> September, 2016 to Friday, 23<sup>rd</sup> September, 2016 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out above is annexed here to.
4. Details under Regulation 36(3) of the SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations, 2015) with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
5. Electronic copy of the 32<sup>nd</sup> Annual Report 2015-16, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32<sup>nd</sup> Annual Report 2015-16, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the physical mode.
6. Members are requested to :-
  - i. Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the financial period ended 31<sup>st</sup> March 2016, so as to enable the Company to keep the information ready.
  - ii. Bring their copy of the Annual Report, Attendance slip and their photo identity proof at the Annual General Meeting.
  - iii. Intimate to the Registrar & Transfer Agent (R&TA) of the Company immediately, about any change in their address, where the shares are held in electronic form, such change is to be informed to the Depository Participant (DP) and not to the Company/ R&TA.
  - iv. Quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.
  - v. Approach the R&TA of the Company for consolidation of folios.

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

- vi. Avail of Nomination facility by filing in and forwarding the nomination form to the R&TA, if not already done.
- vii. Send all share transfer lodgments (physical mode)/ correspondence to the R&TA of the Company, M/s. System Support Services, 209, Shivai Ind, Estate, Sakinaka 89, Andheri – Kurla Road, Andheri (East), Mumbai – 400 072 up to the date of book closure.
7. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. Map of the venue of the AGM is given at the point no. 17 of the Annual Report.
9. The Company has listed its shares on the Bombay Stock Exchange Limited. The listing fees till date have been paid.
10. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.
11. The Company is supporting “Green Initiative in Corporate Governance”, a step taken by the Ministry of Corporate Affairs wherein the service of various documents including Notice, Directors’ Report, Annual Accounts and various correspondences by a Company can be made through electronic mode which shall also be in compliance with the provisions of Section 20 of the Companies Act, 2013.

Supporting this initiative the Company sends its Annual Report to the members whose email ids are available in electronic form. To support this initiative in full measure, Members who have not registered their email address with the Depository through their concerned Depository Participants (DPs) are requested to register the same with their DPs. Members who hold shares in physical form are requested to register their email address with M/s. System Support Services, 209, Shivai Ind. Estate, Saki Naka, 89 Andheri Kurla Road, Andheri (East), Mumbai – 400 072.

In case you desire to receive the documents mentioned above in physical form or register or change your email address, you are requested to send an e-mail to [compliance@swadeshiglobal.com](mailto:compliance@swadeshiglobal.com)

12. i. In terms of section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company has made arrangement to its members to exercise their right to vote at Annual General Meeting by electronic means. The facility of casting the votes by the members using an electronic voting system will be provided by National Securities Depository Limited (NSDL).

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

- ii. The members shall note that the facility for voting shall also be provided at the meeting through ballot paper and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their voting rights at the meeting.
- iii. The members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again and his/her vote, if any, cast at the meeting shall be treated as invalid.
- iv. The e-voting period commences on Tuesday, 20<sup>th</sup> September, 2016 (9:00 am) and ends on Thursday, 22<sup>nd</sup> September, 2016 (5:00 pm). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, 16<sup>th</sup> September, 2016, may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

### **For Members receiving e-mail on their registered email ids from NSDL:**

- a. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.
- b. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
- c. Click on "Shareholder - Login".
- d. Put User ID and password as initial password noted in step (1) above and Click Login.
- e. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
- f. Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
- g. Select "EVEN" of SWADESHI INDUSTRIES AND LEASING LIMITED.
- h. Members can cast their vote online from 9.00 am on Tuesday, 20<sup>th</sup> September, 2016 till Thursday, 22<sup>nd</sup> September, 2016.
- i. E-Voting shall not be allowed beyond 5.00 pm on Thursday, 22<sup>nd</sup> September, 2016.
- j. Now you are ready for "e-Voting" as "Cast Vote" page opens.
- k. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted. Kindly note that vote once casted cannot be modified.

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

- I. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [sanjayrd65@gmail.com](mailto:sanjayrd65@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **For Members whose e-mail address is not registered:**

- a. Initial password is provided separately in the Annual report posted for the AGM:

EVEN (e-voting Event Number)	USER ID	PASSWORD/PIN
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- b. Please follow all steps from Sl. No. 12 (b) to Sl. No. (k) above, to cast vote.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- d. If you are already registered with NSDL for remote e-voting, you can use your existing user ID and password/PIN for casting your vote.
- e. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- f. Voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, 16<sup>th</sup> September, 2016.
- g. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date, 16<sup>th</sup> September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA). However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- h. A member may participate in the AGM even after exercising his right to vote through e-voting but shall not be allowed to vote again at the AGM.
- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

13. The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary FCS 2655 and CP 1798 as the Scrutinizer to count the votes casted in favour or against the resolutions proposed from



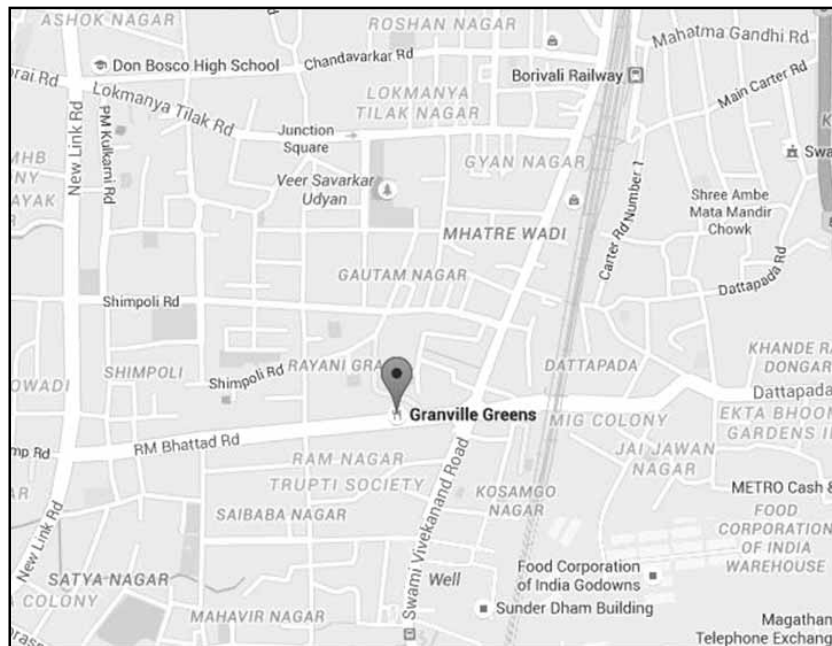
## SWADESHI INDUSTRIES AND LEASING LIMITED

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item No. 1 to 5 of the Notice for point No. 12 as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013.

14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
15. The Scrutinizer shall, after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through ballot paper in the presence of at least two witnesses, not in the employment of the Company, and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
16. The Results declared, along with the report of the Scrutinizer, shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
17. Map of venue of AGM:



## SWADESHI INDUSTRIES AND LEASING LIMITED

18. A brief resume of Directors proposed to be appointed/re-appointed at this Annual General Meeting is as follows:

<b>Name</b>	Mr. Gourav Jain	Mr. Jagdishchandra Hansraj Ghumara	Ms. Krishna Kamalkishor Vyas
<b>Date of Birth</b>	18 <sup>th</sup> February, 1980	17 <sup>th</sup> August, 1948	27 <sup>th</sup> July, 1995
<b>Qualification</b>	B.Com.	Chartered Accountant	B.Com.
<b>Nature of Expertise</b>	Expert in Manufacturing of Textile Cloth. & Experience of Financial & Management.	Experience of Financial & Management	Experience of Financial & Management
<b>Experience</b>	10 years	20 years	1 year
<b>Name of other Public Companies in which holds Directorship</b>	NIL	Infra Industries Limited, Gaurav Mercantiles Ltd	NIL
<b>Name of other Companies in Committees of which holds Membership/ Chairmanship</b>	NIL	1. Infra Industries Limited, Chairman of Audit Committee	NIL
<b>Shareholding in Swadeshi Industries &amp; Leasing Limited.</b>	NIL	NIL	NIL

BY ORDER OF THE BOARD OF DIRECTORS  
For **SWADESHI INDUSTRIES AND LEASING LIMITED**

**GOURAV JAIN**  
**DIN: 06794973**  
**Managing Director**

**Registered Office:**

Shop No. 2-3, Shree Nath Krupa Building,  
Opp. Swagat Hall, Kasturba Rd No.5, Borivali (E), Mumbai - 400066.

Date: 27<sup>th</sup> May 2016

CIN: L45209MH1983PLC031246

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

That following explanatory statement sets out the material facts referring to Item No. 4 & 5 of the Notice.

### ITEM NO. 4

Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468) was appointed as an Additional Independent Director in the Board Meeting held on 10<sup>th</sup> February 2016, under Section 161 of the Companies Act 2015 having tenure up to the ensuing Annual General Meeting. Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from the member alongwith requisite deposit proposing the candidature of Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468) for the office of Independent Director of the Company. In terms of Sections 146, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Jagdishchandra Hansraj Ghumara, being eligible is proposed to be appointed as an Independent Director not liable to retire by rotation for a period of 5 years w.e.f. 23<sup>rd</sup> September 2016. The Company has received the following documents from the proposed appointee:

- a. Letter of consent to act as a Director in Form DIR 2 under Section 152 of the Act and Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- b. Letters of Intimation in DIR 8 to the effect that he is not disqualified to become a Director under the Act.
- c. Declaration that he meets the criteria of independence as provided under Section 149 of the Act.

Mr. Jagdishchandra Hansraj Ghumara holds a Bachelor degree in Commerce and Chartered Accountant by profession. He has experience is varied industries. He has handled various areas like marketing, accounting, finance, etc. and thus, Board is of the view that it shall be beneficial to the Company to avail his services.. Accordingly, the Board commends the Ordinary Resolution at Item no. 4 for member's approval.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

### ITEM NO. 5

Ms. Krishna Kamalkishor Vyas (DIN 07444324) was appointed as an Additional Independent Director in the Board Meeting held on 10<sup>th</sup> February 2016, under Section 161 of the Companies Act 2015 having tenure up to the ensuing Annual General Meeting. Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from the member along with requisite deposit proposing the candidature of Ms. Krishna Kamalkishor Vyas (DIN 07444324) for the office of Independent Director of the Company. In terms of Sections 146, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Ms. Krishna Kamalkishor Vyas, being eligible is

## **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

proposed to be appointed as an Independent Director not liable to retire by rotation for a period of 5 years w.e.f. 23<sup>rd</sup> September 2016. The Company has received the following documents from the proposed appointee:

- a. Letter of consent to act as a Director in Form DIR 2 under Section 152 of the Act and Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- b. Letters of Intimation in DIR 8 to the effect that she is not disqualified to become a Director under the Act.
- c. Declaration that he meets the criteria of independence as provided under Section 149 of the Act.

