

## SWADESHI INDUSTRIES & LEASING LIMITED

### BOARD OF DIRECTORS

|                              |                |                   |
|------------------------------|----------------|-------------------|
| Mr. Gaurav Jain              | (DIN 06794973) | Managing Director |
| Mrs. Indira Dhariwal         | (DIN 02524743) | Director          |
| Ms. Krishna Kamalkishor Vyas | (DIN 07444324) | Director          |
| Mr. Amit Kumar               | (DIN 06393899) | Director          |

### BOARD COMMITTEES

| Audit Committee             | Nomination & Remuneration Committee | Stakeholders' Relationship Committee | Share Transfer Committee    |
|-----------------------------|-------------------------------------|--------------------------------------|-----------------------------|
| Amit Kumar, <i>Chairman</i> | Amit Kumar, <i>Chairman</i>         | Amit Kumar, <i>Chairman</i>          | Amit Kumar, <i>Chairman</i> |
| Indira Dhariwal             | Indira Dhariwal                     | Indira Dhariwal                      | Indira Dhariwal             |
| Krishna Vyas                | Krishna Vyas                        | Krishna Vyas                         | Krishna Vyas                |
| Gaurav Jain                 | Gaurav Jain                         | Gaurav Jain                          | Gaurav Jain                 |

### KEY MANAGERIAL PERSONNEL

|                             |   |   |
|-----------------------------|---|---|
| Gaurav Jain                 | : | <i>Chairman &amp; Managing Director</i>           |
| Vikas Kushalchand Sanklecha | : | <i>Chief Financial Officer</i>                    |
| Shruti Jain                 | : | <i>Company Secretary &amp; Compliance Officer</i> |

### AUDITOR

M/s. Dhawan & Co., *Chartered Accountants*,  
404B, Bajrang Building, Maruti Nagar Complex, Dahisar (E), Mumbai- 400068  
Tel: 8652494370 ,E-mail: [gupta9404@gmail.com](mailto:gupta9404@gmail.com)

### BANKERS

HDFC Bank Limited (Borivali East Branch, Mumbai)

### REGISTRARS & SHARE TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.  
C 101,247 Park, L. B. S. Marg, Vikhroli (W), Mumbai -400 083  
Tel.No.: 022-49186000 Fax No. : 022-49186060 Email – [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in).

### REGISTERED OFFICE

Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata, Bhiwandi Thane MH 421302 IN.  
Phone 022 2864 8850 Email: [compliance@swadeshiglobal.com](mailto:compliance@swadeshiglobal.com) Website: [www.swadeshiglobal.com](http://www.swadeshiglobal.com)

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## SWADESHI INDUSTRIES & LEASING LIMITED

### NOTICE

NOTICE is hereby given that the 36<sup>th</sup> ANNUAL GENERAL MEETING of the Members of **SWADESHI INDUSTRIES AND LEASING LIMITED** (CIN: L45209MH1983PLC031246) will be held on Tuesday, 29th September, 2020 at 12.30 p.m. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

#### **ORDINARY BUSINESS:**

- 1) To receive, consider, approve and adopt the Audited Financial statements of the Company comprising of Balance Sheet as at 31st March 2020, Profit and Loss Accounts (Statements of Profit and Loss) for the year ended on that date, Cash Flow Statement and the Notes together with the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Gaurav Jain (Din 06794973) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To consider and if thought fit, to pass with or without modification(s), 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, who have offered themselves for re-appointment and 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 2020-21, 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 applicable taxes and re-imburement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

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

**-SD/-**

**GAURAV JAIN**  
**DIN: 06794973**  
**Managing Director**

#### **Registered Office:**

Munisuvrat Complex, Phase III, Building.  
A 1, 1st floor, Near AnjurPhata,  
Bhiwandi Thane MH 421302 IN

Date: 1<sup>st</sup> September, 2020

Place: Mumbai

CIN: L45209MH1983PLC031246

## SWADESHI INDUSTRIES & LEASING LIMITED

### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read with circular dated 8th April, 2020 and 13th April, 2020 (collectively referred to as (“MCA circular”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVN, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Obligations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. In terms of the provisions of Section 152 of the Act, Mr. Gaurav Jain (Din 06794973) Director of the Company, retire by rotation at the Meeting and being eligible offers herself for re-appointment.
5. The relevant details, pursuant to Regulation 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this Meeting are provided in the “Annexure” to the Notice.
6. Institutional / Corporate Shareholders(i.e. other than individuals / HUF,NRI, etc.) are required to send scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizers by email through its registered email address with a copy marked to the Company.
7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialized form.
8. Members can contact the Company or Company’s Registrars and Transfer Agents, Link Intime India Private Limited, for assistance in this regard. Members may also refer to Frequently Asked Questions (“FAQs”) on Company’s website: [www.swadeshiglobal.com](http://www.swadeshiglobal.com).
9. The Register of Members and Share Transfer Register of the Company will remain closed from Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive).
10. The Members are requested to:
  - 1) intimate any change in their address to the Registrars and Transfer Agents, Link Intime India Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West),Mumbai-400083.
  - 2) Quote their Folio No. /Client ID No. in their correspondence with the Company/Registrar and Share Transfer Agents.
  - 3) Send their queries at least 10 days in advance so that the required information can be made available at the meeting.
  - 4) Intimate Registrar and Share Transfer Agents M/s. Link Intime India Private Limited for consolidation of their folios, in case they are having more than one folio.

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11. To support the “Green Initiative for Paperless Communications” Members who have not yet registered their email ids are requested to register the same with their DPs in case the shares are held in electronic form and with Company’s RTA in case the shares are held in physical form.
12. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email address are registered with Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website and Website of Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. The Company has engaged the services of the National Securities Depository Limited (“NSDL”) for facilitating remote e-voting for the said meeting to be held on Tuesday, 29th September, 2020. The Shareholders are requested to follow the instructions mentioned in Note below.
16. The voting by Shareholders through the remote e-voting shall commence at 9.00 a.m. on Saturday, 26th September, 2020 and shall close at 5.00 p.m. on Monday, 28th September, 2020. During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 22nd September, 2020 i.e. cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the Meeting through VC / OAVM facility and have not cast their vote on the Resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting.
17. The Shareholders of the Company can opt only one mode for voting i.e. remote e-voting or e-voting during the meeting. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.
18. The Shareholders of the Company attending the Meeting, who have not cast their vote through remote e-voting shall be entitled to exercise their vote during the Meeting by VC/ OAVM. Equity shareholders who have cast their votes through remote e-voting may attend the Meeting but shall not be entitled to cast their vote during the Meeting.
19. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / beneficial owner as on the cut-off date i.e. Tuesday, 22nd September, 2020.
20. The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. Tuesday, 22nd September, 2020 only shall be entitled to vote on the resolutions set out in this Notice. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
21. Any person, who acquires shares of the Company and become member of the Company after emailing of the notice and holding shares as of the cut-off date i.e. Tuesday, 22nd September, 2020, may obtain the login ID and password by sending a request at email ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA email ID [ashok.sheru\\_ar@linkintime.co.in](mailto:ashok.sheru_ar@linkintime.co.in).
22. However, if you are already registered with NSDL for remote e-voting then 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 at the following toll free no.: 1800-222-990.

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23. The Members can join the Meeting through VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the Meeting. The facility of participation at the Meeting through VC/OAVM will be made available for 1000 members on first come first serve basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the Meeting without any restriction on account of first-come first-served principle.
24. Any queries/ grievances in relation to the voting by e-voting may be addressed to the Company Secretary of the Company through email at [compliance@swadeshiglobal.com](mailto:compliance@swadeshiglobal.com), or may be addressed to NSDL at [evoting.nsdl.co.in](mailto:evoting.nsdl.co.in).
25. The Board of Directors has appointed Sanjay Dholakia (Membership No. 2655, C.P. NO. 1798) of Sanjay Dholakia & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
26. **For Members receiving e-mail on their registered email ids from NSDL:**

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 are mentioned below:**

### **How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.            | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12***** then your user ID is 12*****   |
| c) For Members holding shares in Physical Form.                       | EVEN Number followed by Folio Number registered with the company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

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5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Details on Step 2 are given below:**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sanjayrd65@yahoo.com](mailto:sanjayrd65@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

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- 3 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [compliance@swadeshiglobal.com](mailto:compliance@swadeshiglobal.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [compliance@swadeshiglobal.com](mailto:compliance@swadeshiglobal.com).

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present at the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Meeting shall be the same person mentioned for Remote evoting.

### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/ OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the Meeting through VC/ OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under Shareholders/ Members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in Shareholder/Members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at [compliance@swadeshiglobal.com](mailto:compliance@swadeshiglobal.com). The same will be replied by the Company suitably.

#### Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than

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48 hours of 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.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.swadeshiglobal.com](http://www.swadeshiglobal.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.

30. Details of Directors seeking re-appointment as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015 and Secretarial Standards -2 issued by the Institute of Company Secretaries of India at the forth coming Annual General Meeting:

|  |  |
|--|--|
| <b>Name</b>  | GAURAV JAIN  |
| <b>Age</b>   | 40   |
| <b>Date of First Appointment</b>   | 10/02/2014   |
| <b>Date of Birth</b>   | 18 <sup>th</sup> February, 1980  |
| <b>Qualification</b>   | B.Com  |
| <b>Nature of Expertise</b>   | Expert in Manufacturing of Textile Cloth. & Experience of Financial & Management |
| <b>Experience</b>  | 12 Years   |
| <b>Name of other Public Companies in which holds Directorship</b>                    | Nil  |
| <b>Name of other Companies in Committees of which holds Membership/ Chairmanship</b> | Nil  |
| <b>Shareholding in Swadeshi Industries &amp; Leasing Limited.</b>                    | Nil  |
| <b>Inter-se Relations Among Directors</b>  | Nil  |
| <b>Details of last Remuneration drawn</b>  | Nil  |

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

-SD/-

**GAURAV JAIN**  
**Managing Director**  
**DIN: 06794973**

**Registered Office:**

Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata, Bhiwandi Thane MH 421302

Date: 1<sup>st</sup> September, 2020

Place: Mumbai

CIN: L45209MH1983PLC031246



# SWADESHI INDUSTRIES & 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 36<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the period ended 31<sup>st</sup> March 2020.

### 1. Financial Results:

(in Lacs)

| Particulars  | For the year ended 31.03.2020 | For the year ended 31.03.2019 |
|--|-------------------------------|-------------------------------|
| Revenue from Operations                              | 116.87                        | 212.87                        |
| Profit before Depreciation & Amortization            | 19.07                         | -96.33                        |
| Depreciation & Amortization                          | 0.53.                         | 28.18                         |
| Profit / (Loss) before taxation                      | -18.54                        | 96.61                         |
| Provision for taxation (incl. deferred tax)          | -0.06                         | 0.69                          |
| Profit/ (Loss) for the year carried to Balance Sheet | -18.48                        | -95.92                        |

### 2. Brief description of the Company's working during the year/ state of Company's affair:

During the year under review, the revenue from operations stood at Rs. 116.87 Lacs as against Rs. 212.87 Lacs in the previous year and the total income (which includes other income) stood at Rs. 119.96 Lacs as against Rs. 233.90 Lacs. The Company has occurred a Net Loss of Rs. 18.48 Lacs as compared to the Loss of Rs.95.92 Lacs during the previous accounting year.

### 3. COVID-19

The World Health Organization declared a global pandemic of the Novel Corona virus disease (COVID-19) on February 11, 2020. In enforcing social distancing to contain the spread of the disease, our offices and client offices all over the world have been operating with minimal or no staff for extended periods of time. To effectively respond to and manage our operations through this crisis, the Company triggered its business continuity management program, chaired by the Chief Operating Officer. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and be assured of their well-being.

Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the workforce to an entirely new 'work-from-home' model. Proactive preparations were done in our work locations during this transition to ensure our offices and training centers were safe.

As a responsible member of the communities that it operates in, the Company has contributed to various COVID-19 relief and monitoring programs in India. Contributions made here will be channelized through suitable government agencies / NGOs.

### 4. 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.

### 5. 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.

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### 6. Change in the nature of business, if any:

There was no change in nature of business.

### 7. Share Capital

The Authorised Share Capital of the Company is Rs. 12,50,00,000. The Issued, Subscribed and Paid up Capital of the Company stood at Rs. 10,81,79,500 as on March 31, 2020. There was no requirement of fresh capital infusion during the year under review.

### 8. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

No material changes have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

### 9. 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:

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### 10. Details of Subsidiary/ Joint Ventures/ Associate Companies:

The Company did not have any Subsidiary Company/Joint Venture/Associate Company during the year under review.

### 11. Public Deposits:

Your Company has not been accepting any deposits from the public and hence there are no unpaid /unclaimed deposits or any instance of default in repayment thereof.

### 12. Extract of the Annual Return:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in Form MGT – 9 in terms of provisions of Section 92(3) of the Companies Act, 2013 read with Rules thereto is available on website of the Company [www.swadeshiglobal.com](http://www.swadeshiglobal.com).

In terms of Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is enclosed as Annexure-2.

### 13. Conservation of energy, technology absorption and foreign exchange earnings and outgo:

#### 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. In future your Company will take steps to conserve energy and use alternative source of energy such as solar energy.