Ms. Krishna Kamalkishor Vyas holds a Bachelor degree in Commerce. She has experience in finance and Marketing and thus, Board is of the view that it shall be beneficial to the Company to avail her services.. Accordingly, the Board commends the Ordinary Resolution at Item no. 5 for member's approval.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

BY ORDER OF THE BOARD OF DIRECTORS  
For **SWADESHI INDUSTRIES AND LEASING LIMITED**

**GOURAV JAIN**  
**DIN: 06794973**  
**Managing Director**

**Registered Office:**

Shop No. 2-3, Shree Nath Krupa Building,  
Opp. Swagat Hall, Kasturba Rd No.5, Borivali (E), Mumbai - 400066.

Date: 27<sup>th</sup> May 2016

CIN: L45209MH1983PLC031246

# SWADESHI INDUSTRIES AND LEASING LIMITED

## DIRECTORS' REPORT

[(Disclosure under Section 134(3) of the Companies Act, 2013)

{Read With Companies (Accounts) Rules, 2014}]

Dear Shareholders,

Your Directors are presenting the 32<sup>nd</sup> Annual Report of your Company and the Audited Financial Statements for the period ended 31<sup>st</sup> March 2016.

### 1. FINANCIAL RESULTS:

Particulars	(in Lacs)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
Revenue from Operations	49.78	1280.47
Profit before Depreciation & Amortization	12.16	19.77
Depreciation & Amortization	NIL	NIL
Profit / (Loss) before taxation	12.16	19.77
Provision for taxation (incl. deferred tax)	3.76	NIL
Profit/ (Loss) for the year carried to Balance Sheet	8.40	19.77

### 2. HIGHLIGHTS OF PERFORMANCE:

During the year under review, the Company revenue from operations stood at Rs. 49.78 Lacs as against Rs. 1280.47 Lacs in the previous year. The Company has earned a Net profit of Rs.8.40 Lacs as compared to the Profit of Rs. 19.77 Lacs during the previous accounting year.

### 3. DIVIDEND:

To consolidate the future position of the Company and support the fund requirements to stimulate growth, your Board of Directors regret their inability to recommend any dividend for the year.

### 4. RESERVES:

The whole profit after tax has been transferred to P&L surplus. There is no amount that has been proposed to be carried to any other reserves.

### 5. LOANS, GUARANTEE & INVESTMENTS:

The Company has given Corporate Guarantee 200.00 Lacs bank for the credit facilities granted by them to M/s. Park View Developers, a Partnership Firm where the Company is a Partner. Further during the year under review, the Company has not taken any Loan, made investment as per provisions of Section 186 of the Companies Act, 2013.

## SWADESHI INDUSTRIES AND LEASING LIMITED

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### 6. DEPOSITS:

The Company has never accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, or under Chapter V of the Act.

### 7. RELATED PARTY TRANSACTIONS:

There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at Large. Hence, no separate annexure in Form No. AOC -2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is given.

### 8. SHARE CAPITAL:

During the year, there is no change in the company's share capital.

### 9. INTERNAL FINANCIAL CONTROLS:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

### 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A) Changes in Directors and Key Managerial Personnel

During the year under review, Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468), and Ms. Krishna Kamalkishor Vyas (DIN 07444324), Additional Director, appointed in the Board Meeting held on 10<sup>th</sup> February 2016, are proposed to be appointed as an Independent Director of the Company w.e.f 10<sup>th</sup> February 2016 and 19<sup>th</sup> February 2016 respectively who shall not be liable to retire by rotation, in respect of whom the Company has received notice proposing his/her candidature under Section 160 of the Companies Act, 2013 along with requisite deposit for a tenure of 5 years. The Board commends his/her appointment as an Independent Director to the members.

Mr. Kamal Kishor Hari Kishan Vyas (DIN 06794961), Mr. Amitkumar Vinod Agarwal (DIN 06406596) and Mrs. Leela Devi Sanklecha (DIN 06832283) resigned from Board w.e.f 10<sup>th</sup> February 2016.

Mr. Gourav Jain (DIN 06794973), who is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seek reappointment pursuant to Section 152 of the Companies Act, 2013

#### B) Declaration by an Independent Director(s) and re-appointment, if any

All the Independent Directors have provided the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6).

### 11. RISK MANAGEMENT POLICY:

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks facing business. Risks would include significant weakening in demand from core-end markets, inflation uncertainties and any adverse regulatory developments, etc. During the period a risk analysis and assessment was conducted and no major risks were noticed.

### 12. PERFORMANCE EVALUATION OF BOARD:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement/Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The same is found to be satisfactory

### 13. BOARD MEETINGS:

During the period under review, the Company has conducted 4(Four) Board Meetings on 28<sup>th</sup> May, 2015, 10<sup>th</sup> August 2015, 06<sup>th</sup> November 2015 and 10<sup>th</sup> February 2016 .

### 14. AUDITORS:

M/s. Motilal & Associates, Chartered Accountants, Mumbai retiring Auditors, does not offer themselves for re-appointment. Further the Board in their meeting held on 27<sup>th</sup> May 2016, decided to appoint M/ s. Dhawan & Co., Chartered Accountants, who has given their consent to act as Statutory Auditors and being eligible to appoint. Members are requested to appoint the auditors and to fix their remuneration.

There are no qualifications contained in the Auditors Report and therefore, there are no further explanations to be provided for in this Report.

### 15. SECRETARIAL AUDIT:

The Board of Directors have appointed M/s. Sanjay Dholakia & Associates, Practising Company Secretaries to conduct Secretarial Audit for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and the rules framed thereunder. The Secretarial Audit Report for the financial year 2015-16 forms part of the Directors' Report as Annexure 1. The management replies to the observation of the Secretarial Auditors are as under:

Auditors Observation	Reply of Management
The Company has not appointed a Whole-time Company Secretary as required pursuant to section 203 of the Companies Act, 2013 not appointed Company Secretary as Compliance Officer under regulations 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Company is searching for a suitable candidate and shall appoint the Whole-time Company Secretary on finding right candidate.

## SWADESHI INDUSTRIES AND LEASING LIMITED

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the company has received Letter from BSE limited regarding suspension of trading in equity shares.	The company is in process to respond to the competent authority for the same.
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**16. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There was no change in nature of business.

**17. MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes having taken place affecting the financial position of the Company from the date of closure of financial year till the signing of Accounts.

**18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

The company has received Letter from BSE limited regarding suspension of trading in equity shares. The Company has taken necessary steps and the same is been process.

**19. DIRECTORS' RESPONSIBILITY STATEMENT:**

As stipulated under clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors subscribe to the Directors Responsibility Statement and state that:

- a) In preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from them;
- 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 profit and 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 the Companies Act, 2013 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**20. EXTRACT OF ANNUAL RETURN:**

In accordance with Section 134(3)(a) and as provided under sub-section (3) of Section 92 of the Companies Act, 2013 an extract of the annual return in form No MGT – 9 is appended as Annexure 2 of the Board's Report.



## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

### 21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

The information as required under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

#### A. Conservation of energy:

##### i. The steps taken or impact on conservation of energy:

Though our operations are not energy- intensive, efforts have been made to conserve energy by utilizing energy- efficient equipments.

##### ii. The steps taken by the Company for utilizing alternate sources of energy:

The Company is using electricity as the main source of energy and is currently not exploring any alternate source of energy.

##### iii. The capital investment on energy conservation equipments:

Not applicable

#### B. Technology absorption:

##### i. The efforts made towards technology absorption:

During the year the Company does not have any plant & machinery. Therefore no technology absorption and research and development activity are carried out.

##### ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

No such specific benefit derived during the year due to technology absorption.

##### iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

No technology has been imported by the Company.

##### iv. The expenditure incurred on Research and Development: Nil

#### C. Foreign exchange earnings and Outgo:

Total Foreign Exchange Earnings and Outgo : Rs NIL

### 22. CORPORATE RESPONSIBILITY STATEMENT (CSR):

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility is not applicable as the Company is not falling under the said parameters.

## **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

### **23. NOMINATION AND REMUNERATION COMMITTEE:**

On 10<sup>th</sup> February 2016, Mr. Kamalkishore Harikishan Vyas and Mr. Amitkumar Vinod Agarwal, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 comprises of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamalkishor Vyas & Mr. Jagdishchandra Hansraj Ghumara and Mr. Gourav Jain Director as other members of the Committee. The Committee has framed a policy to determine the qualification and attributes for appointment and basis of determination of remuneration of all the Directors, Key Managerial Personnel and other employees.

### **24. AUDIT COMMITTEE:**

On 10<sup>th</sup> February 2016, Mr. Kamalkishore Harikishan Vyas and Mr. Amitkumar Vinod Agarwal,, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Audit Committee comprising of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamalkishor Vyas & Mr. Jagdishchandra Hansraj Ghumara and Mr. Gourav Jain Director as other members of the Committee. The recommendations of the Audit Committee is always welcomed and accepted by the Board and all the major steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee.

### **25. VIGIL MECHANISM**

The Company has established vigil mechanism pursuant to Section 177(9) of the Companies Act, 2013 for Directors and Employees to report their concerns and has also taken steps to safeguard any person using this mechanism from victimization and in appropriate and exceptional cases, there is direct access to approach Mr. Amit Kumar, Chairman of the Audit Committee.

### **26. STAKEHOLDER'S RELATIONSHIP COMMITTEE**

On 10<sup>th</sup> February 2016, Mr. Kamalkishore Harikishan Vyas and Mr. Amitkumar Vinod, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Stakeholder's Relationship Committee comprises of The Committee comprises of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamalkishor Vyas & Mr. Jagdishchandra Hansraj Ghumara and Mr. Gourav Jain Director as other members of the Committee. The role of the Committee is to consider and resolve securities holders' complaint. The meetings of the Committee are held once in a quarter and the complaints are responded within the time frame provided.

### **27. SHARE TRANSFER COMMITTEE**

On 10<sup>th</sup> February 2016, Mr. Kamalkishore Harikishan Vyas and Mr. Amitkumar Vinod, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had

## **SWADESHI INDUSTRIES AND LEASING LIMITED**

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reconstituted the Committee. The Share Transfer Committee comprises of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamalkishor Vyas & Mr. Jagdishchandra Hansraj Ghumara and Mr. Gourav Jain Director as other members of the Committee. The role of the Committee is to approve/ratify transfer of securities and look into share transmission, rematerialization and dematerialization of shares. The meetings of the Committee are held on periodical basis and the complaints are responded within the time frame provided.

### **28. CORPORATE GOVERNANCE:**

The Company is adhering to good corporate governance practices in every sphere of its operations. A separate section on Corporate Governance is included in the Annual Report as Annexure 3 of the Board's report and the Certificate from the Practicing Company Secretary confirming the compliance of conditions on Corporate Governance as stipulated in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is annexed thereto.

### **29. MANAGERIAL REMUNERATION:**

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company has not paid any remuneration or sitting fees to the Directors of the Company and hence the information required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not furnished.

B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company has no such employee drawing remuneration more than mention under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **30. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company does not have Subsidiary/Joint Ventures/Associate Companies.

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

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/pending with the Company during the year.

### **32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the financial year under review as stipulated in

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

Clause 49 of the Listing Agreement and Regulation 34 read with part B of Schedule V of Listing Regulations entered into with the Stock Exchanges is set out in a separate section forming part of Director Report as Annexure 4.

### 33. OTHER DISCLOSURES/REPORTING:

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) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) Details of payment of remuneration or commission to Managing Director or Joint Managing Director of the Company from any of its subsidiaries as the Company does not have any Subsidiaries/Joint Venture/Associate Company.
- e) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Companies Act, 2013).

### 34. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the co-operation extended by all the employees, Bankers, Financial Institutions, various State and Central Government authorities and stakeholders.

For and on Behalf of the Board of Directors

Mr. Gourav Jain  
Managing Director  
(DIN 06794973)

Mr. Jagdishchandra Hansraj Ghumara  
Director  
(DIN 00519468)

Place: Mumbai

Date: 27<sup>th</sup> May 2016

# SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

## Annexure 1

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
SWADESHI INDUSTRIES AND LEASING LIMITED  
Mumbai.  
CIN: L45209MH1983PLC031246

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SWADESHI INDUSTRIES AND LEASING LIMITED (hereinafter 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;  
- (Not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

## SWADESHI INDUSTRIES AND LEASING LIMITED

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- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective May 15, 2015);
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective October 28, 2014);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to 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; (Not applicable to the Company during the Audit Period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective July 1, 2015;:
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements), 2015 made effective 1<sup>st</sup> December 2015,

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines Standards mentioned above except to the extend as mentioned below:

***The Company has not appointed a Whole-time Company Secretary as required pursuant to Section 203 of the Companies Act, 2013 and not appointed Company Secretary as Compliance Officer under regulations 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

***Further, the company has received Letter from BSE limited regarding suspension of trading in equity shares. We are informed that the company is in process to respond to the competent authority for the same.***

## **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

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 / Committees thereof that took place during the period under review were carried out in compliance with the provisions of the Act.

Based on the representation given by the Management of the Company and as verified by us, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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.

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.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**

**Practising Company Secretary**

**Proprietor**

**Membership No. 2655 /CP No. 1798**

Date: 27<sup>th</sup> May 2016

Place: Mumbai

# SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

## Annexure A

To,  
The Members,  
SWADESHI INDUSTRIES AND LEASING LIMITED  
Mumbai.  
CIN: L45209MH1983PLC031246

Our report of even date is to be read along 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 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 the correct facts are reflected in secretarial records. We believe that the practices and processes we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, we have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations and norms is the responsibility of management. Our examination was limited to the verification of procedure 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.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 2655 /CP No. 1798**

Date: 27<sup>th</sup> May 2016  
Place: Mumbai



# SWADESHI INDUSTRIES AND LEASING LIMITED

## Annexure 2

### EXTRACT OF ANNUAL RETURN FORM MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company  
(Management & Administration) Rules, 2014)

**Financial Year ended on 31.03.2016**

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	<b>CIN: L45209MH1983PLC031246</b>
2	Registration Date	31 <sup>st</sup> October 1983
3	Name of the Company	<b>SWADESHI INDUSTRIES AND LEASING LIMITED</b>
4	Category/Sub-category of the Company	Public Limited Company
5	Address of the Registered office & contact details	Shop No. 2-3, Shree Nath Krupa Building Opp. Swagat Hall, Kasturba Rd No.5, Borivali (E), Mumbai - 400 066. Phone: 022-2864-8850, Email-compliance@swadeshiglobal.com Web:www.swadeshiglobal.com
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>SYSTEM SUPPORT SERVICES</b> 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Sakinaka, Andheri East, Mumbai 400072

#### 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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Trading of Cloth	N.A.	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
<b>NIL</b>					

# SWADESHI INDUSTRIES AND LEASING LIMITED

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares		
<b>A. Promoters</b>										
(i) Indian	0	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	0	0	0	0	0
b) Central Govt. Or State Govt.	0	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	30808500	0	30808500	28.479%	30808500	0	30808500	28.479	0	0
d) Bank/FL	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
<b>Sub Total: (A) (i)</b>	30808500	0	30808500	28.479%	30808500	0	30808500	28.479	0	0
(ii) Foreign	0	0	0	0	0	0	0	0	0	0
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (ii)</b>	0	0	0	0	0	0	0	0	0	0
<b>2Total Shareholding of Promoter</b>										
<b>(A)=(A)(i)+(A)(ii)</b>	30808500	0	30808500	28.479%	30808500	0	30808500	28.479	0	0
<b>B. Public Shareholding</b>										
<b>(i) Institutions</b>										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	500	500	0.000%	0	500	500	0.00	0	0
c) Central govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0

## SWADESHI INDUSTRIES AND LEASING LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares		
g) FIIS	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture	0	0	0	0	0	0	0	0	0	0
Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
<b>Sub Total: (B) (i)</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>0.000%</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
<b>(ii) Non Institutions</b>										
a) Bodies corporate	48098134	79500	48177634	44.535	40400102	74000	40474102	37.414	<b>7703532</b>	<b>7.12%</b>
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	3640581	4066000	7706581	7.12%	6256971	4014500	10271471	9.495	<b>-2564890</b>	<b>-2.37</b>
ii) Individuals shareholders holding nominal share capital in excess of Rs.2 lakhs	20978135	500000	21478135	19.85%	26116277	500000	26616277	24.604	<b>-5138142</b>	<b>-4.75</b>
c) Any Other (specify) NRIs	8150	0	8150	0.01%	8650	0	8650	0.008	<b>500</b>	<b>0</b>
d) Foreign Bodies Corporate	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
<b>Sub Total (B)(ii):</b>	<b>72725000</b>	<b>4645500</b>	<b>77370500</b>	<b>71.52%</b>	<b>72782000</b>	<b>4588500</b>	<b>77370500</b>	<b>71.52</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding</b>										
<b>(B)= (B)(i)+(B)(ii)</b>	<b>72725000</b>	<b>4646000</b>	<b>77371000</b>	<b>71.52%</b>	<b>72782000</b>	<b>4589000</b>	<b>77371000</b>	<b>71.521</b>	<b>0</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>103533500</b>	<b>4646000</b>	<b>108179500</b>	<b>100.00%</b>	<b>103590500</b>	<b>4589000</b>	<b>108179500</b>	<b>100</b>	<b>0</b>	<b>0</b>

## SWADESHI INDUSTRIES AND LEASING LIMITED

**(ii) Share Holding of Promoters:**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Nageshwar Power Pvt. Ltd Formally known as (Chin Infotech P.Ltd)	27308500	25.24369%	NIL	27308500	25.24369%	NIL	NIL
2	Lalima Buildcon P.Ltd.	3500000	3.23536%	NIL	3500000	3.23536%	NIL	NIL

**(iii) Change in Promoters' Shareholding (Specify if there is no change):**

Sr. No.	Particulars	Shareholding at the beginning of the year		Increase/ Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1.	Nageshwar Power Pvt. Ltd Formally known as (Chin Infotech P.Ltd)	27308500	25.24369%	NIL	27308500	25.24369%
2	Lalima Buildcon P.Ltd.	3500000	3.23536%	NIL	3500000	3.23536%

**(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):**

Sr. No.	Particulars	Shareholding at the beginning of the year		Increase/ Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	Fresh Trexim Pvt Ltd	5038381	4.6574	NIL	5038381	4.6574
2	Moonview Mercantile Pvt Ltd	NIL	NIL	5013955	5013955	4.6348
3	Florin Consultancy Pvt Ltd	3436634	3.1768	NIL	3436634	3.1768
4	Shivputra Distributors Private Limited	3332257	3.0803	NIL	3332257	3.0803
5	Gopi Kishan Malani	NIL	NIL	4941822	4941822	4.5682
6	Topwell Properties Private Limited	2105550	1.9463	NIL	2105550	1.9463
7	Gannayak Barter Private Limited	1978000	1.8284	NIL	1978000	1.8284
8	Smartchamp Services Pvt Ltd	NIL	NIL	1800000	1800000	1.6639
9	Kishore Chouhan	NIL	NIL	1883547	1883547	1.7411
10	Shantilal Kawar	3742050	3.4591	-2292050	1450000	1.3404

# SWADESHI INDUSTRIES AND LEASING LIMITED

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Particulars	Shareholding at the beginning of the year		Increase/Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	Amit Kumar (DIN 06393899)	NIL	NIL	NIL	NIL	NIL
2	Gourav Jain (Din 06794973)	NIL	NIL	NIL	NIL	NIL
3	*Jagdishchandra Hansraj Ghumara (DIN 00519468)	NIL	NIL	NIL	NIL	NIL
4	**Krishna Kamalkishor Vyas (DIN 07444324)	NIL	NIL	NIL	NIL	NIL
5	#Mr. Amitkumar Vinod Agarwal (DIN 06406596)	NIL	NIL	NIL	NIL	NIL
6	#Mrs. Leela Devi Sanklecha (DIN 06832283)	NIL	NIL	NIL	NIL	NIL

\* Appointed w.e.f 10th February 2016

# Resignation w.e.f 10th February 2016

\*\*Appointed w.e.f 19th February 2016

## V. INDEBTEDNESS:

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01.04.2014</b>				
1) Principal Amount	NIL	NIL	NIL	NIL
2) Interest due but not paid	NIL	NIL	NIL	NIL
3) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total of (1+2+3)</b>				
<b>Change in Indebtedness during the financial year</b>				
+ Addition	NIL	100000	NIL	100000
- Reduction	NIL	-100000	NIL	-100000
Net change	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year-31.03.2015</b>				
1) Principal Amount	NIL	NIL	NIL	NIL
2) Interest due but not paid	NIL	NIL	NIL	NIL
3) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total of (1+2+3)</b>	NIL	NIL	NIL	NIL

# SWADESHI INDUSTRIES AND LEASING LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		TotalAmount (Rs.In Lacs)
1	Gross Salary	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) IncomeTax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission- As % of Profit- Others, specify	NIL	NIL	NIL
5	Others, please specifyProvident Fund & other Funds	NIL	NIL	NIL
	Performance Bonus	NIL	NIL	NIL
	<b>Total (A)</b>	NIL	NIL	NIL
	<b>Ceiling as per the Act</b>			