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

Your Company firmly believes that our planet is in dire need of energy resources and conservation is the best policy. Your Company has not made any investment on energy conservation equipments.

## SWADESHI INDUSTRIES & LEASING LIMITED

### 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:

|                                     | Current Year | Previous Year |
|-------------------------------------|--------------|---------------|
| Foreign Exchange Earnings and Outgo | NIL          | NIL           |

### 14. Directors And Key Managerial Personnel:

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

The Board of Directors at its Meeting held on 28th May, 2019, appointed Mrs. Indira Dhariwal(DIN 02524743) as Additional Director and Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468) resigned from Board w.e.f.28<sup>th</sup> May 2019.

Mr. Gaurav Jain (DIN 06794973) Director who is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seek re-appointment pursuant to Section 152 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The following are the Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013:

| Sr. No. | Name of the Person           | Designation       |
|---------|------------------------------|-------------------|
| 1       | Mr. Gaurav Jain              | Managing Director |
| 2       | Ms. Krishna Kamalkishor Vyas | Director          |
| 3       | Mr. Amit Kumar               | Director          |
| 4       | Ms. Indira Dhariwal          | Director          |
| 5       | Mr. Vikas Jain               | CFO               |
| 6       | Ms. Shruti Jain              | Company Secretary |

#### Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, of individual Directors as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

## SWADESHI INDUSTRIES & LEASING LIMITED

### Directors:

#### i. Independent Directors:

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (in the absence of the director getting evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders, etc. The Board was of the unanimous view that every Independent Director was a reputed professional and brought his rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all Independent Directors in guiding the management to achieving higher growth and continuance of each independent director on the Board will be in the interest of the Company.

#### ii. Non-Independent Directors:

The performance of all the non-independent directors was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance, stakeholders etc. The Board was of the unanimous view that all the non-independent directors were providing good business and people leadership.

#### iii. 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).

#### iv. Familiarization Programme to Independent Directors:

The Company has provides suitable familiarization program to Independent Directors so as to associate themselves with the nature of the industry in which the company operates and business model of the company in addition to regular presentation on technical operations, marketing and exports and financial statements. In addition to the above, Directors are periodically advised about the changes effected in the Corporate Law, Listing Regulations with regard to their roles, rights and responsibilities as Directors of the company. The same is available on the website of the company.

### 15. Details of Committee of the Board:

Currently the Board has 4 Committees: the Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee and Stakeholders' Relationship Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules there under and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, are as follows:

#### A. Audit Committee:

##### i. Constitution of Audit Committee:

The Audit Committee comprising of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamal kishor Vyas, Mr. Gaurav Jain & Ms. Indira Dhariwal 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.

## SWADESHI INDUSTRIES & LEASING LIMITED

### ii. Details of establishment of vigil mechanism for directors and employees:

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.

### B. Nomination and remuneration 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 Kamal kishor Vyas, Mr. Gaurav Jain & Ms. Indira Dhariwal 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. A copy of policy is annexed as Annexure- 4

Details of remunerations paid to the Directors and Key Managerial Personnel during 2019-20 are given below:

| Name of the Directors                        | Directors' Position  | Relationship with other Directors | Salary & allowances (Rs.) | Perquisites (Rs.) | Sitting Fees (Rs.) |
|--|----------------------|-----------------------------------|---------------------------|-------------------|--------------------|
| Mr. Gaurav Jain (DIN 06794973)               | Managing Director    | --                                | Nil                       | Nil               | Nil                |
| Mr. Amit Kumar (DIN 06393899)                | Independent Director | --                                | Nil                       | Nil               | Nil                |
| Ms. Indira Dhariwal (DIN 02524743)           | Independent Director | --                                | Nil                       | Nil               | Nil                |
| Ms. Krishna Kamal Kishor Vyas (DIN 07444324) | Independent Director | --                                | Nil                       | Nil               | Nil                |
| Mr. Vikas Sanklecha                          | CFO                  | --                                | 3,00,000                  | Nil               | Nil                |
| Ms. Shruti Jain                              | Company Secretary    | --                                | 3,00,000                  | Nil               | Nil                |

### C. Share Transfer Committee

The Share transfer Committee comprises of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamal kishor Vyas, Mr. Gaurav Jain & Ms. Indira Dhariwal Director as other members of the Committee. The role of the Committee is to consider and resolve any difficulties faced by the shareholders in transfer of shares. The meetings of the Committee are held once in a quarter and the complaints are responded within the time frame provided.

### D. Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee comprises of Mr. Amit Kumar Independent Director as the Chairman of the committee and Ms. Krishna Kamal kishor Vyas, Mr. Gaurav Jain & Ms. Indira Dhariwal 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.

## SWADESHI INDUSTRIES & LEASING LIMITED

### 16. Auditors:

M/s. Dhawan & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 002864N being eligible offer themselves for re-appointment till the conclusion of the next AGM. If re-appointed, it will be within the prescribed limits specified in Section 139 of the Companies Act, 2013. 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.

### 17. Secretarial Audit Report:

The Board of Directors have appointed M/s. Sindhu Nair & Associates, Practicing Company Secretaries to conduct Secretarial Audit for the financial year 2019-20, as required under Section 204 of the Companies Act, 2013 and the rules framed there under. The Secretarial Audit Report for the financial year 2019-20 forms part of the Directors' Report as **Annexure 1**.

### 18. Board Meetings:

During the year under review, the Company has conducted 4 (Four) Board Meetings. The intervening gap between any two meetings was not more than 120 days as prescribed by the Companies Act, 2013

| Sr. No | Type of Meeting | Date                            |
|--------|-----------------|---------------------------------|
| 1      | Board Meeting   | 28 <sup>th</sup> May, 2019      |
| 2      | Board Meeting   | 14 <sup>th</sup> August, 2019   |
| 3      | Board Meeting   | 12 <sup>th</sup> November, 2019 |
| 4      | Board Meeting   | 13 <sup>th</sup> February, 2020 |

### 19. Particulars of loans, guarantees or investments under section 186:

During the year under review, your Company has not granted any inter corporate loan, neither provided any Guarantee in connection with any loan to any party nor made any investment in terms of the provisions of Section 186 of the Companies Act, 2013.

### 20. Particulars of contracts or arrangements with Related Party:

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and listing regulation. 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. All related party transactions are presented to the Audit Committee and the Board, if required for approval. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

### 21. 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:

- In preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from them;
- 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;

## SWADESHI INDUSTRIES & LEASING LIMITED

- 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;
- e) the Directors had laid down internal financial controls to be followed by the Company & that such internal financial controls are adequate and were operating effectively; and
- f) 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.

### 22. 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. However, your Company has paid remuneration to Chief Financial Officer of the Company and hence the information as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure - 3**.

- 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 relevant particulars of employees as required to the extent applicable under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is set out in the **Annexure -3** to this report.

### 23. Management Discussion and Analysis Report:

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. The report on the same is appended as **Annexure 7**.

### 24. Secretarial Standards

The Directors state that "the Board have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively".

### 25. Corporate Governance:

At Swadeshi, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. As per the Regulation 27 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015 a separate section for Report on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance is annexed as a part of the Annual Report as **Annexure 5**.

### 26. Corporate Social Responsibility (CSR):

In line with the new provisions of the Companies Act, 2013 and the rules framed there under with respect to the Corporate Social Responsibility (CSR), your company is not governed by the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. So, the Company is not required to formulate a policy on CSR and also has not constituted a CSR Committee.

## **SWADESHI INDUSTRIES & LEASING LIMITED**

### **27. Internal Financial Control System and their Adequacy:**

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business. The management exercises financial control on the operations through a well-defined budget monitoring process and other standard operating procedures.

### **28. Risk Management Policy:**

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 year a risk analysis and assessment was conducted and no major risks were noticed.

### **29. 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 authorized person under the said act has confirmed that no complaint/case has been filed/pending with the Company during the year.

### **30. 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).

### **31. 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 **SWADESHI INDUSTRIES AND LEASING LIMITED**

**-SD/-**

Gaurav Jain  
Managing Director  
(DIN 06794973)

Date: 30<sup>th</sup> June, 2020.

Place: Mumbai



**SWADESHI INDUSTRIES & LEASING LIMITED**

**Annexure 1**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

For the financial year ended March 31, 2020

[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**  
**Munisuvrat Complex, Phase III, BldgA 1,**  
**1<sup>st</sup> Floor, Near AnjurPhata,**  
**Bhiwandi, Thane - 421302**

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 March 31, 2020, 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, 2020, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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'):-
  - 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, 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 (Share Based Employee Benefits) Regulations, 2014);

## SWADESHI INDUSTRIES & LEASING LIMITED

- 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 (Depositories and Participants) Regulations, 2018
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period); and
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.

We have also examined compliance with the applicable clauses of 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.

***During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines, as mentioned above, except the following regulation of SEBI (LODR) Regulations, 2015***

- 1) Regulation 34: Non-submission of the Annual Report within the period provided under the regulation.***

***The Company has received a notice from the BSE for the under mentioned disqualification and the BSE has also charged a fine on the Company. However, the Company has not yet paid the fine/ penalty levied; but the Company has made the necessary representations to the BSE and has also requested for waiver of the said penalty.***

- 1) Regulation 34: Non-submission of the Annual Report within the period provided under the regulation.***

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 of Board of Directors 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 at least 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.

## **SWADESHI INDUSTRIES & LEASING LIMITED**

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 I and forms an integral part of this Report.

**For SINDHU NAIR & ASSOCIATES**

-SD/-

**(SINDHU G NAIR)**  
**Practicing Company secretary**  
**Proprietor**  
**(FCS- 7938, CP- 8046)**  
**UDIN:F007938B000399318**

**Place:** Mumbai

**Date:**30-6-2020

### **ANNEXURE I TO SECRETARIAL AUDIT REPORT**

To,

The Members

**SWADESHI INDUSTRIES AND LEASING LIMITED**  
**Munisuvrat Complex, Phase III, BldgA 1,**  
**1<sup>st</sup> Floor, Near AnjurPhata,**  
**Bhiwandi, Thane - 421302**

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. 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.

**For SINDHU NAIR & ASSOCIATES**

-SD/-

**(SINDHU G NAIR)**  
**Practicing Company Secretary**  
**Proprietor**  
**(FCS- 7938, CP- 8046)**

**Place:** Mumbai

**Date:**30-6-2020

## SWADESHI INDUSTRIES & 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 31.03.2020**

#### I. REGISTRATION & OTHER DETAILS:

|   |  |  |
|---|--|--|
| 1 | CIN  | L45209MH1983PLC031246  |
| 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                         | Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near Anjur Phata, Bhiwandi Thane MH 421302 IN.. Phone: 022-2864-8850<br><a href="mailto:Email-compliance@swadeshiglobal.com">Email-compliance@swadeshiglobal.com</a><br>Web: <a href="http://www.swadeshiglobal.com">www.swadeshiglobal.com</a> |
| 6 | Whether listed company   | YES  |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Link Intime India Pvt. Ltd.<br>C 101, 247 Park, L. B. S. Marg, Vikhroli (W),<br>Mumbai -400 083.<br>Tel.No.: 022-49186000/ Fax No. : 022-49186060<br>E-mail: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a>  |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