### B. Remuneration of other directors:

#### I. Independent Directors:-

Particulars of Remuneration	Name of Directors			TotalAmount
Fee for attending board committee meetings	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL
Total (1)	NIL	NIL	NIL	NIL

#### II. Other Non-Executive Directors:-

Other Non-Executive Directors	Name of Non-Executive Directors			TotalAmount
Fee for attending board committee meetings	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL
Total (2)	NIL	NIL	NIL	NIL
Total B = (1+2)		NIL		

# SWADESHI INDUSTRIES AND LEASING LIMITED

## C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sr.	Particulars of Remuneration	Name of KMP Mr. Vikas Sanklecha (CFO)	TotalAmount (Rs.In Lacs)
1	Gross Salary	300000	300000
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- As % of Profit		
	- Others, specify		
5	Other, please specify provident fund and other funds	NIL	NIL
6	Performance Bonus	NIL	NIL
	<b>Total (C)</b>	<b>300000</b>	<b>300000</b>

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A.	COMPANY				
	Penalty Punishment Compounding		None		
B.	DIRECTORS				
	Penalty Punishment Compounding		None		
C.	OTHER OFFICERS IN DEFAULT				
	Penalty Punishment Compounding		None		

# SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

## Annexure 3

### REPORT ON CORPORATE GOVERNANCE (FY 2015-16)

In terms of Compliance to Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) 2015, on Corporate Governance, your Company is complying with the guidelines. The report for current period is as follows:

#### 1) Company's Philosophy:

The Company's policies, practices and philosophy adopted since inception are in line with Corporate Governance. These policies, practices are required periodically to ensure its effective compliance. The composition of Board of Directors is well balanced with a view to manage the affairs of the Company efficiently and professionally. The Company's philosophy is to produce high quality conforming to the International Standards and provide satisfaction to all stakeholders including customers, shareholders and employees.

#### 2) Board of Directors

The Board of Directors of the Company comprises of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises five Directors includes Women Director.

##### (i) Composition and Category of Directors as of 31<sup>st</sup> March 2016 is as follows:

Name of the Director	No. of Directors	%
Executive Directors	1	25
Non Executive & Independent Directors	3	75
Total	4	100

##### (ii) Number of Board Meetings held, dates on which held:

The Board of Directors duly met Four (4) times during the period from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016. The dates on which the meetings were held are as follows:



## SWADESHI INDUSTRIES AND LEASING LIMITED

28<sup>th</sup> May 2015, 10<sup>th</sup> August 2015, 6<sup>th</sup> November 2015, and 10<sup>th</sup> February 2016.

**(iii) Attendance of each Director at the Board Meetings and the last AGM held on 24<sup>th</sup> September 2015:**

Name of the Director	No. Of Board Meetings Attended	Last AGM attendance (Yes / No)
Mr. Amit Kumar (DIN 06393899)	4	YES
Mr. Gourav Jain (DIN 06794973)	4	YES
*Mr. Amitkumar Vinod Agarwal (DIN 06406596)	4	YES
*Mr. Kamal Kishor Hari Kishan Vyas (DIN 03507954)	4	YES
*Mrs. Leela Devi Sanklecha (DIN 06832283)	4	YES
**Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	-	N.A.
***Ms. Krishna Kamal Kishor Vyas (DIN 07444324)	-	N.A.

\*Resigned w.e.f. 10<sup>th</sup> February 2016

\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

**(iv) Particulars of Directorships of other Companies**

**OTHER DIRECTORSHIPS**

Name of the Director and Designation	Name of the other Public Limited Companies	Position
Mr. Gourav Jain	None	N.A.
*Mr. Amitkumar Vinod Agarwal	None	N.A.
*Mr. Kamal Kishor Hari Kishan Vyas	None	N.A.
*Mrs. Leela Devi Sanklecha	None	N.A.
**Mr. Jagdishchandra Hansraj Ghumara	(I) Infra Industries Limited (II).Gaurav Mercantiles Ltd.	Director
***Ms. Krishna Kamal Kishor Vyas	None	N.A.

\*Resigned w.e.f. 10<sup>th</sup> February 2016

\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

## SWADESHI INDUSTRIES AND LEASING LIMITED

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

@ Does not include Directorships in Private Companies

### iv) No. of other Board Committees they are Members / Chairman

Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Share Transfer Committee
Mr. Amit Kumar Mr. Gourav Jain	Mr. Amit Kumar Mr. Gourav Jain	Mr. Amit Kumar Mr. Gourav Jain	Mr. Amit Kumar Mr. Gourav Jain
*Mr. Amitkumar Vinod Agarwal	*Mr. Amitkumar Vinod Agarwal	*Mr. Amitkumar Vinod Agarwal	*Mr. Amitkumar Vinod Agarwal
*Mr. Kamal Kishor Hari Kishan Vyas **Mr. Jagdishchandra Hansraj Ghumara	*Mr. Kamal Kishor Hari Kishan Vyas **Mr. Jagdishchandra Hansraj Ghumara	*Mr. Kamal Kishor Hari Kishan Vyas **Mr. Jagdishchandra Hansraj Ghumara	*Mr. Kamal Kishor Hari Kishan Vyas **Mr. Jagdishchandra Hansraj Ghumara
***Ms. Krishna Kamal Kishor Vyas	***Ms. Krishna Kamal Kishor Vyas	***Ms. Krishna Kamal Kishor Vyas	***Ms. Krishna Kamal Kishor Vyas

\*Resigned w.e.f. 10<sup>th</sup> February 2016

\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

### 3) Independent Directors:

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement/ Regulation 16 of Listing Regulations and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

#### Training of Independent Directors:

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at [www.swadeshiglobal.com](http://www.swadeshiglobal.com).

#### Performance Evaluation of non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

### **Familiarisation Programme for Directors**

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the terms, role, functions, duties and responsibilities expected of him/her as a Director of the Company. On an on-going basis the Company shall through its Managing Director/Whole time Director/Senior Managerial Personnel, as required from time to time, conduct programmes/ presentations periodically to familiarize the Director with the business strategy, business and operations of the Company.

#### **4) Audit Committee:**

##### **i) Terms of reference:**

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 read with Part C of Schedule II of (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013 as follows:

1. To oversee the financial reporting process.
2. To oversee the disclosures of financial information.
3. To recommend appointment / removal of statutory auditors and fixation of their fees.
4. To review the quarterly/half yearly financial results and annual financial statements with the management, internal auditor and the statutory auditor.
5. To consider the reports of the internal auditors and to discuss their findings with the management and to suggest corrective actions wherever necessary.
6. To Review with the management, statutory auditors and the internal auditors the nature and scope of audits and the adequacy of internal control systems.
7. To Review major accounting policies and compliance with accounting standards and listing

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agreement entered into with the stock exchange and other legal requirements concerning financial statements.

8. To Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.
9. To Review related party transactions of material nature, with promoters or the management and their relatives that may have potential conflict with the interests of the Company at large.
10. To investigate any matter covered under Section 177 of the Companies Act, 2013.
11. To Review the financial and risk management policies.

**ii) Composition:**

On 10<sup>th</sup> February 2016, Mr. Kamal Kishore hari Kishan Vyas and Mr. Amitkumar Vinod, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Audit Committee of the Company consists of 3 Independent Directors and 1 Executive Director. The Chairman of the Audit Committee is financially literate and majority of them having accounting or related financial management experience. Representative of Statutory Auditor is permanent invitee.

**iii) No. of Meetings held during the period:**

During the period the Committee had met 4 (Four) times i.e. 28<sup>th</sup> May 2015, 10<sup>th</sup> August 2015, 6<sup>th</sup> November 2015 and 10<sup>th</sup> February 2016

**iv) Composition, name of Members and attendance during the period:**

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Mr. Amit Kumar	Chairman	4	4
Mr. Gourav Jain	Member	4	4
*Mr. Amitkumar Vinod Agarwal	Member	4	4
*Mr. Kamal Kishor Hari Kishan Vyas	Member	4	4
**Mr. Jagdishchandra Hansraj Ghumara	Member	0	0
***Ms. Krishna Kamal Kishor Vyas	Member	0	0

\*Resigned w.e.f. 10<sup>th</sup> February 2016

\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

## SWADESHI INDUSTRIES AND LEASING LIMITED

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

The Chairman of the Audit Committee was present at the last Annual General Meeting.

### 5) Nomination and Remuneration Committee:

#### i) Terms of reference:

The powers, role and terms of Nomination and Remuneration committee covers the areas as contained in Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013. The Committee comprises of Three Independent Non-Executive Directors and one Executive Director. The terms of reference of the Committee is to deal with the matters related to remuneration by way of salary, perquisites, benefits, etc. for the Executive and Whole-time Directors of the Company.

#### ii) Composition:

On 10<sup>th</sup> February 2016, Mr. Kamal Kishore hari Kishan Vyas and Mr. Amitkumar Vinod, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Nomination and Remuneration Committee of the Company consists of 3 Non-Executive and Independent Directors including Chairman and 1 Executive Director.

#### iii) No. of Meetings held during the period:

During the year, the Committee had 1 meeting i.e. on 10th February 2016.

#### iv) Composition, name of Members and attendance during the period:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Mr. Amit Kumar	Chairman	1	1
Mr. Gourav Jain	Member	1	1
*Mr. Amitkumar Vinod Agarwal	Member	1	1
*Mr. Kamal Kishor Hari Kishan Vyas	Member	1	1
**Mr. Jagdishchandra Hansraj Ghumara	Member	-	-
***Ms. Krishna Kamal Kishor Vyas	Member	-	-

\*Resigned w.e.f. 10<sup>th</sup> February 2016

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\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

### 6) Remuneration of Directors for 2015:

- (a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity;  
There is no pecuniary relationship or transactions of the non-executive directors with the Company.
- (b) criteria of making payments to non-executive directors and weblink;  
No payment has been made to non-executive Directors. The weblink of the same is available at [www. Swadeshiglobal.com](http://www.Swadeshiglobal.com)
- (c) No remuneration is paid to any of the Executive and Non-executive Directors. Hence no further disclosure is required to be furnished.

### 7) Stakeholders Relationship Committee:

#### i) Terms of reference:

The Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also function in an efficient manner that all issues / concerns stakeholders are addressed / resolved promptly.

#### ii) Composition of the Committee:

On 10<sup>th</sup> February 2016, Mr. Kamal Kishore hari Kishan Vyas and Mr. Amitkumar Vinod Aarwal, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Committee consists of 3 Non-Executive and Independent Directors and 1 Executive Director.

#### iii) No. of meetings held and attended during the period:

During the period the Committee had met 4 (Four) times i.e. 28<sup>th</sup> May 2015, 10<sup>th</sup> August 2015, 6<sup>th</sup> November 2015 and 10<sup>th</sup> February 2016

The attendance of the Members at the meeting was as under:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Mr. Amit Kumar	Chairman	4	4
Mr. Gourav Jain	Member	4	4
*Mr. Amitkumar Vinod Agarwal	Member	4	4
*Mr. Kamal Kishor Hari Kishan Vyas	Member	4	4
**Mr. Jagdishchandra Hansraj Ghumara	Member	0	0
***Ms. Krishna Kamal Kishor Vyas	Member	0	0

## SWADESHI INDUSTRIES AND LEASING LIMITED

\*Resigned w.e.f. 10<sup>th</sup> February 2016

\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

### 8) Share Transfer Committee:

#### i) Terms of reference:

The Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also function in an efficient manner that all issues / concerns stakeholders are addressed / resolved promptly.

#### ii) Composition of the Committee:

On 10<sup>th</sup> February 2016, Mr. Kamal Kishore hari Kishan Vyas and Mr. Amitkumar Vinod, resigned so they ceased to be Member of the Committee and on 10<sup>th</sup> February 2016, at its Board Meeting held had reconstituted the Committee. The Committee consists of 3 Non-Executive and Independent Directors and 1 Executive Director.

#### iii) No. of meetings held and attended during the period:

During the period the Committee had met 4 (Four) times i.e. 28<sup>th</sup> May 2015, 10<sup>th</sup> August 2015, 6<sup>th</sup> November 2015 and 10<sup>th</sup> February 2016

The attendance of the Members at the meeting was as under:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Mr. Amit Kumar	Chairman	4	4
Mr. Gourav Jain	Member	4	4
*Mr. Amitkumar Vinod Agarwal	Member	4	4
*Mr. Kamal Kishor Hari Kishan Vyas	Member	4	4
**Mr. Jagdishchandra Hansraj Ghumara	Member	0	0
***Ms. Krishna Kamal Kishor Vyas	Member	0	0

\*Resigned w.e.f. 10<sup>th</sup> February 2016

\*\* Appointed w.e.f. 10<sup>th</sup> February 2016

\*\*\*Appointed w.e.f. 19<sup>th</sup> February 2016

## SWADESHI INDUSTRIES AND LEASING LIMITED

**iv) Name and Designation of Compliance Officer:**

Mr. Vikas Sanklecha acts as Compliance Officer.

**Shareholder's Services:**

Sl.No.	Nature of Complaints	2015-2016		2014-2015	
		Received	Answered	Received	Answered
1.	Non receipt of Shares lodged for Demat	08	08	21	21
2.	Non receipt of Dividend Warrants	0	0	1	1
3.	Others	Nil	Nil	Nil	Nil

**9) General Body Meetings:**

**Location and time for the last three AGMs:**

Year	Date	Venue	Time	Special Resolution
2012-13	25 <sup>th</sup> September 2013	Hotel Granville, Plot No. 680/D, Opp Kora Kendra Ground, R.M. Bhattar Road, Borivali (w), Mumbai – 400 092	3.30 pm	1. Appointment and Payment of Remuneration to Mr. VikasSanklecha, as Managing Director
2013-14	22 <sup>nd</sup> September 2014	Hotel Granville, Plot No. 680/D, Opp Kora Kendra Ground, R.M. Bhattar Road, Borivali (w), Mumbai – 400 092	3.30 pm	-
2014-15	24 <sup>th</sup> September 2015	Hotel Granville, Plot No. 680/D, Opp Kora Kendra Ground, R.M. Bhattar Road, Borivali (w), Mumbai – 400 092	4.30 pm	1Appointment of Mr. Gourav Jain (DIN 06794973) as Managing Director

**All the Resolutions set out in the Notices were passed by the Shareholders.**

**During the year under review, the Company has not passed any Special Resolution through postal ballot as per the provisions of the Companies Act, 2013 and the rules framed there under.**

**At this meeting also there are no ordinary or Special Resolution that require to be passed by way of Postal Ballot.**

**10) Disclosures:**

**i) Related Party transaction during the year:**

The Company does not have any related party transactions, which may have potential conflict with its interest at large.



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**ii) Cases of Non-Compliance:**

There has been no instance of non-compliance by the Company on any matter related to capital markets.

**iii) Whistle Blower Policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

**iv) Non-Mandatory requirements:**

- a. Auditors Report: There has been no qualification adverse remark by the Auditors in their Audit Report for the year.
- b. Other non-mandatory requirements of Listing Regulations shall be adopted as and when considered appropriate.

**v) Mandatory requirements:**

**a. CEO/CFO CERTIFICATION:**

The Managing Director and CFO of the Company have certified to the Board of Directors inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31<sup>st</sup> March, 2016.

**The "Management Discussion and Analysis Report" forms part of this Annual Report.**

**11) Means of Communication:**

Quarterly, Half-yearly and Annual Financial Results of the Company are communicated to the Stock Exchanges immediately after the same are considered by the Board and are published in the all India editions of (i) Financial Express (English) (ii) Mahanayak (Marathi) – Marathi Edition. The results and official news releases of the Company are also made available on the Company's website i.e. [www.swadeshiglobal.com](http://www.swadeshiglobal.com).

**12) SEBI Complaints Redressal System (SCORES):**

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in

## SWADESHI INDUSTRIES AND LEASING LIMITED

compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

### 13) General Shareholder's Information:

AGM date, time and venue:	Friday, 23 <sup>rd</sup> September, 2016
Financial Year:	1 <sup>st</sup> April 2015 to 31 <sup>st</sup> March 2016
Book Closure Date:	Saturday, 17 <sup>th</sup> September, 2016 to Friday, 23 <sup>rd</sup> September, 2016 (Both Days inclusive)
Dividend	No dividend was declared for last financial period.
Listing on Stock Exchanges:	BSE Ltd
Stock Code:	BSE- 506863

The Company has paid listing fees for the year 2016-17.

### Reasons for Suspension of Securities from trading:

There was query regarding preferential issue of shares done by company in previous years. Hence, the BSE has suspended the trading of Securities.

### 14) Market Price Data:

Monthly High and Low quotations along with the volume of shares traded at Bombay Stock Exchange Ltd during the period ended 31<sup>st</sup> March 2016:

Month & Year	BSE		
	High	Low	Volume
April, 2015	7.21	3.88	2,34,318
May, 2015	6.00	4.76	2,73,239
June, 2015	5.10	3.72	3,20,103
July, 2015	4.95	3.81	5,80,976
August, 2015	5.29	3.22	6,82,462
September, 2015	5.50	3.05	1,09,661
October, 2015	4.99	3.42	48,992
November, 2015	4.25	3.43	1,92,258
December, 2015	4.70	3.13	40,70,104
January, 2016	4.68	2.88	38,21,405
February, 2016	4.67	3.03	66,77,238
March, 2016	4.25	2.44	69,45,361

## SWADESHI INDUSTRIES AND LEASING LIMITED

### 15) Dematerialization of Shares and Liquidity:

The Equity Shares of the Company are traded compulsorily in Demat. The Demat facility is available to all Shareholder of the Company, who request for such facility.

ISIN No. of the Company's Equity Shares in Demat Form: INE 716M01026

Depository Connectivity: NSDL and CDSL

### 16) Registrar and Transfer Agents:

M/s. System Support Services is Registrar and Transfer Agent of the Company. Any request pertaining to investor relations may be addressed to the following address:

M/s. System Support Services

209, Shivai ind, Estate, Sakinaka.89, Andheri Kurla Road,  
Andheri (East), Mumbai – 400 072.

Tel: 022-28500835 Fax: 022-28501438

Email: sysss72@yahoo.com

### 17) Share Transfer System:

The transactions of the shares held in Demat and Physical form are handled by the Company's Depository Registrar M/s. System Support Services.

Particulars	2015-16	2014-15
Shares Transferred	10000	9,450
Total No. of shares as on 31st March 2016	108179500	10,81,79,500
% on Share Capital	0.01%	0.01%

### 18) Shareholding Pattern as on 31<sup>st</sup> March 2016

Category	No. of Share Holders	Voting Strength %	No. Of Shares Held	% of Share Holding
Promoters	2	28.479	3,08,08,500	28.479
Companies	147	37.414	4,04,74,102	37.414
FIs				
OCBs and NRIs	5	0.008	8,650	0.008
MutualFunds, Banks, FIs	1	0.000	500	0.000
Individuals	4476	34.099	3,68,87,748	34.099
<b>Total</b>	<b>4631</b>	<b>100.000</b>	<b>10,81,79,500</b>	<b>100.000</b>

## SWADESHI INDUSTRIES AND LEASING LIMITED

### 19) Distribution of Share Holdings:

No. of Equity Share Held	As on 31.03.2016				As on 31.03.2015			
	No. of share holders	% of Share holders	No. of Shares	% of Share holding	No. of share holders	% of Share holders	No. of Shares	% of Share holding
1-5000	4334	93.587	4461860	4.124	4392	93.826	4445533	4.109
5001-10000	102	2.203	788033	0.728	109	2.329	846966	0.783
10001-20000	35	0.756	559599	0.517	32	0.684	482088	0.446
20001-30000	17	0.367	435270	0.402	17	0.363	440096	0.407
30001-40000	6	0.130	209290	0.913	5	0.107	169290	0.156
40001-50000	3	0.065	133543	0.123	4	0.085	192273	0.178
50001-100000	42	0.907	3541148	3.273	28	0.598	2145442	1.983
100001 and above	92	1.987	98050757	90.637	94	2.008	99457812	91.938
<b>Total</b>	<b>4631</b>	<b>100.00</b>	<b>108179500</b>	<b>100.00</b>	<b>4681</b>	<b>100.000</b>	<b>108179500</b>	<b>100.000</b>

### 20) Shareholding Profile:

Mode of Holding	As on 31 <sup>st</sup> March 2016			As on 31 <sup>st</sup> March 2015		
	No. of holders	No. of Shares	% to Equity	No. of holders	No. of Shares	% to Equity
Demat	2021	103590500	95.758	2056	103533500	95.705
Physical	2610	4589000	4.242	2625	4646000	4.295
<b>Total</b>	<b>4631</b>	<b>108179500</b>	<b>100.00</b>	<b>4681</b>	<b>108179500</b>	<b>100.000</b>

### 21) Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity

We have no GDRs/ADRs or any commercial instrument.

**22) Address of Registered Office** : Shop No. 2-3, Shree Nath Krupa Building,  
Opp Swagat Hall, Kasturba Rd No.5, Borivali (E),  
Mumbai – 400066

## **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

### **23) Code of Conduct**

The Board has laid down a code of conduct for Business and Ethics for all the Board Members and all the employees of the management grade of the Company. The code of conduct is also available on the Company's website. All the board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by Managing Director and CFO is attached and forms part of the Annual Report of the Company.