| Sr. No. | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | Trading of Cloth                             | 51311                            | 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 & 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 |                          |
| A. Promoters   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| (i) Indian   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| a) Individual/HUF  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| b) Central Govt. Or State Govt.  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| c) Bodies Corporate  | 3080850   | 0             | 3080850         | 28.48             | 3080850                                   | 0             | 3080850         | 28.48             | 0                        |
| d) Bank/FL   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| e) Any other   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| <b>Sub Total: (A) (i)</b>  | <b>3080850</b>                                  | <b>0</b>      | <b>3080850</b>  | <b>28.48</b>      | <b>3080850</b>                            | <b>0</b>      | <b>3080850</b>  | <b>28.48</b>      | <b>0</b>                 |
| (ii) Foreign   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| a) NRI- Individuals  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| b) Other Individuals   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| c) Bodies Corp.  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| d) Banks/FI  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| e) Any other   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| <b>Sub Total (A) (ii)</b>  | <b>0</b>  | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>                                  | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>                 |
| <b>Total Shareholding of Promoter (A)= (A)(i)+(A)(ii)</b>                          | <b>3080850</b>                                  | <b>0</b>      | <b>3080850</b>  | <b>28.48</b>      | <b>3080850</b>                            | <b>0</b>      | <b>3080850</b>  | <b>28.48</b>      | <b>0</b>                 |
| B. Public Shareholding   |   |               |                 |                   |   |               |                 |                   |                          |
| (i) Institutions   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| a) Mutual Funds  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| b) Banks/FI  | 0   | 50            | 50              | 0.00              | 13295                                     | 50            | 13345           | 0.12              | 0.12                     |
| c) Central Govt.   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| d) State Govt.   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| e) Venture Capital Fund  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| f) Insurance Companies   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| g) FIIS  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| h) Foreign Venture Capital Funds   | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| i) Others (specify)  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| <b>Sub Total: (B) (i)</b>  | <b>0</b>  | <b>50</b>     | <b>50</b>       | <b>0.00</b>       | <b>13295</b>                              | <b>50</b>     | <b>13345</b>    | <b>0.12</b>       | <b>0.12</b>              |
| (ii) Non Institutions  |   |               |                 |                   |   |               |                 |                   |                          |
| a) Bodies corporate  | 4281091   | 7400          | 4288491         | 39.64             | 4176658                                   | 6700          | 4183358         | 38.67             | (0.97)                   |
| b) Individuals   |   |               |                 |                   |   |               |                 |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs          | 1692531   | 378294        | 2070825         | 19.14             | 1760026                                   | 372603        | 2132629         | 19.71             | 0.57                     |
| ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs | 1176421   | 0             | 1176421         | 10.87             | 1276684                                   | 0             | 1276684         | 11.80             | 0.93                     |
| c) Any Other (specify) NRIs  | 3973  | 0             | 3973            | 0.04              | 4173                                      | 0             | 4173            | 0.04              | 0.00                     |
| NBFC's registered with RBI   | 29261   | 0             | 29261           | 0.27              | 0   | 0             | 0               | 0                 | (0.27)                   |
| Clearing Members HUF   | 33426   | 0             | 33426           | 0.31              | 223                                       | 0             | 223             | 0.00              | (0.31)                   |
|  | 134653  | 0             | 134653          | 1.25              | 126688                                    | 0             | 126688          | 1.17              | (0.07)                   |
| <b>Sub Total (B)(ii):</b>  | <b>7351356</b>                                  | <b>385694</b> | <b>7737050</b>  | <b>71.52</b>      | <b>7344452</b>                            | <b>379303</b> | <b>7723755</b>  | <b>71.39</b>      | <b>(0.12)</b>            |
| <b>Total Public Shareholding (B)= (B)(i)+(B)(ii)</b>                               | <b>7351356</b>                                  | <b>385694</b> | <b>7737050</b>  | <b>71.52</b>      | <b>7357747</b>                            | <b>379353</b> | <b>7737100</b>  | <b>71.52</b>      | <b>0</b>                 |
| C. Shares held by Custodian for GDRs & ADRs  | 0   | 0             | 0               | 0.00              | 0   | 0             | 0               | 0.00              | 0                        |
| <b>Grand Total (A+B+C)</b>   | <b>10432206</b>                                 | <b>385744</b> | <b>10817950</b> | <b>100.00</b>     | <b>10438597</b>                           | <b>379353</b> | <b>10817950</b> | <b>100.00</b>     | <b>0</b>                 |

**SWADESHI INDUSTRIES & LEASING LIMITED**

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

| Sr. 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 | 2730850                                   | 25.24%                           | NIL  | 2730850                             | 25.24%                           | NIL  | -  |
| 2      | Lalima Buildcon Pvt Ltd. | 350000                                    | 3.24%                            | NIL  | 350000                              | 3.24%                            | NIL  | -  |

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

| 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 | 2730850                                   | 25.24%                           | NIL                                 | 27308500                                | 25.24%                           |
| 2      | Lalima Buildcon Pvt Ltd. | 350000                                    | 3.24%                            | NIL                                 | 350000                                  | 3.24%                            |

**(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                   | 503838                                    | 4.6574                           | NIL                                 | 503838                                  | 4.6574                           |
| 2      | Moonview Mercantile Pvt Ltd            | 501395                                    | 4.6348                           | NIL                                 | 501395                                  | 4.6348                           |
| 3      | Florin Consultancy Pvt Ltd             | 343663                                    | 3.1768                           | NIL                                 | 343663                                  | 3.1768                           |
| 4      | Shivputra Distributors Private Limited | 333225                                    | 3.0803                           | NIL                                 | 333225                                  | 3.0803                           |
| 5      | Topwell Properties Private Limited     | 210555                                    | 1.9463                           | NIL                                 | 210555                                  | 1.9463                           |
| 6      | SurajKenwar                            | 232219                                    | 2.1466                           | NIL                                 | 232219                                  | 2.1466                           |
| 7      | Gannayak Barter Private Limited        | 197800                                    | 1.8284                           | NIL                                 | 197800                                  | 1.8284                           |
| 8      | Smartchamp Services Pvt Ltd            | 180000                                    | 1.6639                           | Sold 45 Shares on 15/11/19          | 179955                                  | 1.6635                           |
| 9      | ShantilalKawar                         | 160000                                    | 1.4790                           | NIL                                 | 160000                                  | 1.4790                           |
| 10     | Arni Shares Private Limited            | 135000                                    | 1.2479                           | NIL                                 | 135000                                  | 1.2479                           |

**SWADESHI INDUSTRIES & 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      | Gaurav Jain (Din 06794973)              | NIL                                       | NIL                              | NIL                                 | NIL                                     | NIL                              |
| 3      | Indira Dhariwal (DIN 02524743)          | NIL                                       | NIL                              | NIL                                 | NIL                                     | NIL                              |
| 4      | Krishna Kamalkishor Vyas (DIN 07444324) | NIL                                       | NIL                              | NIL                                 | NIL                                     | NIL                              |
| 5      | Vikas Sanklecha (PAN AOZPS0216B)        | NIL                                       | NIL                              | NIL                                 | NIL                                     | NIL                              |
| 6      | Shruti Jain(PAN ATJPJ1641E)             | NIL                                       | NIL                              | NIL                                 | NIL                                     | NIL                              |

**V. INDEBTEDNESS:**

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

| Particulars Secured Loans   | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year 01.04.2019</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                              | NIL             | NIL      | NIL                |
| - Reduction   | NIL                              | NIL             | NIL      | NIL                |
| Net change  | NIL                              | NIL             | NIL      | NIL                |
| <b>Indebtedness at the end of the financial year-31.03.2020</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 & 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 |     | Total Amount (Rs.InLacs) |
|--------|---|------------------------|-----|--------------------------|
|        |   |                        |     |                          |
| 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) Income Tax Act, 1961        |                        |     |                          |
| 2      | Stock Option  | NIL                    | NIL | NIL                      |
| 3      | Sweat Equity  | NIL                    | NIL | NIL                      |
| 4      | Commission<br>- As % of Profit<br>- Others, specify                           | NIL                    | NIL | NIL                      |
| 5      | Others, please specify<br>Provident 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 |     |     | Total Amount |
|--|-------------------|-----|-----|--------------|
|  |                   |     |     |              |
| Fee for attending board committee meetings | NIL               | NIL | NIL | NIL          |
| Commission                                 | NIL               | NIL | NIL | NIL          |
| Others                                     | NIL               | NIL | NIL | NIL          |
| <b>Total (1)</b>                           | NIL               | NIL | NIL | NIL          |

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

| Other Non-Executive Directors              | Name of Non-Executive Directors |     |     | Total Amount |
|--|---------------------------------|-----|-----|--------------|
|  |                                 |     |     |              |
| Fee for attending board committee meetings | NIL                             | NIL | NIL | NIL          |
| Commission                                 | NIL                             | NIL | NIL | NIL          |
| Others                                     | NIL                             | NIL | NIL | NIL          |
| <b>Total (2)</b>                           | NIL                             | NIL | NIL | NIL          |
| <b>Total B = (1+2)</b>                     |                                 |     |     | NIL          |



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**B. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD**

| Sr. No | Particulars of Remuneration   | Name of KMP               |                                     | Total Amount (Rs.InLacs) |
|--------|---|---------------------------|-------------------------------------|--------------------------|
|        |   | Mr. Vikas Sanklecha (CFO) | Ms. Shruti Jain (Company Secretary) |                          |
| 1      | Gross Salary  | 300000                    | 300000                              | 600000                   |
|        | (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) Income Tax Act, 1961        | NIL                       | NIL                                 | NIL                      |
| 2      | Stock Option  | NIL                       | NIL                                 | NIL                      |
| 3      | Sweat Equity  | NIL                       | NIL                                 | NIL                      |
| 4      | Commission<br>- As % of Profit<br>- Others, specify                           | NIL                       | NIL                                 | NIL                      |
| 5      | NIL   | NIL                       | NIL                                 | NIL                      |
|        | Performance Bonus   | NIL                       | NIL                                 | NIL                      |
|        | <b>Total (C)</b>  | 300000                    | 300000                              | 600000                   |

**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) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|-----------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                            |                                   |
| Penalty Punishment Compounding      |                              |                   | None   |                            |                                   |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                            |                                   |
| Penalty Punishment Compounding      |                              |                   | None   |                            |                                   |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                            |                                   |
| Penalty Punishment Compounding      |                              |                   | None   |                            |                                   |

## SWADESHI INDUSTRIES & LEASING LIMITED

### Annexure 3

#### DETAILS OF REMUNERATION

##### Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Your Company has not paid any remuneration to its Director during the financial year 2019-20 hence no information is required to be given for above mentioned item.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any during the Financial Year 2019-20:

| Sr. No. | Name of Director/ KMP and Designation | Remuneration of Director/ KMP for the financial year 2019-20 | % Increase in Remuneration in the Financial Year 2019-20 |
|---------|---------------------------------------|--|--|
| 1.      | Mr. Vikas Sanklecha(CFO)              | 3,00,000   | Nil  |
| 2.      | Ms. Shruti jain (CS)                  | 3,00,000   | Nil  |

3. The percentage increase in the median remuneration of employees in the Financial Year:

In the Financial Year, there was No increase in the median remuneration of employees. (300000:300000)

4. The number of permanent employees on the rolls of Company:

There were Three (Including KMP) permanent employees on the rolls of the Company as on March 31, 2020.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

| Sr. No | Particulars             | 2019-20  | 2018-19    | % Change | Remarks  |
|--------|-------------------------|----------|------------|----------|----------|
| 1      | Managerial Remuneration | 6,00,000 | 4,50,000/- | 33.33%   | Increase |
| 2      | Other Employee Salary   | 1,30,666 | 905000/-   | -85.56%  | Decrease |

6. Affirmation that the remuneration is as per the remuneration policy of the company:

Yes, the remuneration paid is as per the remuneration policy of the Company.

# SWADESHI INDUSTRIES & LEASING LIMITED

## Annexure 4

### Nomination & Remuneration Policy

#### I. OBJECTIVE:

The Nomination and Remuneration Committee (NRC or the Committee) has formulated the Nomination & Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Regulation 19(4) read with Part D of Schedule II under the Listing Regulations, as amended from time to time. This policy is mainly focused on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management.

#### The objective of the policy is to ensure that:

- the Board is being guided in relation to appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management including Department head;
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### II. DEFINITIONS

Key definitions of terms used in this Policy are as follows:

1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
2. **Listing Regulations** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
3. **Board** means Board of Directors of the Company.
4. **Directors** mean Directors of the Company.
5. **Key Managerial Personnel** means
  - i. Chief Executive Officer or the Managing Director or the Manager;
  - ii. Whole-time director;
  - iii. Chief Financial Officer;
  - iv. Company Secretary; and
  - v. such other officer as may be prescribed.
6. **Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

#### III. ROLE OF COMMITTEE

1. **Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- i. Periodically reviewing the size and composition of the Board to ensure that it is structured in such a manner which enables to take appropriate decision in the best interest of the Company as a whole;

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- ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommending candidates to the Board as and when need arises keeping in view the Board structure and expertise/experience required;
- iii. Establish and on regular basis review the succession plan of the Board, KMPs and Senior Executives;
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- v. To formulate criteria for evaluation of Independent Directors and the Board;
- vi. Recommend to the Board performance criteria for the Directors, KMPs and Senior Management;
- vii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel and their remuneration;
- viii. Help the Board to formulate and ensure the Board nomination process keeping in mind the diversity of gender, expertise, experience and Board structure;
- ix. Review and recommend to the Board:
  - a. The Remuneration Policy for all employees including KMPs and Senior Management including various components of remuneration whether fix or variable, performance reward, retirement benefits,
  - b. Remuneration of the Executive Directors and KMPs,
  - c. Remuneration of Non Executive Directors including Chairman, as a whole and individually and sitting fees to be paid for attending the meeting of the Board and Committee thereof, and
  - d. Equity based incentive Schemes,
- x. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; and
- xi. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- xii. Devising a policy on diversity of the Board of Directors;
- xiii. Aligning key executive and board remuneration with the longer term interests of the Company and its shareholders;
- xiv. Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- xv. To carry out any other functions as authorized by the Board from time to time or as enforced by statutory/regulatory authorities;
- xvi. To perform such other functions as may be necessary or appropriate for the performance of its duties;

### **2. Policy for appointment and removal of Director, KMP and Senior Management**

#### **i. Appointment criteria and qualifications**

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment, as per Company's Policy.
- b. A person to be recommended to the Board should be a man with integrity, possess adequate qualification, expertise and experience for the position he / she is considered for appointment and industry in which Company operate. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
- d. The Company shall not appoint or continue the employment of any person as Managing Director and/or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- e. A whole-time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a whole-time KMP can be appointed as a Director in any Company with the permission of the Board of Directors of the Company.

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### ii. Term / Tenure

#### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its, Managing Director and CEO or Executive/Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven Listed Companies as an Independent Director and three Listed Companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed Company or such other number as may be prescribed under the Act.

### iii. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly) or at such intervals as may be considered necessary.

### iv. Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act, rules and regulations and the policy of the Company.

### v. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the term of appointment, provisions of the Act, Listing Regulations and the Policies of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to compliance of provisions of the Act and Listing Regulations.