### **24) Prevention of Insider Trading Code**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. Mr. Vikas Sanklecha Compliance Officer is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

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#### **DECLARATION REGARDING CODE OF CONDUCT UNDER REGULATION 26(3) SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS 2015.**

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the period ended 31<sup>st</sup> March 2016.

GOURAV JAIN  
DIN: 06794973  
Managing Director

Date: 27/05/2016

Place: Mumbai

# **SWADESHI INDUSTRIES AND LEASING LIMITED** =====

## **CEO / CFO CERTIFICATE UNDER PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS 2015.**

To,

The Board of Directors

Swadeshi Industries and Leasing Limited

1. I have reviewed financial statements and the cash flow statement of Swadeshi Industries and Leasing Limited for the period ended 31<sup>st</sup> March 2016 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.
4. I have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which I have become aware.

**(Mr. Vikas Kushalchand Sanklecha)**

**Chief Financial Officer**

# SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

## CERTIFICATE ON CORPORATE GOVERNANCE

### To the Members of Swadeshi Industries and Leasing Limited

We have examined the compliance of conditions of Corporate Governance by Swadeshi Industries and Leasing LIMITED (the "Company"), for the year ended 31<sup>st</sup> March 2016, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Director and Management, we certify that the Company has complied with the conditions of Corporate Governance **except appointment of Company Secretary and appointment of Company Secretary to act as Compliance Officer under regulations 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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

For Sanjay Dholakia & Associates

(Sanjay Dholakia)

Practicing Company Secretary

Membership No: 2655

Date: 27<sup>th</sup> May 2016

Place: Mumbai

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Annexure 4

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### INDUSTRY STRUCTURE AND DEVELOPMENTS:

Textile Industry is one of the leading industries in the world. It is one of the key and main sectors of India's manufacturing segment as it contributes significantly to the economy in terms of employment generation and revenue.

#### OPPORTUNITIES & THREATS

The future for the Indian textile industry looks promising, beyonded by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade. The employment generation looms to better quality technology looms and improved quality of processing industry. However, there are several challenges ahead for the textile industry for enhancing its competitive strength and global positioning in terms of inflexible labour laws and poor infrastructure etc which will have to be addressed to sustain the growth momentum of the Country.

#### OUTLOOK

In textiles, your company future growth is quite stable and the outlook of the Company will remain positive

#### RISK AND CONCERN

Indian textile industry in India face many risk which were in the short term, will moderate growth Inflation, high interest rates, depreciating rupees, delays in policy initiatives to boost investments and capital flows.

#### INTERNAL CONTROLS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

#### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(IN LACS.)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Revenue from Operations	49.78	1280.47
Profit before Depreciation & Amortization	12.16	19.77
Depreciation & Amortization	NIL	NIL
Profit / (Loss) before taxation	12.16	19.77
Provision for taxation (incl. deferred tax)	3.76	NIL
Profit/ (Loss) for the year carried to Balance Sheet	8.40	19.77



## **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING**

Our people are our most important asset and we value their talent, integrity and dedication. Our responsibilities towards our people, who are instrumental to our success with their devotion and relentless support covers a quantum part of the company strategy. We believe that training is essential to build skill sets in growing organization. The focus has been to create an environment where performance is rewarded, individuals are respected and associates get opportunities to realize their potential.

As in the past, industrial relations continued to remain cordial in the Company. There was no strike or labour unrest during the period under review.

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## Independent Auditor's Report

To the Members of

**Swadeshi Industries & Leasing Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Swadeshi Industries & Leasing Limited** ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the

## **SWADESHI INDUSTRIES AND LEASING LIMITED**

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assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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 March 2016 and its profit and its cash flows for the year ended on that date.

### **Other Matter**

The Company, being a listed company, has been mandatorily required under Section 203 of the Act, to have whole time Key Managerial Person which includes Company Secretary as defined under section 2(24) of the Act.

During the course of our audit, it has been observed that the Company has not complied with the requirement of Section 203 of the Companies Act, 2013 by not appointing a Company Secretary, as a whole time Company Secretary for the year.

### **Report on Other Legal and Regulatory Requirements**

1. 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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. 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;

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

- (c) The balance sheet, the statement of profit and loss and the cash flow statement 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 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (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".
- (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:
  - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. the Company does not have any material foreseeable losses, on long-term contracts including derivative contracts; and
  - iii. The Company is not required to transfer any amounts to the Investor Education and Protection Fund by the Company.

For Motilal & Associates  
Chartered Accountants  
Registration No.:106584W

(Motilal Jain)  
M. No. 036811

**Place :** Mumbai  
**Date :** 27/05/2016

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## ANNEXURE TO THE AUDITORS' REPORT

Issued by the Central Government under sub section 11 of section 143  
of the Companies Act, 2013, (18 of 2013)

The Annexure-A referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:-

- i. Company does not hold any fixed assets during the year. Thus, paragraphs 3(i)(a), 3(i)(b) and 3(i)(c) of the order are not applicable to the company;
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on verification between the physical stock and the books records during the year under review;
- iii. The Company has not granted any loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the Company.
- iv. The Company has not entered into any transaction that falls under the preview of section 185 and 186 of the Companies Act, 2013.
- v. The company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- vii. a. The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there are no arrears of arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;

## SWADESHI INDUSTRIES AND LEASING LIMITED

- b. The dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, are indicated below:

Name of the statute	Nature of dues	Amount (In Lacs)	Period which the amount relates	Forum where disputes pending
Income Tax Act, 1961	Income Tax	6,180	A.Y. 2008-09	Assessing Officer, Notice u/s 154_WE dated on 16/08/2010
Income Tax Act, 1961	Income Tax	33,930	A.Y. 2008-09	Assessing Officer, Notice u/s 154 dated on 22/04/2010
Income Tax Act, 1961	Income Tax	1,10,570	A.Y. 2009-10	CPC, Notice u/s 143(1)(a) dated on 29/12/2010
Income Tax Act, 1961	Income Tax	11,820	A.Y. 2009-10	CPC, Notice u/s 143(1)(1) dated on 29/12/2010
Income Tax Act, 1961	Income Tax	1,518	A.Y. 2014-15	CPC, Notice u/s 220(2) dated on 31/03/2015
Income Tax Act, 1961	Income Tax	33,010/-	A.Y.2015-16	CPC dated 27/02/2016

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit..
- xi. According to the information and explanations given to us Managerial remuneration has not been paid or provided for during the year under review, thus Paragraph 3(xi) of the order is not applicable to the company.
- xii. Company is not a Nidhi Company, accordingly, paragraph 3(xii) of the Order is not applicable to the company.

## SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiv. 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.
- xv. 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.
- xvi. Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Motilal & Associates  
Chartered Accountants  
Registration No.:106584W

(Motilal Jain)  
M. No. 036811

**Place :** Mumbai  
**Date :** 27/05/2016

# **SWADESHI INDUSTRIES AND LEASING LIMITED** --- ---

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SWADESHI INDUSTRIES AND LEASING LIMITED**

Report on the Internal Financial Controls under 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 **SWADESHI INDUSTRIES AND LEASING LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls 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. 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 Companies Act, 2013.

### **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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 controls 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 judgment, including the assessment of the risks of 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.



# SWADESHI INDUSTRIES AND LEASING LIMITED

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## 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2016, 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.

For Motilal & Associates  
Chartered Accountants  
Registration No.:106584W

(Motilal Jain)  
M. No. 036811

Place : Mumbai  
Date : 27/05/2016

# SWADESHI INDUSTRIES AND LEASING LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Notes	As at 31-03-2016 Rs.	As at 31-03-2015 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	108,179,500	108,179,500
(b) Reserves and surplus	3	1,439,941	599,817
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
<b>4 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables	4	11,600,441	3,392,151
(c) Other current liabilities	5	307,663	426,326
(d) Short-term provisions	6	297,088	328,789
<b>TOTAL</b>		<b>121,824,633</b>	<b>112,926,583</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>	7		
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		40,800,000	40,800,000
(iv) Intangible assets under development		-	-
(b) Non-current investments	8	36,821,464	57,068,797
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	9	2,000	2,000
(e) Other non-current assets		-	-
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	10	9,179,095	-
(c) Trade receivables	11	2,731,863	3,373,814
(d) Cash and cash equivalents	12	41,776	260,652
(e) Short-term loans and advances	13	31,432,904	10,605,802
(f) Other current assets	14	815,531	815,518
<b>TOTAL</b>		<b>121,824,633</b>	<b>112,926,583</b>
<b>See accompanying notes to the Financial Statements.</b>		-	-
<b>Notes</b>	1		

For Motilal & Associates  
Chartered Accountants  
Firm Regn No. 106584W

Motilal Jain  
Partner  
Membership No.36811  
Date : 27/05/2016  
Place : Mumbai

On Behalf of the Board  
For Swadeshi Industries & Leasing Limited  
(CIN : L45209MH1983PLC031246)

(Krishna Kamal Kishore Vyas) (Gourav Jain)  
DIN: 7444324 DIN: 06794973  
Director Managing  
Vikas Kushalchand Sanklecha Director  
(CFO)

# SWADESHI INDUSTRIES AND LEASING LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2016

Particulars	Notes	Year Ended 31-03-2016 Rs.	Year Ended 31-03-2015 Rs.
I Revenue from operations	15	4,977,940	128,047,266
II Increase in Inventories of FG/WIP/Stock-in-trade	16	9,179,095	-
III Other income	17	4,102,005	3,805,564
<b>IV Total Revenue (I + II + III)</b>		<b>18,259,040</b>	<b>131,852,830</b>
<b>V Expenses:</b>			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	18	13,529,398	127,163,733
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	19	1,236,400	1,132,150
Finance costs	20	26,680	82,834
Depreciation and amortization expense	7	-	-
Other expenses	21	1,894,221	1,483,168
<b>Total expenses</b>		<b>16,686,699</b>	<b>129,861,885</b>
<b>VI Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>1,572,341</b>	<b>1,990,945</b>
VII Exceptional items		63,049	14,002
<b>VIII Profit before extraordinary items and tax (V - VI)</b>		<b>1,509,291</b>	<b>1,976,943</b>
IX Extraordinary items		293,167	-
<b>X Profit before tax (VII- VIII)</b>		<b>1,216,124</b>	<b>1,976,943</b>
<b>XI Tax expense:</b>			
1 Current tax		376,000	391,590
2 Deferred tax		-	-
3 MAT		-	(391,590)
<b>XII Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>840,124</b>	<b>1,976,943</b>
XIII Profit/(loss) from discontinuing operations		-	-
XIV Tax expense of discontinuing operations		-	-
<b>XV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XVI Profit (Loss) for the period (XI + XIV)</b>		<b>840,124</b>	<b>1,976,943</b>
<b>XVII Earnings per equity share:</b>			
1 Basic		00.01	00.02
2 Diluted		00.01	00.02