### 3. Policy relating to the Remuneration for the Managing Director, Whole-time Director, KMP and Senior Management Personnel

#### i. General:

- a) The remuneration / compensation / commission / fees etc. to be paid to the Managing Director, Whole-time Director, other Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval which shall be subject to the prior/post approval of the shareholders of the Company or Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director, Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

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- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director, Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.

### **ii. Remuneration to Managing Director/Whole-time Directors:**

#### **a) Fixed pay:**

The Managing Director/ Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee, subject to the approval of the shareholders or Central Government, wherever required.

#### **b) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director, Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

#### **c) Provisions for excess remuneration:**

If any Managing Director, Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval of the shareholders or the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the shareholder or Central Government.

### **iii. Remuneration to Non- Executive / Independent Director:**

#### **a) Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. However, the amount of such fees shall not exceed Rs. 1 Lac per meeting of the Board or Committee attended by Director or such other amount as may be prescribed by the Central Government from time to time.

#### **b) Remuneration / Commission:**

All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

#### **c) Stock Options:**

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

#### **d) Remuneration for services of Professional Nature:**

## **SWADESHI INDUSTRIES & LEASING LIMITED**

Any remuneration paid to Non- Executive Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i) The Services are rendered by such Director in his/her capacity as the professional; and
- ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

### **iv. Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Nomination and Remuneration Committee or any other Committee to be constituted by the Company for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay/performance linked pay shall be decided based on the extent of achievement of the individual target/objective or performance of the Key Managerial Personnel and Senior Management and performance of the Company which will be decided annually or at such intervals as may be considered appropriate.

### **4. Policy Review:**

The Policy is framed based on the provisions of the Companies Act, 2013 and rules made there under and the requirement of Regulation 19(4) and Schedule II (Part D) of the Listing Regulations. In case of any subsequent changes in the provisions of the Act or any other Regulations which makes any of the provisions of this Policy inconsistent with the Act or any such Regulation, then the provisions of the Act or such Regulation would prevail over the Policy and the provisions in the Policy would be modified in due course to make it in consistent with the Act or such Regulation.

The Committee shall review the Policy as and when any changes are to be incorporated in the Policy due to changes in the Act or such Regulation or felt necessary by the Committee. Any changes in the Policy shall be recommended by the Committee to the Board and shall be effective on approval of the Board.

### **IV. Implementation:**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

**For and on behalf of the Board of Directors**

**Sd/-**

**Gaurav Jain**  
**Managing Director**  
**(DIN: 06794973)**

Date: 30<sup>th</sup> June, 2020

Place: Mumbai

## SWADESHI INDUSTRIES & LEASING LIMITED

### Annexure 5

#### REPORT ON CORPORATE GOVERNANCE (FY 2019-20)

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 specialization. The Board of the Company comprises of four Directors including a Women Director.

#### (i) Composition and Category of Directors as of 31<sup>st</sup> March 2020 is as follows:

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

The Category of Directors on the Board of the Company is as under:

| Name of the Director                        | Category                               | No. of other Director ships@ | No. of Board Committee in which Director is |          |
|---|--|------------------------------|---|----------|
|   |  |                              | Member                                      | Chairman |
| Mr. Gaurav Jain (DIN 06794973)              | Executive Director - Managing Director | NIL                          | N.A.  | N.A.     |
| Mr. Amit Kumar (DIN 06393899)               | Non-Executive Independent Director     | NIL                          | N.A.  | N.A.     |
| Mrs. Indira Dhariwal (DIN 02524743)         | Non- Executive Independent Director    | NIL                          | N.A.  | N.A.     |
| Ms. Krishna Kamal KishorVyas (DIN 07444324) | Non- Executive Independent Director    | NIL                          | N.A.  | N.A.     |

None of the Directors of the Company holds membership of more than 10 Board Committees or Chairmanships of more than 5 Board Committees.

The Board of Directors duly met Four (4) times during the period from 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020. The dates on which the meetings were held are as follows:

28<sup>th</sup> May 2019, 14<sup>th</sup> August, 2019, 12<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020.



**SWADESHI INDUSTRIES & LEASING LIMITED**

**Attendance of each Director at the Board Meetings and the last AGM held on 28<sup>th</sup> September 2019:**

| <b>Name of the Director</b>                  | <b>Board Meetings held during the tenure of the Director</b> | <b>Board Meeting Attended</b> | <b>Last AGM attendance (Yes /No)</b> |
|--|--|-------------------------------|--------------------------------------|
| Mr. Amit Kumar (DIN 06393899)                | 4  | 4                             | Present                              |
| Mr. Gaurav Jain (DIN 06794973)               | 4  | 4                             | Present                              |
| Mrs. Indira Dhariwal (DIN 02524743)          | 4  | 4                             | Present                              |
| Ms. Krishna Kamal Kishor Vyas (DIN 07444324) | 4  | 4                             | Present                              |

None of the Non-executive Directors during the year held any shares or convertible instruments. None of the Directors are having any inter-se relationships with the Company or between them. The details of familiarization programmes imparted to independent directors is available on website of the Company at <http://Swadeshiglobal.com/uploads/policies/FAMILIRISATION%20PROG.%20SR.pdf>

**3) Audit Committee:**

**i) Terms of reference:**

The following terms of reference stipulated by the Board of Directors to the Audit Committee cover all the matters specified under the Listing Regulations as well as the provisions of Section 177 of the Companies Act, 2013.

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

During the period the Committee had met 4 (Four) times i.e. 28<sup>th</sup> May 2019, 14<sup>th</sup> August, 2019, 12<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020.

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

The Composition of Audit Committee and the details of attendance of its meetings are as under:

| <b>Name of the Director</b> | <b>Designation</b> | <b>Category</b> | <b>Committee Meetings held during the tenure of Director on the Committee</b> | <b>Committee Meetings Attended</b> |
|-----------------------------|--------------------|-----------------|---|------------------------------------|
| Mr. Amit Kumar (DIN         | Chairman           | Non- Executive  | 4   | 4                                  |

## SWADESHI INDUSTRIES & LEASING LIMITED

|   |        |                                     |   |   |
|---|--------|-------------------------------------|---|---|
| 06393899)                                   |        | Independent Director                |   |   |
| Mr. Gaurav Jain (DIN 06794973)              | Member | Executive Director                  | 4 | 4 |
| Mrs. Indira Dhariwal (DIN 02524743)         | Member | Non- Executive Independent Director | 4 | 4 |
| Ms. Krishna Kamal KishorVyas (DIN 07444324) | Member | Non- Executive Independent Director | 4 | 4 |

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

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

During the period the Committee had 1(one) meeting held on 28<sup>th</sup> May, 2019.

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

The Composition of Audit Committee and the details of attendance of its meetings are as under:

| Name of the Director                        | Designation | Category                            | Committee Meetings held during the tenure of Director on the Committee | Committee Meetings Attended |
|---|-------------|-------------------------------------|--|-----------------------------|
| Mr. Amit Kumar (DIN 06393899)               | Chairman    | Non- Executive Independent Director | 1  | 1                           |
| Mr. Gaurav Jain (DIN 06794973)              | Member      | Executive Director                  | 1  | 1                           |
| Mrs. Indira Dhariwal (DIN 02524743)         | Member      | Non- Executive Independent Director | 1  | 1                           |
| Ms. Krishna Kamal KishorVyas (DIN 07444324) | Member      | Non- Executive Independent Director | 1  | 1                           |

#### Performance Evaluation of Independent Directors

The Board evaluates the performance Independent Directors every year. All the Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

#### 5) Remuneration of Directors for 2019-2020:

(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)

## SWADESHI INDUSTRIES & LEASING LIMITED

(c) No remuneration is paid to any of the Executive and Non-executive Directors. Hence no further disclosure is required to be furnished.

### 6) Stakeholders Relationship Committee:

#### i) Terms of reference:

The functions of Stakeholder's Relationship Committee include redressal of investor's complaints related to share transfers, non-receipt of Annual Reports, dividend payment, issue of duplicate share certificates etc.

#### ii) 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 2019, 14<sup>th</sup> August, 2019, 12<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020.

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

The composition of Stakeholders' Relationship Committees is as under:

| Name of the Director                         | Designation | Category                            | Committee Meetings held during the tenure of Director on the Committee | Committee Meetings Attended |
|--|-------------|-------------------------------------|--|-----------------------------|
| Mr. Amit Kumar (DIN 06393899)                | Chairman    | Non- Executive Independent Director | 4  | 4                           |
| Mr. Gaurav Jain (DIN 06794973)               | Member      | Executive Director                  | 4  | 4                           |
| Mrs. Indira Dhariwal (DIN 02524743)          | Member      | Non- Executive Independent Director | 4  | 4                           |
| Ms. Krishna Kamal Kishor Vyas (DIN 07444324) | Member      | Non- Executive Independent Director | 4  | 4                           |

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

Mr. Vikas Sanklecha has been designated as Compliance Officer in terms of Regulation 27 of SEBI (LODR) Regulations, 2015 and also Clause 6 (1) of Listing Regulations.

The details with respect No. of complaints received from the shareholders, No. of Complaint solved to the satisfaction of shareholders and No. of Complaint pending during the year ended on 31<sup>st</sup> March 2020 are given hereunder:

|  |   |
|--|---|
| <b>No. of Complaints Received during the FY 2019-20.</b>         | 1 |
| No. of Complaint not Solved to the Satisfaction of Shareholders. | 0 |
| No. of Complaint pending at the end of FY 2019-20.               | 0 |

### 7) Share Transfer Committee:

The Board has delegated the powers of approving the transfer/ transmission of shares to the Share Transfer Committee. The Committee is vested with the requisite powers & authority to specifically look into share transfer, transmission, re-materialization and dematerialization of shares.

## SWADESHI INDUSTRIES & LEASING LIMITED

### 8) General Body Meetings:

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

| Year    | Date                            | Venue   | Time      | Special Resolution |
|---------|---------------------------------|---|-----------|--------------------|
| 2016-17 | 23 <sup>rd</sup> September 2017 | Hotel Granville, Plot No. 680/D, OppKora Kendra Ground, R.M. Bhattar Road, Borivali (w), Mumbai – 400 092                 | 4.30 pm   | NIL                |
| 2017-18 | 26 <sup>th</sup> September 2018 | Shop No.137, 1st Floor, V-Mall, Off. W.E. Highway, Nr. Sai Hospital, Thakur Complex, Kandivali (East), Mumbai City 400101 | 4.30 pm   | NIL                |
| 2018-19 | 28 <sup>th</sup> September 2019 | A/101, 1st floor, Manibadra Complex, Phase II, Rahnal, Bhiwandi Thane MH 421302   | 2.00 p.m. | NIL                |

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.

### 9) 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) Mumbai Mitra (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).

### 10) General Shareholder’s Information:

|   |   |   |
|---|---|---|
| a | AGM date, time and venue:   | 29th September, 2020 at 12.30 p.m. Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)  |
| b | Financial Year  | 1 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020   |
| c | Listing on Stock Exchanges  | BSE Limited - P.J.Towers, Dalal Street, Mumbai 400001   |
| d | Listing fees for the year 20190-20 stock exchanges –                | Company is under process to pay the same.   |
| e | Stock Code:   | BSE- 506863   |
| f | Date of Book Closure  | 23 <sup>rd</sup> September 2020 to 29 <sup>th</sup> September 2020  |
| g | Dividend Payment Date   | No Dividend has been recommended by the Board of Directors of the Company for the year.   |
| h | Performance in comparison to Broad-based indices such as BSE Sensex | As against a rise of -24.16% (in BSE Sensex during the year, the price of equity shares of the Company has risen by -38.84%.(1.21:0.74) |
| i | Registrar and Transfer Agents                                       | Link Intime India Private Limited<br>C-101, 1 <sup>st</sup> Floor, 247 Park,<br>Lal Bahadur Shastri Marg,                               |

**SWADESHI INDUSTRIES & LEASING LIMITED**

|   |  |   |
|---|--|---|
|   |  | Vikhroli (West), Mumbai- 400083<br>Tel: 022-25963838 Fax: 022-25946969<br>E-mail: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a>  |
| j | Address of Correspondence  | Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata, Bhiwandi Thane MH 421302.INE-Mail: <a href="mailto:compliance@swadeshiglobal.com">compliance@swadeshiglobal.com</a> and <a href="mailto:swadeshiindltd@gmail.com">swadeshiindltd@gmail.com</a><br>WebSite: <a href="http://www.swadeshiglobal.com">www.swadeshiglobal.com</a> |
| k | Commodity price risk or foreign exchange risk and hedging activities | Not applicable  |
| l | Plant Locations:   | Not applicable  |

**m. Market Price Data:**

Monthly High and Low quotations along with the volume of shares traded at Bombay Stock Exchange Ltd during the year ended 31<sup>st</sup> March 2020:

| Month & Year | BSE  |      |        |
|--------------|------|------|--------|
|              | High | Low  | Volume |
| Apr 19       | 1.95 | 1.13 | 110562 |
| May 19       | 1.45 | 0.91 | 20483  |
| Jun 19       | 0.87 | 0.70 | 7209   |
| Jul 19       | 0.70 | 0.37 | 41468  |
| Aug 19       | 0.54 | 0.40 | 4459   |
| Sep 19       | 0.52 | 0.40 | 13204  |
| Oct 19       | 0.42 | 0.34 | 6617   |
| Nov 19       | 0.38 | 0.31 | 7512   |
| Dec 10       | 0.75 | 0.35 | 12807  |
| Jan 20       | 0.87 | 0.76 | 79458  |
| Feb 20       | 0.83 | 0.77 | 2924   |
| Mar 20       | 0.76 | 0.74 | 3818   |