For Motilal & Associates  
Chartered Accountants  
Firm Regn No. 106584W

On Behalf of the Board  
For Swadeshi Industries & Leasing Limited  
(CIN : L45209MH1983PLC031246)

Motilal Jain  
Partner  
Membership No.36811  
Date : 27/05/2016  
Place : Mumbai

(Krishna Kamal Kishore Vyas) (Gourav Jain)  
DIN: 7444324 DIN: 06794973  
Director Managing  
Vikas Kushalchand Sanklecha Director  
(CFO)

# SWADESHI INDUSTRIES AND LEASING LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year Ended 31-03-2016 Rs.	Year Ended 31-03-2015 Rs.
<b>Cash flows from operating activities before tax</b>		
Net Profit before tax	1,216,124	1,976,943
<b>Adjustments for:</b>		
Depreciation and Amortization	-	-
Interest Income	(4,102,005)	(3,805,564)
Finance costs	26,680	82,834
<b>Operating profit / (loss) before working capital changes</b>	<b>(2,859,201)</b>	<b>(1,745,787)</b>
<b>Changes in Working Capital:</b>		
(Increase)/Decrease in Trade Receivables	641,951	(3,373,814)
(Increase)/Decrease in Inventories	(9,179,095)	-
(Increase)/Decrease in Short-Term Loans and Advances	(20,827,102)	(3,740,420)
(Increase)/Decrease in Other Current Assets	(13)	(463,103)
Increase/(Decrease) in Trade Payables	8,208,290	3,392,151
Increase/(Decrease) in Other current liabilities	(118,663)	362,646
Increase/(Decrease) in Short-Term Provisions	(31,701)	(23,626)
<b>Profit generated from operations</b>	<b>(24,165,533)</b>	<b>(5,591,953)</b>
Cash flow from extraordinary items	-	-
<b>Cash generated from operations</b>	<b>(24,165,533)</b>	<b>(5,591,953)</b>
Tax paid (net of refunds)	(376,000)	-
<b>Net Cash From/(Used in ) Operating Activities (A)</b>	<b>(24,541,533)</b>	<b>(5,591,953)</b>
<b>Cash Flows from Investing Activities</b>		
Capital expenditure on fixed assets, including capital advances	-	60,00,000
Purchase of long-term investments (Subsidiaries)	20,247,333	(5,164,464)
Long-term loans and advances	-	(1,000)
Interest received	4,102,005	3,805,564
<b>Net cash from/(Used in) Investing Activities (B)</b>	<b>24,349,338</b>	<b>46,40,100</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from other short-term borrowings	-	-
Finance cost	(26,680)	(82,834)
<b>Net cash from/(Used in) Financing Activities (C)</b>	<b>(26,680)</b>	<b>(82,834)</b>
<b>Increase in Cash and Cash Equivalents during the year (A+B+C)</b>	<b>(218,876)</b>	<b>10,34,687</b>
Cash and Cash Equivalents at the beginning of the year	260,652	1,295,339
<b>Cash and Cash Equivalents at the end of the year</b>	<b>41,776</b>	<b>260,652</b>

Note: Previous Year figures has been regrouped/rearranged wherever considered necessary.

For Motilal & Associates  
Chartered Accountants  
Firm Regn No. 106584W

Motilal Jain  
Partner  
Membership No.36811  
Date : 27/05/2016  
Place : Mumbai

On Behalf of the Board  
For Swadeshi Industries & Leasing Limited  
(CIN : L45209MH1983PLC031246)

(Krishna Kamal Kishore Vyas) (Gourav Jain)  
DIN: 7444324 DIN: 06794973  
Director Managing  
Vikas Kushalchand Sanklecha Director  
(CFO)

# SWADESHI INDUSTRIES AND LEASING LIMITED --- ---

## NOTE - 1: SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis for preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles (GAAP) in India. GAAP includes Accounting Standards (AS) notified by the Government of India under Section 133 of the Companies Act, 2013, provisions of the Companies Act, 2013, pronouncements of Institute of Chartered Accountants of India and guidelines issued by Securities and Exchange Board of India (SEBI). The Company has presented financial statements as per format prescribed by Revised Schedule III, notified under the Companies Act, 2013, issued by Ministry of Corporate Affairs. Except where otherwise stated, the accounting policies are consistently applied.

### 1.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make assumptions, critical judgments and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets, liabilities and contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialize.

### 1.2 Investments

- (a) Long-term investments are stated at cost. Provision is made to recognize any diminution in value, other than that of a temporary nature.
- (b) Current investments are carried at lower of cost and fair value. Diminution in value is charged to the statement of profit and loss.
- (c) Current investments readily convertible in known amount of cash and subject to insignificant risk of changes in value are classified as cash and cash equivalents for preparation of cash flow statement.

### 1.4 Cash flow statement

The cash flow statement is prepared under the "Indirect Method" as set out in AS - 3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

### 1.5 Revenue recognition

- (a) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods are transferred to the customer. Sales are net of discounts, sales tax, value added tax and estimated returns. Excise duties collected on sales are shown by way of deduction from sales.
- (b) Provision for sales returns are estimated primarily on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from

## SWADESHI INDUSTRIES AND LEASING LIMITED

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revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

- (c) Income from services is recognized when the services are rendered or when contracted milestones have been achieved.
- (d) Revenue from arrangements which includes performance of obligations is recognized in the period in which related performance obligations are completed.
- (e) Export entitlements are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.
- (f) Dividend income is recognized when the right to receive dividend is established.
- (g) Interest income is recognized using the time-proportion method, based on rates implicit in the Transaction.
- (h) Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

### 1.6 Finance costs

Finance costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

### 1.7 Cenvat credit

Cenvat (Central value added tax) credit in respect of excise, custom and service tax is accounted on accrual basis on purchase of eligible inputs, capital goods and services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be un-utilizable is charged to the statement of profit and loss for the year.

### 1.8 Stores and spares

Stores and spares (other than spares acquired with fixed assets) are charged to the statement of profit and loss as and when purchased.

### 1.9 Research and development

Revenue expenditure on research and development is expensed off under the respective head of expenses in the year in which it is incurred. Capital expenditure on research and development is reported as fixed assets under the relevant head.

Depreciation on research and development fixed assets is not classified as research and development expenses and instead included under depreciation expenses.

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## 1.10 Leases

Lease rentals in respect of assets taken on operating lease are charged to the statement of profit and loss on accrual and on straight line basis over the lease term.

## 1.11 Accounting for taxes

- a) Current tax is accounted on the basis of estimated taxable income for the current accounting year and in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax resulting from "timing differences" between accounting and taxable profit for the period has not been accounted.

## 1.12 Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

### A. Notes on Accounts:

1. In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet except the trade receivables and loans and advances which falls under management's policy for bad and doubtful debts as taken in the previous years.

### 2. Contingent Liabilities and commitments

(to the extent not provided for)

Claims against the company not acknowledged as debt -

#### - Contingent Liabilities

- a) Income Tax Demand for A.Y. 2008-09 of Rs.6,180/-
- b) Income Tax Demand for A.Y. 2008-09 of Rs.33,930/-
- c) Income Tax Demand for A.Y. 2009-10 of Rs.1,10,570/-
- d) Income Tax Demand for A.Y. 2009-10 of Rs.11,820/-
- e) Income Tax Demand for A.Y. 2014-15 of Rs.1,518/-
- f) Income Tax Demand for A.Y. 2015-16 of Rs.33,010/-

### 3. REMUNERATION TO AUDITORS

	31st March,2016	31st March,2015
	(Rs.)	(Rs.)
a) Audit Fees	57,250	39,326
b) Tax audit	NIL	16,854

## SWADESHI INDUSTRIES AND LEASING LIMITED

- All Debit and Credit balances are subject to confirmation and reconciliation.
- There are no dues to Micro; Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties having been identified on the basis of information available with the Company and relied upon by the auditors.
- Earnings Per Share (EPS) The following reflects the profit and share data used in the basic and diluted EPS Computations:

	31st March,2016 (Rs.)	31st March,2015 (Rs.)
Profit / (Loss) after tax	8,40,124	19,76,943
Number of equity shares in calculating basic EPS	1,08,17,950	1,08,17,950
Earnings Per Share (EPS) (Basic)	0.01	0.02

### 7. Related Party transactions:

As per the AS 18 for related party transaction issued by The Institute of Chartered Accountants of India and statement provided by the Company for Identification of Related Parties and accepted by the auditors relying on the authenticity of the statement. The related party transactions are as follows.

Name	Nature of the Party	Nature of Transaction	Opening Balance	Amount Received	Amount Paid	Closing Balance
Chin Infotech Pvt. Ltd.	Promoter Company	Unsecured Borrowings	NIL	1,00,000/-	1,00,000/-	NIL

- The financial statement for the year ended 31st March, 2016 has been prepared as per the requirement of the Revised Schedule III to the Companies Act, 2013. The previous year's figures have been accordingly regrouped/ classified to confirm to the year's classification.
- The accompanying notes are an integral part of the financial statements.