**n. Dematerialisation of Shares and liquidity**

The Company shares are traded compulsorily in dematerialized form. As on March 31, 2020 the details of the shares of the Company held in physical and demat form are given below:

|                              | No. of Shares | % to the Capital |
|------------------------------|---------------|------------------|
| Shares held in Physical Form | 379353        | 3.51             |
| Shares held in Demat Form    | 10438597      | 96.49%           |
| TOTAL                        | 10817950      | 100.00%          |

ISIN No. of the Company's Equity Shares in Demat Form: INE716M01034

Depository Connectivity: NSDL and CDSL

**o. Distribution of Share Holdings:**

| No. of Equity Shares Held | As on 31.03.2020     |                    |               |                    | As on 31.03.2019     |                    |               |                    |
|---------------------------|----------------------|--------------------|---------------|--------------------|----------------------|--------------------|---------------|--------------------|
|                           | 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 |
|                           |                      |                    |               |                    |                      |                    |               |                    |

**SWADESHI INDUSTRIES & LEASING LIMITED**

|                    |       |         |          |         |       |        |           |        |
|--------------------|-------|---------|----------|---------|-------|--------|-----------|--------|
| 01-500             | 11353 | 93.1337 | 1136217  | 10.5031 | 7550  | 52.116 | 1643661   | 1.519  |
| 501-1000           | 469   | 3.8474  | 386709   | 3.5747  | 2979  | 20.563 | 2801395   | 2.590  |
| 1000-2000          | 177   | 1.452   | 267996   | 2.4773  | 1673  | 11.548 | 2845811   | 2.631  |
| 2000-3000          | 64    | 0.525   | 162400   | 1.5012  | 726   | 5.011  | 1940544   | 1.794  |
| 3000-4000          | 12    | 0.0984  | 43623    | 0.4032  | 253   | 1.746  | 933711    | 0.863  |
| 4001-5000          | 19    | 0.1559  | 89701    | 0.8292  | 493   | 3.403  | 2427862   | 2.244  |
| 5001-10000         | 28    | 0.2297  | 215466   | 1.9917  | 492   | 3.396  | 4101680   | 3.792  |
| 10001-and<br>above | 68    | 0.5578  | 8515838  | 78.7195 | 321   | 2.216  | 91484836  | 84.568 |
| <b>Total</b>       | 12190 | 100     | 10817950 | 100     | 14487 | 100    | 108179500 | 100    |

**p. Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity**

We have no GDRs/ADRs or any commercial instrument.

**11) Other Disclosures**

- a) Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.
- b) There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at [www.swadeshiglobal.com](http://www.swadeshiglobal.com)
- c) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- d) No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the year under review.
- e) The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- f) During the year ended 31<sup>st</sup> March 2020, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the Listing Regulation and the same is disclosed on the Company's website.
- g) The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under the Companies Act, 2013 and the Listing Regulations.
- h) The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Regulations. In respect of compliance with the non-mandatory requirements, the internal auditor reports directly to the Audit Committee as well as Board.
- i) Compliance Certificate as required under as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 obtained from Practicing Company Secretary, certifying the Compliance by the Company with the provisions of Corporate Governance of the Listing Regulations is given as an Annexure-6 to this Report.

**SWADESHI INDUSTRIES & LEASING LIMITED**

**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 2020.

**-SD/-**

GAURAV JAIN  
DIN: 06794973  
Managing Director

Date: 30<sup>th</sup> June, 2020  
Place: Mumbai

**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 2020 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.

**Yours sincerely,**

**-SD/-**

(VikasKushalchandSanklecha)  
Chief Financial Officer

Date: 30<sup>th</sup> June, 2020  
Place: Mumbai

**SWADESHI INDUSTRIES & LEASING LIMITED**

**Annexure 6**

**AUDITORS CERTIFICATE REGARDING COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members  
**SWADESHI INDUSTRIES AND LEASING LIMITED**  
**Munisuvrat Complex, Phase III, BldgA 1,**  
**1<sup>st</sup> Floor, Near Anjurphata,**  
**Bhiwandi, Thane - 421302**

We have examined the compliance of conditions of Corporate Governance by SWADESHI INDUSTRIES AND LEASING LIMITED (the "Company"), for the year ended 31st March 2020, 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 the following regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has received notice levying fine from the Bombay Stock Exchange.***

**2) *Regulation 34: Non-submission of the Annual Report within the period provided under the regulation.***

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 SINDHU NAIR & ASSOCIATES**

**-SD/-**  
**(SINDHU G NAIR)**  
**Practicing Company secretary**  
**Proprietor**  
**(FCS- 7938, CP- 8046)**  
**UDIN: F007938B000632881**

**Place: Mumbai**  
**Date: 29-8-2020**



**SWADESHI INDUSTRIES & LEASING LIMITED**  
**Annexure 7**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

**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, buoyed 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.)**

| <b>Particulars</b>                                   | <b>For the year ended 31.03.2020</b> | <b>For the year ended 31.03.2019</b> |
|--|--------------------------------------|--------------------------------------|
| Revenue from Operations                              | 116.87                               | 212.87                               |
| Profit before Depreciation & Amortization            | 19.07                                | -96.33                               |
| Depreciation & Amortization                          | 0.53.                                | 28.18                                |
| Profit / (Loss) before taxation                      | -18.54                               | 96.61                                |
| Provision for taxation (incl. deferred tax)          | -0.06                                | 0.69                                 |
| Profit/ (Loss) for the year carried to Balance Sheet | -18.48                               | -95.92                               |

**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

# **DHAWAN & CO.**

**CHARTERED ACCOUNTANTS**

**Add: 404, Bajrang Building, Maruti Nagar Complex, Dahisar (East), MUMBAI 400068**

**Mob: 8652494370 Email ID: gupta9404@gmail.com**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **SWADESHI INDUSTRIES AND LEASING LIMITED**

Report on the Audit of the Financial Statements

### **Opinion**

We have audited the financial statements of **SWADESHI INDUSTRIES AND LEASING LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 March 31, 2020, and profit/loss, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## **SWADESHI INDUSTRIES & LEASING LIMITED**

### **Revenue Recognition**

Revenue is one of the key profit drivers and is therefore susceptible to misstatement, accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”.

#### *Auditor’s Response*

We assessed the appropriateness of the revenue recognition accounting policies, including those relating to discounts by comparing with new revenue accounting standard.

Tested the relevant information technology system’s access and change management controls which govern revenue recognition interfaces between different systems and key management controls over revenue recognition to assess the completeness of the revenue entries being recorded in the accounting system.

Tested controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances.

Performed analytical procedures for reasonableness of revenues.

### **Responsibilities of Management and Those Charged with Governance for the 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 of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

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

## **SWADESHI INDUSTRIES & LEASING LIMITED**

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## SWADESHI INDUSTRIES & LEASING LIMITED

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

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

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

### Other Matter

The Company has not assessed and disclosed the economic and social consequences the entity is facing as a result of the pandemic COVID-19 on its operations, liquidity, etc in the financial statements. SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 had issued an advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is not complied with.

Our opinion is not modified in respect of this matter.

### 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 Companies Act, 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 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.
  - 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 financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

**SWADESHI INDUSTRIES & LEASING LIMITED**

- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- 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 does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Dhawan & Co**  
*Chartered Accountants*  
**(Firm’s Registration No.002864N)**

**-SD/-**  
**M C Gupta**  
*Partner*  
(Membership No. 070834)  
**Place:** Mumbai  
**Date:**30<sup>th</sup> June, 2020  
**UDIN:**20070834AAAFL7682

**SWADESHI INDUSTRIES & LEASING LIMITED**  
**ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **SWADESHI INDUSTRIES AND LEASING LIMITED** of even date)

- (i) In respect of the Company’s fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification that, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds comprising all the immovable properties of land and buildings that are freehold, are held in the name of the Company as at the balance sheet date.

- (ii)
- a) As explained to us the inventories have been physically verified by the management during the year at reasonable intervals.

The Company could not conduct the physical verification of inventories for the year-end 31st March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns. The Company’s management, however, conducted physical verification of inventories on dates other than the date of financial statements but prior to the date of the board meeting to be held for the purpose of adopting the financial results at certain locations (factories and warehouses) and has made available the documents in confirmation thereof.

We have performed alternate audit procedures based on documents and other information made available to us to audit the existence of inventories.

- b) On the basis of our examination, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification and records maintained by the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanations given to us, the Company has not advanced loans to Directors/Company in which the director is interested to which the provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon. Also, in our opinion and according to the information and explanation given to us, the Company has not made investment

**SWADESHI INDUSTRIES & LEASING LIMITED**

and given guarantee/provided security which falls under the purview of section 186 of the Companies Act, 2013 and hence not commented upon.

- (v) According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) As per the information and explanation given to us, the maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and hence not commented upon.
- (vii)
- a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues in arrears, as at March 31, 2020 for a period of more than six months from the date they became payable, except the following:

| <b>Name of the Statute</b> | <b>Nature of the Dues</b>      | <b>Amount(Rs.)</b> | <b>Period to which the amount relates</b> | <b>Remark</b>                                |
|----------------------------|--------------------------------|--------------------|---|--|
| Income Tax Act, 1961       | Income Tax Outstanding Demands | 23,110 /-          | A.Y. 2008-09                              | AO notice u/s 154 dated 22/04/2010           |
|                            | Income Tax Outstanding Demands | 11,820/-           | A.Y. 2009-10                              | CPC notice u/s 143 (1) (a) dated. 29/12/2010 |
|                            | Income Tax Outstanding Demands | 1,10,570/-         | A.Y. 2009-10                              | CPC notice u/s 143(1)(a) Dated 29/12/2010    |
|                            | Income Tax Outstanding Demands | 32,280/-           | A.Y. 2016-17                              | CPC notice u/s 143(1)(a) dated 22/03/2018    |



**SWADESHI INDUSTRIES & LEASING LIMITED**

|  |   |          |             |                  |
|--|---|----------|-------------|------------------|
|  | TDS Short payment   | 17,350/- | Prior Years | Unpaid Till Date |
|  | TDS Interest on Payments default u/s 201  | 6,897/-  | Prior Years | Unpaid Till Date |
|  | TDS Late Filing Fee u/s234E   | 15,825/- | Prior Years | Unpaid Till Date |
|  | TDS Interest on Deduction default u/s 201   | 102/-    | Prior Years | Unpaid Till Date |
|  | TDS Interest on Payment default u/s 201   | 6/-      | FY 2018-19  | Unpaid Till Date |
| Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 | Professional Tax  | 3,600/-  | FY 2019-20  | Unpaid Till Date |
| SEBI (LODR) Regulations, 2015  | Non-submission of the Annual Report within the period prescribed under this regulation-<br>BASIC FINE | 7,080/-  | FY 2018-19  | Unpaid Till Date |

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, there are no material dues of any statutory payment which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company has not raised 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 and hence, not commented upon.
- (x) To the best of our knowledge and 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 year.

**SWADESHI INDUSTRIES & LEASING LIMITED**

- (xi) In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, provisions of clause 3(xii) of the Order are not applicable to the Company and hence, not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting under clause 3 (xiv) are not applicable to the Company and hence, not commented upon.
- (xv) According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Dhawan & Co**

***Chartered Accountants***

(Firm Registration No: 002864N)

-SD/-

**M C Gupta**

***Partner***

(M. No. 070834)

**Place : Mumbai**

**Date : 30<sup>th</sup> June, 2020**

## SWADESHI INDUSTRIES & LEASING LIMITED

### **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements section of our report to the members of **SWADESHI INDUSTRIES AND LEASING LIMITED** of even date)

#### **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, 2020 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.

#### **Auditor’s 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

#### **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

## **SWADESHI INDUSTRIES & LEASING LIMITED**

accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanation given to us, 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, 2020, 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 Dhawan & Co**

**Chartered Accountants**

(Firm Registration No.002864N)

-SD/-

**M C Gupta**

**Partner**

(M. No. 070834)

**Place** : Mumbai

**Date** : 30<sup>th</sup> June, 2020

**SWADESHI INDUSTRIES & LEASING LIMITED**

**Balance Sheet as at 31 March 2020**

(Rupees ....)

| Particulars                         | Note No. | As at 31 March 2020 | As at 31 March 2019 |
|-------------------------------------|----------|---------------------|---------------------|
| <b>ASSETS</b>                       |          |                     |                     |
| <b>Non-current assets</b>           |          |                     |                     |
| Property, Plant and Equipment       | 3        | 354,00,729          | 352,83,958          |
| Financial Assets                    |          |                     |                     |
| i. Investments                      | 4        | 335,97,311          | 308,78,488          |
| Deferred tax assets (net)           | 5        | 6,91,639            | 6,85,847            |
| Other non-current assets            | 6        | 89,918              | 2,02,120            |
| <b>Current assets</b>               |          |                     |                     |
| Inventories                         | 7        | -                   | 33,70,078           |
| Financial Assets                    |          |                     |                     |
| i. Trade receivables                | 8        | 29,84,604           | 47,39,538           |
| ii. Cash and cash equivalents       | 9        | 1,55,103            | 1,30,060            |
| iii. Loans                          | 10       | 381,81,631          | 389,03,720          |
| Other current assets                | 11       | 4,61,368            | 7,69,207            |
| <b>Total Assets</b>                 |          | <b>1115,62,303</b>  | <b>1149,63,018</b>  |
| <b>EQUITY AND LIABILITIES</b>       |          |                     |                     |
| <b>Equity</b>                       |          |                     |                     |
| Equity Share capital                | 12       | 1081,79,500         | 1081,79,500         |
| Other Equity                        | 13       | (116,67,127)        | (98,19,011)         |
| <b>Liabilities</b>                  |          |                     |                     |
| <b>Non-current liabilities</b>      |          |                     |                     |
| Financial Liabilities               |          | -                   | -                   |
| i. Borrowings                       | 14       | 1,05,000            | -                   |
| <b>Current liabilities</b>          |          |                     |                     |
| Financial Liabilities               |          |                     |                     |
| i. Trade payables                   | 15       | 137,67,463          | 159,19,080          |
| Other current liabilities           | 16       | 11,77,467           | 6,83,448            |
| Provisions                          | 17       | -                   | -                   |
| <b>Total EQUITY AND LIABILITIES</b> |          | <b>1115,62,303</b>  | <b>1149,63,018</b>  |

Significant Accounting Policies and Notes to Accounts

**For Dhawan & Co.**

**Chartered Accountants**

Firm Regn No. 002864N

SD/-

**M C Gupta**

**Partner**

Membership No. 070834

On Behalf of the Board

**For Swadeshi Industries & Leasing Limited**

(CIN : L45209MH1983PLC031246)

SD/-

**Gourav Jain**

**Managing Director**

DIN: 06794973

SD/-

**Krishna Vyas**

**Director**

DIN: 07444324

Date : 30th June, 2020

Place : Mumbai

SD/-

**Vikas Jain**

**Chief Financial Officer**

SD/-

**Shruti Jain**

**Company Secretary**

**SWADESHI INDUSTRIES & LEASING LIMITED**  
**Statement of Profit and Loss for the period ended 31 March 2020**

(Rupees ....)

| Particulars   | Note No | As at 31 March 2020 | As at 31 March 2019 |
|---|---------|---------------------|---------------------|
| I Revenue From Operations   | 17      | 116,86,946          | 212,87,887          |
| II Other Income   | 18      | 3,08,790            | 21,02,395           |
| III <b>Total Income (I+II)</b>  |         | <b>119,95,736</b>   | <b>233,90,282</b>   |
| IV <b>EXPENSES</b>  |         |                     |                     |
| Cost of materials consumed  |         | -                   | -                   |
| Purchases of Stock-in-Trade   |         | 77,44,893           | 241,47,572          |
| Changes in inventories of finished goods, Stock-in - Trade and work-in-progress   | 19      | 33,70,078           | (33,70,078)         |
| Employee benefits expense   | 20      | 7,30,666            | 13,55,000           |
| Finance costs   | 21      | 24,709              | 3,499               |
| Depreciation and amortization expense   | 3       | 53,229              | 28,185              |
| Share of Profit/loss from partnership firm  |         | 4,71,177            | 85,75,836           |
| Other expenses  | 22      | 14,54,891           | 23,12,192           |
| <b>Total expenses (IV)</b>  |         | <b>138,49,644</b>   | <b>330,52,205</b>   |
| V Profit/(loss) before exceptional items and tax (III- IV)  |         | (18,53,908)         | (96,61,923)         |
| VI Exceptional Items  |         | -                   | -                   |
| VII Profit/(loss) before tax (V-VI)   |         | <b>(18,53,908)</b>  | <b>(96,61,923)</b>  |
| VIII Tax expense:   | 23      |                     |                     |
| (1) Current tax   |         | -                   | -                   |
| (2) Deferred tax  |         | (5,792)             | 1,527               |
| (3) Excess/Short provision of tax   |         | -                   | (71,000)            |
| IX <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>  |         | <b>(18,48,116)</b>  | <b>(95,92,450)</b>  |
| X Profit/(loss) from discontinued operations  |         | -                   | -                   |
| XI Tax expense of discontinued operations   |         | -                   | -                   |
| XII Profit/(loss) from Discontinued operations (after tax) (X-XI)   |         | -                   | -                   |
| XIII <b>Profit/(loss) for the period (IX+XII)</b>   |         | <b>(18,48,116)</b>  | <b>(95,92,450)</b>  |
| XIV Other Comprehensive Income  |         | -                   | -                   |
| XV <b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> |         | <b>(18,48,116)</b>  | <b>(95,92,450)</b>  |
| XVI Earnings per equity share (for continuing operation):   |         |                     |                     |
| (1) Basic   |         | (0.17)              | (0.89)              |
| (2) Diluted   |         | (0.17)              | (0.89)              |
| XVII Earnings per equity share (for discontinued operation):  |         |                     |                     |
| (1) Basic   |         | -                   | -                   |
| (2) Diluted   |         | -                   | -                   |
| XVIII Earnings per equity share (for discontinued & continuing operations)  | 24      |                     |                     |
| (1) Basic   |         | (0.17)              | (0.89)              |
| (2) Diluted   |         | (0.17)              | (0.89)              |

Significant Accounting Policies and Notes to Accounts

**For Dhawan & Co.**

**Chartered Accountants**

Firm Regn No. 002864N

SD/-

**M C Gupta**

**Partner**

Membership No. 070834

Date : 30th June, 2020

Place : Mumbai

On Behalf of the Board

**For Swadeshi Industries & Leasing Limited**

(CIN : L45209MH1983PLC031246)

SD/-

**Gourav Jain**

**Managing Director**

DIN: 06794973

SD/-

**Vikas Jain**

**Chief Financial Officer**

SD/-

**Krishna Vyas**

**Director**

DIN: 07444324

SD/-

**Shruti Jain**

**Company Secretary**

**SWADESHI INDUSTRIES & LEASING LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

| <b>PARTICULARS</b>  | <b>As at 31 March<br/>2020</b> | <b>As at 31 March<br/>2019</b> |
|---|--------------------------------|--------------------------------|
| <b>Cash flows from operating activities</b>   |                                |                                |
| Profit / (Loss) for the year  | (18,53,908)                    | (96,61,923)                    |
| <b>Adjustments to reconcile net profit to net cash provided by operating activities</b> |                                |                                |
| Depreciation and Amortization   | 53,229                         | 28,185                         |
| Interest Income   | (3,08,790)                     | (21,02,395)                    |
| Finance costs   | 24,709                         | 3,499                          |
| <b>Operating profit / (loss) before working capital changes</b>                         | <b>(20,84,759)</b>             | <b>(117,32,635)</b>            |
| <b>Changes in assets and liabilities:</b>   |                                |                                |
| Trade Receivables   | 17,54,934                      | 45,47,678                      |
| Inventories   | 33,70,078                      | (33,70,078)                    |
| Other Non-Current Assets  | 1,12,202                       | (30,329)                       |
| Other Current Assets  | 3,07,839                       | 45,47,349                      |
| Other Current Financial Assets  | -                              | -                              |
| Current Provisions  | -                              | -                              |
| Trade Payables  | (21,51,617)                    | (32,92,017)                    |
| Short-Term Loans  | 7,22,089                       | (13,00,011)                    |
| Other current liabilities   | 4,94,019                       | (57,062)                       |
| Other current financial liabilities   | -                              | -                              |
| <b>Cash generated from operations</b>   | <b>25,24,785</b>               | <b>(106,87,104)</b>            |
| Tax paid (net of refunds)   | -                              | -                              |
| <b>Net Cash From/(Used in ) Operating Activities (A)</b>                                | <b>25,24,785</b>               | <b>(106,87,104)</b>            |
| <b>Cash Flows from Investing Activities</b>   |                                |                                |
| Purchase of Plant, Property and Equipment   | (1,70,000)                     | (1,62,143)                     |
| Proceeds from sales of Investments  | (27,18,823)                    | 84,00,836                      |
| Repayment of Loan and other financial asset   | -                              | -                              |
| Interest received   | 3,08,790                       | 21,02,395                      |
| <b>Net cash from/(Used in) Investing Activities (B)</b>                                 | <b>(25,80,033)</b>             | <b>103,41,088</b>              |
| <b>Cash flows from Financing Activities</b>   |                                |                                |
| Finance cost  | (24,709)                       | (3,499)                        |
| Loans Taken   | 1,05,000                       | -                              |
| <b>Net cash from/(Used in) Financing Activities (C)</b>                                 | <b>80,291</b>                  | <b>(3,499)</b>                 |
| <b>Increase in Cash and Cash Equivalents during the year (A+B+C)</b>                    | <b>25,043</b>                  | <b>(3,49,515)</b>              |
| Cash and Cash Equivalents at the beginning of the year                                  | 1,30,060                       | 4,79,576                       |
| Cash and Cash Equivalents at the end of the year  | 1,55,103                       | 1,30,060                       |

Note :

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS-7) - Statement of Cash Flow
- Non cash items :
- Changes in liability arising from financing activities

|                          | 1st April, 2019 | Cash Flow   |             | 31st March, 2020 |
|--------------------------|-----------------|-------------|-------------|------------------|
|                          |                 | Receipts    | Payments    |                  |
| Current Borrowings       | -               | -           | -           | -                |
| Non - Current Borrowings | -               | 3,05,000.00 | 2,00,000.00 | 1,05,000         |
| <b>Total</b>             |                 |             |             |                  |

**For Dhawan & Co.**  
**Chartered Accountants**  
Firm Regn No. 002864N

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

SD/-  
**M C Gupta**  
**Partner**  
Membership No. 070834

SD/-  
**Gourav Jain**  
**Managing Director**  
DIN: 06794973

SD/-  
**Krishna Vyas**  
**Director**  
DIN: 07444324

Date : 30th June, 2020  
Place : Mumbai

SD/-  
**Vikas Jain**  
**Chief Financial Officer**

SD/-  
**Shruti Jain**  
**Company Secretary**

# SWADESHI INDUSTRIES & LEASING LIMITED

## Statement of Changes in Equity for the year ended 31 March 2020

(Rupees in ....)

### A. Equity Share Capital

| Particulars                                    | Balance            |
|--|--------------------|
| Balance as at 31st March, 2019                 | 1081,79,500        |
| Changes in equity share capital during 2019-20 | -                  |
| <b>Balance as at 31st March, 2020</b>          | <b>1081,79,500</b> |

### B. Other Equity

|   | Reserves and Surplus |                     |                  |                  | Total               |
|---|----------------------|---------------------|------------------|------------------|---------------------|
|   | Capital Reserve      | Retained Earnings   | Forfeited Share  | General Reserve  |                     |
| Balance as at 31st March, 2019          | 12,32,400            | (137,46,536)        | 14,80,125        | 12,15,000        | (98,19,011)         |
| Total Comprehensive Income for the year | -                    | (18,48,116)         | -                | -                | (18,48,116)         |
| Transfer to retained earnings           | -                    | -                   | -                | -                | -                   |
| <b>Balance as at 31st March, 2020</b>   | <b>12,32,400</b>     | <b>(155,94,652)</b> | <b>14,80,125</b> | <b>12,15,000</b> | <b>(116,67,127)</b> |

## Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020

### 1. General Information

Swadeshi Industries & Leasing Ltd (the 'Company') is a Company limited by share and domiciled in India with its registered office located at Munisuvrat Complex, Phase III, Building A1, 1<sup>st</sup> Floor, Near AnjurPhata, Bhiwandi Thane 421302. The Company was incorporated on 30<sup>th</sup> September, 1974, at Calcutta as a Private Limited Company under the Companies Act, 1956 and converted into a Public Limited Company on 31<sup>st</sup> October 1983 under Companies Act, 1956 and its shares are Listed on Bombay Stock Exchange, India (BSE Script Code-506863). It is engaged in the business of Trading in Textiles.

### 2. Basic of Preparations

#### Statement of Compliance

These Financial Statements have been prepared in accordance with Indian Accounting standards ('**Ind AS**') as notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and rules made there under.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss for the year ended 31 March 2020, the Statement of Cash Flows for the year ended 31 March 2020 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

These Financial Statements were approved by the Board of Directors and authorised for issue on 30<sup>th</sup> June 2020.

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest rupee, unless otherwise stated.

The financial statements have been prepared on an accrual system, based on the principle of going concern and under the historical cost convention, unless otherwise stated. The accounting policies are applied consistently to all the periods presented in the Financial Statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.



**Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020**

**Use of Estimates and Judgements**

The preparation of Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions in the application of accounting policies that affects the reported amounts of assets, liabilities etc. at the date of these Financial Statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates, with the differences between the same being recognized in the period in which the results are known or materialize.

Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in Financial Statements in the period in which the estimate is revised if the revision affects only that period or in the period of the revision & Future period if revision affects both current and future periods.

The areas involving critical estimates or judgements are

- a. Impairment of Financial Assets such as Trade Receivable.
- b. Impairment of Non-Financial Assets.
- c. Estimates of Tax Expenses and Liability.
- d. Revenue recognitions.

**Significant Accounting Policy**

**A. Current and Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act. The Company classifies all other liability as non-current. Deferred Tax assets and liabilities are classified as Non-Current assets and Liabilities.