For Motilal & Associates  
Chartered Accountants  
Firm Regn No. 106584W

Motilal Jain  
Partner  
Membership No.36811  
Date : 27/05/2016  
Place : Mumbai

On Behalf of the Board  
For Swadeshi Industries & Leasing Limited  
(CIN : L45209MH1983PLC031246)

(Krishna Kamal Kishore Vyas) (Gourav Jain)  
DIN: 7444324 DIN: 06794973  
Director Managing  
Vikas Kushalchand Sanklecha Director  
(CFO)



# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part of the financial statements

Particulars	As at 31-03-2016 Rs.	As at 31-03-2015 Rs.
<b>Note 2 Share Capital</b>		
<b>(a) Authorised</b>		
125000000 Equity Shares of Rs. 1/- each (Previous year 125000000 Equity Shares of Rs.10/- each)	125,000,000	125,000,000
	<b>125,000,000</b>	<b>125,000,000</b>
<b>(b) Issued , subscribed and fully paid up</b>		
108179500 equity shares of Rs. 1/- each fully paid up with voting rights (Previous year 10817950 Equity Shares of Rs. 10/- each)	108,179,500	108,179,500
	<b>108,179,500</b>	<b>108,179,500</b>

### Notes:

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Issued, subscribed and fully paid up

Particulars	Opening balance	Fresh issue	Bonus	+ Conversion	Buy back	Other Changes	Closing balance
Equity shares with voting rights							
Year ended 31 March 2016							
- Number of shares	108,179,500	-	-	-	-	-	- 108,179,500
- Amount (')	108,179,500	-	-	-	-	-	- 108,179,500
Year ended 31 March 2015							
- Number of shares	108,179,500	-	-	-	-	-	- 108,179,500
- Amount (')	108,179,500	-	-	-	-	-	- 108,179,500

**(ii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares/Name of shareholder	31 March 2016		31 March 2015	
	Number of shares held	% held	Number of shares held	% held
<b>Equity shares with voting rights</b>				
Nageshwar Power Pvt. Ltd (Formerly known as Chin Info Tech Pvt. Ltd.)	27,308,500.00	25.24%	27,308,500	25.24%

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part of the financial statements

Particulars	As at 31-03-2016 Rs.	As at 31-03-2015 Rs.
<b>3 Reserves and Surplus</b>		
(a) Capital Reserves;	1,232,400	1,232,400
(b) General Reserve;	1,215,000	1,215,000
(c) Forfeited Shares amount originally paid	1,480,125	1,480,125
(d) Surplus	(2,487,584)	(3,327,708)
	<u>1,439,941</u>	<u>599,817</u>
<b>4 Trade Payable</b>		
i) Outstanding for more than 1 year	-	-
ii) Others	11,600,441	3,392,151
	<u>11,600,441</u>	<u>3,392,151</u>
<b>5 Other current liabilities</b>		
(a) Other payables	307,663	426,326
	<u>307,663</u>	<u>426,326</u>
<b>6 Short-term provisions</b>		
(a) Provision for income-tax	297,088	-
(b) Others	-	328,789
	<u>297,088</u>	<u>328,789</u>

(Amount in Rupees)

**Note-7 Fixed Asset**

Particulars	Gross Block			Depreciation			Value Transferred to retain earning of an asset useful life is NIL	
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end
1 Land;	-	-	-	-	-	-	-	-
2 Buildings;	-	-	-	-	-	-	-	-
3 Plant and Equipment;	-	-	-	-	-	-	-	-
4 Furniture and Fixtures;	-	-	-	-	-	-	-	-
5 Vehicles;	-	-	-	-	-	-	-	-
6 Office equipment;	-	-	-	-	-	-	-	-
7 Others	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-
<b>Capital Work in Progress</b>	40800000	-	-	40800000	-	-	-	40800000
<b>Previous year</b>	-	-	-	-	-	-	-	-

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part of the financial statements

Particulars	As at 31-03-2016 Rs.	As at 31-03-2015 Rs.
<b>8 Non-current investments</b>		
(a) Investments in partnership firms;	36,821,464	57,068,797
	<u>36,821,464</u>	<u>57,068,797</u>
<b>9 Long-term loans and advances (Unsecured, considered good;)</b>		
(b) Security Deposits;	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
<b>10 Inventories</b>		
(a) Finished goods;	9,179,095	-
	<u>9,179,095</u>	<u>-</u>
<b>11 Trade Receivables (Unsecured, considered Goods)</b>		
(ii) Others	2,731,863	3,373,814
	<u>2,731,863</u>	<u>3,373,814</u>
<b>12 Cash and cash equivalents</b>		
(a) Balances with banks;	532	232,348
(b) Cash on hand;	41,244	28,305
	<u>41,776</u>	<u>260,652</u>
<b>13 Short-term loans and advances (unsecured, considered goods)</b>		
(a) Others	31,432,904	10,605,802
	<u>31,432,904</u>	<u>10,605,802</u>
<b>14 Other current assets</b>		
(a) Others	815,531	815,518
	<u>815,531</u>	<u>815,518</u>

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part of the financial statements

Particulars	Year Ended 31-03-2016 Rs.	Year Ended 31-03-2015 Rs.
<b>15 In respect of a company other than a finance company revenue from operations shall disclose separately in the notes revenue from—</b>		
(a) Sale of products;	4,977,940	128,047,266
<b>A</b>	<u><b>4,977,940</b></u>	<u><b>128,047,266</b></u>
<b>16 Changes In Inventories</b>		
<b>1 Finished Goods</b>		
Opening Stock	-	-
Less : Closing Stock	9,179,095	-
	<u><b>(9,179,095)</b></u>	<u>-</u>
<b>Increase in Inventories of FG/WIP/Stock-in-trade</b>	<b>9,179,095</b>	-
<b>Decrease in Inventories of FG/WIP/Stock-in-trade</b>	-	-
<b>17 Other income</b>		
(a) Interest Income (other than a finance company);	3,990,851	-
(d) Other non-operating income	111,154	3,805,564
	<u><b>4,102,005</b></u>	<u><b>3,805,564</b></u>
<b>18 PURCHASES OF STOCK-IN-TRADE</b>		
Finished Goods	13,529,398	127,178,877
<b>Less:</b>		
Discount	-	15,144
	<u><b>13,529,398</b></u>	<u><b>127,163,733</b></u>
<b>19 Employee Benefits Expenses</b>		
1 Salaries and Wages	1,236,400	1,132,150
	<u><b>1,236,400</b></u>	<u><b>1,132,150</b></u>
<b>20 Finance Costs</b>		
(a) Bank charges/Bank Guarantee Charges/ Late fees	26,680	82,834
	<u><b>26,680</b></u>	<u><b>82,834</b></u>

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part of the financial statements

Particulars	Year Ended 31-03-2016 Rs.	Year Ended 31-03-2015 Rs.
<b>21 Other Expenses</b>		
1 Audit Fees	50,000	50,000
2 Advertising & Sales Promotion	84,934	61,438
3 Bad Debts	296,128	-
4 Brokerage	99,647	170,457
5 Carriage Outward	-	127,159
6 Computer Maintenance Exp.	9,200	18,350
7 Custodian Expenses	90,000	36,000
8 Conveyance Expenses	125,293	125,383
9 Electricity Charges	31,430	21,620
10 Insurance Exp	9,108	4,630
11 Internet Expenses	9,134	-
12 Legal & Professional Fees	127,248	198,556
13 Listing Fees	200,000	100,000
14 Office Expenses	78,554	92,193
15 Penalty for Professional Charges	2,000	-
16 Postage, Telegram, & Telephone Charges	61,841	94,456
17 Printing & Stationary	72,786	72,360
18 Profession Tax	2,500	2,500
19 ROC Fees	28,100	7,200
20 RTA-Service charges	71,502	-
21 Service Tax	77,516	48,866
22 Rents	356,000	252,000
23 Website Charges	11,300	-
	<b>1,894,221</b>	<b>1,483,168</b>

**Note:— Broad heads shall be decided taking into account the concept of materiality and presentation of true and fair view of financial statements.**

## SWADESHI INDUSTRIES AND LEASING LIMITED

Regd. Office: Shop No. 2-3, Shree Nath Krupa Building, Opp. Swagat Hall, Kasturba Rd No.5, Borivali  
(E), Mumbai - 400066, Ph: 022 2864 8850 CIN: L45209MH1983PLC031246  
Email: compliance@swadeshiglobal.com Website: www.swadeshiglobal.com

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### ATTENDANCE SLIP

**Please fill Attendance Slip and hand it over at the entrance of the meeting hall.**

Joint shareholders may obtain additional Attendance Slip on request.

**Master Folio No.:** \_\_\_\_\_ **No. of Shares held:** \_\_\_\_\_

**DP ID:** \_\_\_\_\_ **Client ID:** \_\_\_\_\_

**Mr./Ms./Mrs.:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

I/We record my/our presence at the 32<sup>nd</sup> Annual General Meeting to be held on Friday 23<sup>rd</sup> September, 2016  
at 4.30 p.m. at Hotel Granville, Plot No. 680/D, Opp. Kora Kendra Ground, R.M. Bhattar Road, Borivali  
(West), Mumbai – 400 092

\_\_\_\_\_  
(Proxy's Name in Block letters)

\_\_\_\_\_  
(Member's /Proxy's Signature#)

# Strike out whichever is not applicable

# SWADESHI INDUSTRIES AND LEASING LIMITED

Regd. Office: Shop No. 2-3, Shree Nath Krupa Building, Opp. Swagat Hall, Kasturba Rd No.5,  
Borivali (E), Mumbai - 400066, Ph: 022 2864 8850 CIN: L45209MH1983PLC031246  
Email: compliance@swadeshiglobal.com Website: www.swadeshiglobal.com

## Form No. 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	L45209MH1983PLC031246	
Name of the company	SWADESHI INDUSTRIES AND LEASING LIMITED	
Registered office	Shop No. 2-3, Shree Nath Krupa Building, Opp. Swagat Hall, Kasturba Rd No.5, Borivali (E), Mumbai - 400066	
Name of the member (s)		
Registered address		
E-mail Id		
Folio No/ Client Id	DP ID	

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

Name	
Address	
E-mail Id	Signature

OR FAILING HIM

Name	
Address	
E-mail Id	Signature

OR FAILING HIM

Name	
Address	
E-mail Id	Signature



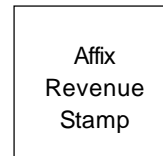
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the share holders of **Swadeshi Industries & Leasing Limited (CIN-L45209MH1983PLC031246)** will be held on Friday, 23rd September, 2016 at 4.30 p.m. at Hotel Granville, Plot No. 680/D, Opp. Kora Kendra Ground, R.M. Bhattar Road, Borivali (West), Mumbai - 400 092 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.: RESOLUTIONS	For	Against
1. Adoption of Financial Statements for the period ended 31st March 2016		
2. Re-appointment of Mr. Gourav Jain, (DIN 06794973), who retires by rotation.		
3. Appointment of M/s. Motilal & Associates, as Auditors & fixing their remuneration.		
4. Regularisation of appointment of Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468) as an Independent Director of the Company.		
5. Regularisation of appointment of Ms. Krishna Kamalkishor Vyas (DIN 07444324) as an Independent Director of the Company.		

Signed this..... day of..... 2016

Signature of Shareholder: ..... /

Signature of Proxy holder(s): .....



**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.**

**BOOK POST**

*If Undelivered, Please Return to :*

**SWADESHI INDUSTRIES AND LEASING LIMITED**

Regd Office: Shop No. 2-3, Shree Nath Krupa  
Building, Opp. Swagat Hall, Kasturba Rd No.5,  
Borivali (E), Mumbai - 400066.

Tel. No. : 022 28648850

**32<sup>nd</sup>**  

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**Annual Report**  
**2015-2016**

**SWADESHI INDUSTRIES AND  
LEASING LIMITED**

**CIN NO: L45209MH1983PLC031246**

## SWADESHI INDUSTRIES AND LEASING LIMITED

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