**B. Revenue Recognition**

- i. Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each agreement.

**ii. Sale of Goods:**

Revenue is recognized when significant risk & rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated cost and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales contract.

**iii. Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

**C. Property, plant and equipment and depreciation**

**i. Initial Recognition and Measurement**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

**Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020**

Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under other non-current assets.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**ii. Subsequent Cost**

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

**iii. Depreciation / amortisation on property, plant and equipment**

Depreciation on all the assets have been provided at the rates and in the manner prescribed in Schedule II of the Act on Written Down Value Method. Depreciation on additions to assets or on sale / disposal of assets is calculated on the basis of Pro rata basis from date of such addition or up to the month of such sale / scrapped, as the case may be.

**D. Financial Instruments**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and financial liabilities are offset against each other and the net amount reported in the balancesheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**i. Financial Assets**

Financial assets are divided into the following categories:

- a. financial assets carried at amortised cost
- b. financial assets at fair value through other comprehensive income
- c. financial assets at fair value through profit and loss;

Financial assets are assigned to the different categories by management on initial recognition, depending on the nature and purpose of the financial assets. The designation of financial assets is re-evaluated at every reporting date at which a choice of classification or accounting treatment is available.

**ii. Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These are non-derivative financial assets that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank and cash balances) are measured subsequent to initial recognition at amortized cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognized in the Statement of profit and loss.

**Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020**

In accordance with Ind AS 109: Financial Instruments, the Company recognizes impairment loss allowance on trade receivables and content advances based on historically observed default rates. Impairment loss allowance recognized during the financial year is charged to Statement of profit and loss.

**iii. Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are non-derivative financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses in the statement of profit and loss.

**iv. Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. It includes non-derivative financial assets that are either designated as such or do not qualify for inclusion in any of the other categories of financial assets. Gains and losses arising from investments classified under this category is recognized in the Statement of profit and loss when they are sold or when the investment is impaired.

**v. Impairment of Financial Assets**

In the case of impairment, any loss previously recognized in other comprehensive income is transferred to the Statement of profit and loss. Impairment losses recognized in the Statement of profit and loss on equity instruments are not reversed through the Statement of profit and loss. Impairment losses recognized previously on debt securities are reversed through the Statement of profit and loss when the increase can be related objectively to an event occurring after the impairment loss was recognized in the Statement of profit and loss.

When the Company considers that fair value of financial assets can be reliably measured, the fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Company applies its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. Equity instruments measured at fair value through profit or loss that do not have a quoted price in an active market and whose fair value cannot be reliably measured are measured at costless impairment at the end of each reporting period.

An assessment for impairment is undertaken at least at each balance sheet date.

**vi. De-recognition of Financial Assets**

A financial asset is derecognized only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for de-recognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Company retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset that is transferred qualifies for de-recognition if the Company transfers substantially all the risks and rewards of ownership of the asset, or if the Company neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

**vii. Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of direct issue costs.

## SWADESHI INDUSTRIES & LEASING LIMITED

### Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020

#### viii. Financial Liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition they are classified as financial liabilities at fair value through profit or loss.

#### ix. Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### x. De-recognition

A financial liability is derecognized only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires. Changes in liabilities' fair value that are reported in profit or loss are included in the Statement of profit and loss within finance costs or finance income.

#### E. Inventory

Inventories are measured at the lower of cost and net realisable value after providing for obsolescence, if any. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

#### F. Impairment of Non-Financial Assets - Property, Plant & Equipment

The Company assesses at each reporting dates as to whether there is any indication that any property, plant and equipment may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### G. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

#### H. Cash and Cash Equivalent

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments which are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value.

#### I. Cash Flow Statement

Cash flow are reported using Indirect method, where by net profit before tax is adjusted for the effects of transaction of non-cash nature any deferrals or accruals of past or future operating cash receipts or payments and items of income and expenses associates with investing or financing activity. The Cash flows from operating, financing and investing activity is shown separately.

**Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020**

**J. Provisions and contingencies**

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**K. Tax Expenses**

Taxation on profit and loss comprises current tax and deferred tax. Tax is recognized in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income in which case tax impact is also recognized in equity or other comprehensive income.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date along with any adjustment relating to tax payable in previous years.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

**L. Earnings Per Share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**SWADESHI INDUSTRIES & LEASING LIMITED**

**Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2020**

**M. Employee Benefits**

**i) Short term employee benefits:**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**ii) Post-Employment benefits- Defined contribution plans**

A defined contribution plan is a post employment benefit plan under which the Company pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

**iii)** The Company is exempted from Payment of Gratuity Act, 1972 in view of its strength of employees being less than threshold limit attracting the applicability of the said statute and as such no provision has been made for the said liability. Leave Encashment is not provided on actuarial basis in view of employees being less than 10 and same is charged on actual basis.

**3 Property, Plant and Equipment**

| Particulars                                 | Freehold Land     | Furniture and Fixtures | Computer      | Total             |
|---|-------------------|------------------------|---------------|-------------------|
| <b>Gross Carrying Amount March 31, 2019</b> |                   |                        |               |                   |
| Opening Gross Carrying Amount               | 351,50,000        | 88,000                 | 74,143        | 353,12,143        |
| Additions                                   | -                 | 1,70,000               | -             | 1,70,000          |
| Disposals                                   | -                 | -                      | -             | -                 |
| <b>Closing gross carrying amount</b>        | <b>351,50,000</b> | <b>2,58,000</b>        | <b>74,143</b> | <b>354,82,143</b> |
| <b>Accumulated Depreciation</b>             |                   |                        |               |                   |
| Opening Accumulated Depreciation            | -                 | 3,808                  | 24,377        | 28,185            |
| Depreciation charged during the year        | -                 | 21,797                 | 31,432        | 53,229            |
| <b>Closing Accumulated Depreciation</b>     | <b>-</b>          | <b>25,605</b>          | <b>55,809</b> | <b>81,414</b>     |
| <b>Net carrying amount March 31, 2020</b>   | <b>351,50,000</b> | <b>2,32,395</b>        | <b>18,334</b> | <b>354,00,729</b> |
| <b>Net carrying amount March 31, 2019</b>   | <b>351,50,000</b> | <b>84,192</b>          | <b>49,766</b> | <b>352,83,958</b> |

**SWADESHI INDUSTRIES & LEASING LIMITED**

| <b>Note No</b> | <b>Particulars</b>                             | <b>As at 31 March<br/>2020</b> | <b>As at 31 March<br/>2019</b> |
|----------------|--|--------------------------------|--------------------------------|
| <b>4</b>       | <b>Investments</b>                             |                                |                                |
|                | <b>Investments in partnership firms</b>        |                                |                                |
|                | Park View Developers                           | 335,97,311                     | 308,78,488                     |
|                | <b>Name of Partners</b>                        | <b>Total Capital</b>           | <b>Share</b>                   |
|                | Lalit Parasmal Nahata                          | (38,66,356.32)                 | 20%                            |
|                | Tarun Bhawarlal Nahata                         | (18,48,363.32)                 | 20%                            |
|                | Sampatraj Bhandari                             | 23,79,358.00                   | 5%                             |
|                | Swadeshi Industries &<br>Leasing Ltd           |                                | 55%                            |
|                | <b>Total</b>                                   | <b>335,97,311</b>              | <b>308,78,488</b>              |
| <b>5</b>       | <b>Deferred tax assets (Net)</b>               |                                |                                |
|                | Deferred tax asset                             |                                |                                |
|                | Mat Credit Entitlement                         | 6,87,374                       | 6,87,374                       |
|                | Property, plant and equipment                  | 4,265                          | -                              |
|                | Deferred tax liabilities                       |                                |                                |
|                | Property, plant and equipment                  | -                              | (1,527)                        |
|                | Deferred tax assets (Net)                      | <b>6,91,639</b>                | <b>6,85,847</b>                |
|                | <u>Movement in deferred tax liabilities</u>    |                                |                                |
|                | As on 1st April 2019 (PY 1st April 2018)       | (1,527)                        | -                              |
|                | Charged / credited                             |                                |                                |
|                | - to profit & loss                             | 5,792                          | (1,527)                        |
|                | As at 31 March 2020 (PY 31 March 2019)         | <b>4,265</b>                   | <b>(1,527)</b>                 |
| <b>6</b>       | <b>Other non-current assets</b>                |                                |                                |
|                | Balance with Revenue Authorities               | 89,918                         | 2,02,120                       |
|                | <b>Total</b>                                   | <b>89,918</b>                  | <b>2,02,120</b>                |
| <b>7</b>       | <b>Inventories</b>                             |                                |                                |
|                | Finished goods                                 | -                              | 33,70,078                      |
|                | <b>Total</b>                                   | <b>-</b>                       | <b>33,70,078</b>               |
| <b>8</b>       | <b>Trade Receivables</b>                       |                                |                                |
|                | Unsecured Considered Good                      | 33,15,794                      | 50,70,728                      |
|                | Less: Provision for doubtful trade receivables | 3,31,190                       | 3,31,190                       |
|                | <b>Total</b>                                   | <b>29,84,604</b>               | <b>47,39,538</b>               |
| <b>9</b>       | <b>Cash and Cash Equivalents</b>               |                                |                                |
|                | Balances With Banks                            | 493                            | 7,064                          |
|                | Cash on hand                                   | 1,54,610                       | 1,22,996                       |
|                | <b>Total</b>                                   | <b>1,55,103</b>                | <b>1,30,060</b>                |
| <b>10</b>      | <b>Loans</b>                                   |                                |                                |
|                | <u>Unsecured, considered good</u>              |                                |                                |
|                | Other loans                                    | 381,81,631                     | 389,03,720                     |
|                | <b>Total</b>                                   | <b>381,81,631</b>              | <b>389,03,720</b>              |
| <b>11</b>      | <b>Other current assets</b>                    |                                |                                |
|                | Capital Advances                               | -                              | -                              |
|                | Advances other than capital advances           |                                |                                |
|                | Security Deposits                              | 61,000                         | 1,45,000                       |
|                | Prepaid Expenses                               | 8,017                          | 39,826                         |
|                | Advance for Furniture                          | -                              | 1,70,000                       |
|                | Balance with Revenue Authorities               | 3,92,351                       | 4,14,381                       |
|                | <b>Total</b>                                   | <b>4,61,368</b>                | <b>7,69,207</b>                |

## SWADESHI INDUSTRIES & LEASING LIMITED

### 12 Equity Share Capital

|                                       | As at 31 March 2020  |                       | As at 31 March 2019  |                       |
|---------------------------------------|----------------------|-----------------------|----------------------|-----------------------|
|                                       | No. of shares        | Amount                | No. of shares        | Amount                |
| <b>Authorised Share Capital</b>       |                      |                       |                      |                       |
| Equity Shares of Rs 10/- each         | 1250,00,000          | 1250,00,000           | 1250,00,000          | 1250,00,000           |
| <b>Issued, Subscribed and Paid Up</b> |                      |                       |                      |                       |
| Equity Shares of Rs 10/- each         | 108,17,950           | 1081,79,500           | 108,17,950           | 1081,79,500           |
| <b>Total</b>                          | <b>108,17,950.00</b> | <b>1081,79,500.00</b> | <b>108,17,950.00</b> | <b>1081,79,500.00</b> |

#### Rights, preferences and restrictions attached to shares

**Equity shares:** The Company has one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### The details of shareholders holding more than 5% shares

| Name of the Shareholder   | As at 31st March 2020 |               | As at 31st March 2019 |               |
|---|-----------------------|---------------|-----------------------|---------------|
|   | No. of Shares         | % held        | No. of Shares         | % held        |
| <b>Equity shares with voting rights</b>                               |                       |               |                       |               |
| Nageshwar Power Pvt. Ltd (Formerly known as Chin Info Tech Pvt. Ltd.) | 27,30,850             | 25.24%        | 27,30,850             | 25.24%        |
|   | <b>27,30,850</b>      | <b>25.24%</b> | <b>27,30,850</b>      | <b>25.24%</b> |

#### **The reconciliation of the number of shares outstanding is set out below**

|   | No. of shares     | Amount             | No. of shares     | Amount             |
|---|-------------------|--------------------|-------------------|--------------------|
| Equity Shares at the beginning of the year  | 108,17,950        | 1081,79,500        | 108,17,950        | 1081,79,500        |
| Add: Fresh Issue/ESOP                       | -                 | -                  | -                 | -                  |
| Less: Share Consolidated                    | -                 | -                  | -                 | -                  |
| Less: Buy Back                              | -                 | -                  | -                 | -                  |
| <b>Equity Shares at the end of the year</b> | <b>108,17,950</b> | <b>1081,79,500</b> | <b>108,17,950</b> | <b>1081,79,500</b> |

### 13 Other Equity

#### A. Nature and Purpose of Reserves

(a) Capital Reserve: The Companies Act, 2013 requires the company to create capital reserve based on statutory requirement. This reserve is not available for capitalisation/declaration of dividend/ share buy-back.

(b) General Reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required.

(c) Forfeited Shares: The amount received on shares forfeited.

(d) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

#### B. Other Equity

|   | Reserves and Surplus |                     |                  |                  |
|---|----------------------|---------------------|------------------|------------------|
|   | Capital Reserve      | Retained Earnings   | Forfeited Share  | General Reserve  |
| <b>Balance as at 31st March, 2019</b>   | 12,32,400            | (342,88,158)        | 14,80,125        | 12,15,000        |
| Profit for the year                     | -                    | (18,48,116)         | -                | -                |
| Total Comprehensive Income for the year |                      | (18,48,116)         |                  |                  |
| Transfer to retained earnings           | -                    | -                   | -                | -                |
| <b>Balance as at 31st March, 2020</b>   | <b>12,32,400</b>     | <b>(361,36,274)</b> | <b>14,80,125</b> | <b>12,15,000</b> |



**SWADESHI INDUSTRIES & LEASING LIMITED**

| <b>Note No</b> | <b>Particulars</b>   | <b>As at 31 March<br/>2020</b>        | <b>As at 31 March<br/>2019</b>         |
|----------------|--|---------------------------------------|--|
| <b>14</b>      | <b>Borrowings</b><br>Unsecured, Considered Good<br>Loans from related parties<br>Nageshwar Power P. Ltd  | 1,05,000                              | -                                      |
|                |  | <b>1,05,000</b>                       |  |
| <b>15</b>      | <b>Trade payables</b><br>Unsecured, Considered Good<br>a. Total outstanding dues of micro enterprises and small enterprises<br>b. Total outstanding dues of creditors other than micro enterprises and small enterprises | 86,00,000<br>51,67,463                | 86,00,000<br>73,19,080                 |
|                | <b>Total</b>   | <b>137,67,463</b>                     | <b>159,19,080</b>                      |
| <b>16</b>      | <b>Other current liabilities</b><br>Other advances<br>Expenses Payable<br>Professional Tax Payable<br>TDS Payable<br>GST Payable   | -<br>11,65,352<br>8,700<br>3,415<br>- | -<br>6,35,060<br>24,100<br>24,288<br>- |
|                | <b>Total</b>   | <b>11,77,467</b>                      | <b>6,83,448</b>                        |
| <b>17</b>      | <b>Revenue From Operations</b><br>Sale of products   | 116,86,946                            | 212,87,887                             |
|                | <b>Total</b>   | <b>116,86,946</b>                     | <b>212,87,887</b>                      |
| <b>18</b>      | <b>Other Income</b><br>Interest Income   | 3,08,790                              | 21,02,395                              |
|                | <b>Total</b>   | <b>3,08,790</b>                       | <b>21,02,395</b>                       |
| <b>19</b>      | <b>Changes in inventories of finished goods, Stock-in -<br/>Trade and work-in-progress</b><br><b>Stock at the beginning of the year</b><br>Finished Goods  | 33,70,078                             | -                                      |
|                |  | <b>33,70,078</b>                      | -                                      |
|                | <b>Stock at the end of the year</b><br>Finished Goods  | -                                     | 33,70,078                              |
|                |  | -                                     | <b>33,70,078</b>                       |
|                | <b>Changes In Inventories</b>  | <b>33,70,078</b>                      | <b>(33,70,078)</b>                     |
| <b>20</b>      | <b>Employee benefits expense</b><br>Salaries and wages   | 7,30,666                              | 13,55,000                              |
|                | <b>Total</b>   | <b>7,30,666</b>                       | <b>13,55,000</b>                       |
| <b>21</b>      | <b>Finance costs</b><br>Other borrowing costs<br>Bank Charges  | 24,709                                | 3,499                                  |
|                | <b>Total</b>   | <b>24,709</b>                         | <b>3,499</b>                           |

**SWADESHI INDUSTRIES & LEASING LIMITED**

| <b>Note No</b> | <b>Particulars</b>                    | <b>As at 31 March 2020</b> | <b>As at 31 March 2019</b> |
|----------------|---------------------------------------|----------------------------|----------------------------|
| <b>22</b>      | <b>Other expenses</b>                 |                            |                            |
|                | Payments to the auditor               |                            |                            |
|                | Auditor - Audit fees                  | 50,000                     | 50,000                     |
|                | For taxation matters - Tax Audit Fees | -                          | 25,000                     |
|                |                                       | <b>50,000</b>              | <b>75,000</b>              |
|                | <b>Other Expenses</b>                 |                            |                            |
|                | Brokerage Exps.                       | 7,500                      | 15,000                     |
|                | Brokerage on Sales                    | 38,300                     | 3,74,370                   |
|                | Computer Maintenance Exps.            | 4,770                      | 3,800                      |
|                | Conveyance Expenses                   | -                          | -                          |
|                | Custodial Fees                        | 1,17,084                   | 91,442                     |
|                | Discount Paid                         | 3,644                      | 30,739                     |
|                | Electric Exps.                        | 367                        | 12,353                     |
|                | Godown rent (bhiwandi)                | 2,04,000                   | 3,60,000                   |
|                | GST Expense                           | 18,201                     | -                          |
|                | Insurance Exps.                       | 7,926                      | 11,315                     |
|                | Late Fee Charges                      | 1,500                      |                            |
|                | Legal & Professional Exp.             | 1,40,000                   | 2,06,668                   |
|                | Listing Fees                          | 3,00,000                   | 2,50,000                   |
|                | Newspaper Publishing Exps.            | 78,360                     | 1,08,054                   |
|                | Office Exps.                          | 16,341                     | 64,592                     |
|                | Office Rent Exps.                     | -                          | 1,51,400                   |
|                | Postage Exps.                         | 2,870                      | 69,603                     |
|                | Printing & Stationery Exps.           | 1,22,077                   | 97,760                     |
|                | Profession Tax(Com.)                  | 2,500                      | 2,500                      |
|                | ROC Fees                              | 7,200                      | 7,700                      |
|                | RTA- Service Charges                  | 91,879                     | 97,883                     |
|                | Sales Promotion Exps.                 | 2,37,288                   | -                          |
|                | Share Consolidation charges           | -                          | 2,47,393                   |
|                | Telephone Exps.                       | -                          | 9,990                      |
|                | Transportation Charges                | -                          | 24,630                     |
|                | Web Site Charges                      | 3,083                      | -                          |
|                |                                       | <b>14,04,891</b>           | <b>22,37,192</b>           |
|                |                                       |                            |                            |
|                | <b>Total</b>                          | <b>14,54,891</b>           | <b>23,12,192</b>           |

**SWADESHI INDUSTRIES & LEASING LIMITED**

| 23        | <b>INCOME TAX EXPENSE</b>   | <b>As at 31 March<br/>2020</b> | <b>As at 31 March<br/>2019</b> |
|-----------|---|--------------------------------|--------------------------------|
| <b>A.</b> | <b>Components of Income Tax Expense</b>   |                                |                                |
|           | <b>Tax Expense recognised in the Statement of Profit and Loss</b>                             |                                |                                |
|           | <b>Current Tax</b>  |                                |                                |
|           | Current Tax on the profits for the year   | -                              | -                              |
|           | Adjustments for current tax of prior periods  | -                              | (71,000)                       |
|           | <b>Total a</b>  | -                              | <b>(71,000)</b>                |
|           | <b>Deferred Tax</b>   |                                |                                |
|           | Origination and Reversal of Temporary Differences   | (5,792)                        | 1,527                          |
|           | <b>Total b</b>  | <b>(5,792)</b>                 | <b>1,527</b>                   |
|           | <b>Total (a+b)</b>  | <b>(5,792)</b>                 | <b>(69,473)</b>                |
| <b>B.</b> | <b>Reconciliation of Tax Expense and the Accounting profit multiplied by India's Tax rate</b> |                                |                                |
|           | Profit/(loss) for the period  | (18,53,908)                    | (96,61,923)                    |
|           | <b>Tax at the Indian Tax rate of 26%</b>  | -                              | -                              |
|           | Tax effects of amounts which are not deductible (taxable) in computing taxable income         | -                              | -                              |
|           | Adjustments of current tax of prior periods   | -                              | (71,000)                       |
|           | Tax losses for which no Deferred income tax was recognised                                    | -                              | -                              |
|           | Incremental Deferred Tax Asset on Property, Plant & equipment                                 | (5,792)                        | 1,527                          |
|           | <b>Income Tax Expense</b>   | <b>(5,792)</b>                 | <b>(69,473)</b>                |
|           | Effective Tax Rate  | <b>0.31%</b>                   | <b>0.72%</b>                   |

**24 Earnings per Share**

| <b>Particulars</b>   | <b>For the year ended<br/>31 March 2020</b> | <b>For the year<br/>ended 31 March<br/>2019</b> |
|--|---|---|
| Net Profit / (loss) after tax for the year (in Rs.)                  | (18,48,116)                                 | (95,92,450)                                     |
| Profit / loss attributable to equity share holders (in Rs.)          | (18,48,116)                                 | (95,92,450)                                     |
| Weighted Average Number of equity shares outstanding during the year | 108,17,950                                  | 108,17,950                                      |
| Basic and Diluted Earnings Per Share (Rs.)                           | (0.17)                                      | (0.89)  |
| Face Value per Share (Rs.)   | 10  | 10  |

**25 Contingent Liabilities & 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.23,110/-
- b** Income Tax Demand for A.Y. 2009-10 of Rs.1,10,570/-
- c** Income Tax Demand for A.Y. 2009-10 of Rs.11,820/-
- d** Income Tax Demand for A.Y. 2016-17 of Rs.32,280/-

## SWADESHI INDUSTRIES & LEASING LIMITED

### 26 Fair value measurements

#### Financial instruments by category:

| 31-Mar-20                       |                |        |                   |                   |                      |         |         |       |
|---------------------------------|----------------|--------|-------------------|-------------------|----------------------|---------|---------|-------|
| Particulars                     | Carrying Value |        |                   |                   | Fair Value hierarchy |         |         |       |
|                                 | Amortised      |        |                   |                   | Level 1              | Level 2 | Level 3 | Total |
|                                 | FVTPL          | FVTOCI | Cost              | Total             |                      |         |         |       |
| <b>Financial Assets</b>         |                |        |                   |                   |                      |         |         |       |
| (i) Non Current Investments     | -              | -      | 335,97,311        | 335,97,311        | -                    | -       | -       | -     |
| (ii) Trade Receivable           | -              | -      | 2984604           | 29,84,604         | -                    | -       | -       | -     |
| (iii) Cash and Cash Equivalents | -              | -      | 155103.12         | 1,55,103          | -                    | -       | -       | -     |
| (iv) Current Loans              | -              | -      | 38181631          | 381,81,631        | -                    | -       | -       | -     |
| <b>TOTAL</b>                    | -              | -      | <b>749,18,649</b> | <b>749,18,649</b> | -                    | -       | -       | -     |
| <b>Financial Liabilities</b>    |                |        |                   |                   |                      |         |         |       |
| (i) Borrowings                  | -              | -      | 1,05,000          | 1,05,000          | -                    | -       | -       | -     |
| (ii) Trade Payables             | -              | -      | 137,67,463        | 137,67,463        | -                    | -       | -       | -     |
| <b>TOTAL</b>                    | -              | -      | <b>138,72,463</b> | <b>138,72,463</b> | -                    | -       | -       | -     |

| 31-Mar-19                       |                |        |                   |                   |                      |         |         |       |
|---------------------------------|----------------|--------|-------------------|-------------------|----------------------|---------|---------|-------|
| Particulars                     | Carrying Value |        |                   |                   | Fair Value hierarchy |         |         |       |
|                                 | Amortised      |        |                   |                   | Level 1              | Level 2 | Level 3 | Total |
|                                 | FVTPL          | FVTOCI | Cost              | Total             |                      |         |         |       |
| <b>Financial Assets</b>         |                |        |                   |                   |                      |         |         |       |
| (i) Non Current Investments     | -              | -      | 308,78,488        | 308,78,488        | -                    | -       | -       | -     |
| (ii) Trade Receivable           | -              | -      | 47,39,538         | 47,39,538         | -                    | -       | -       | -     |
| (iii) Cash and Cash Equivalents | -              | -      | 1,30,060          | 1,30,060          | -                    | -       | -       | -     |
| (iv) Current Loans              | -              | -      | 389,03,720        | 389,03,720        | -                    | -       | -       | -     |
| <b>TOTAL</b>                    | -              | -      | <b>746,51,806</b> | <b>746,51,806</b> | -                    | -       | -       | -     |
| <b>Financial Liabilities</b>    |                |        |                   |                   |                      |         |         |       |
| (i) Trade Payables              | -              | -      | 159,19,080        | 159,19,080        | -                    | -       | -       | -     |
| <b>TOTAL</b>                    | -              | -      | <b>159,19,080</b> | <b>159,19,080</b> | -                    | -       | -       | -     |

The carrying amounts of investments, trade receivables, cash and cash equivalents, current loans, and trade payables are considered to be approximately equal to the fair value.

#### **I. Fair value hierarchy**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- (a) recognised and measured at fair value and,
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level is as follows:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

#### **II. Valuation techniques used to determine fair value**

Significant valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

- Use of quoted market price or dealer quotes for similar instruments
- Using discounted cash flow analysis.

The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs.

## SWADESHI INDUSTRIES & LEASING LIMITED

### 27 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### A. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (deposits with banks and loans).

#### Credit risk management

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31st March, 2020 and 2019 is the carrying value of each class of financial assets.

#### i Trade and other receivables

Credit risk on trade receivables is limited based on past experience and management's estimate.

Ageing of trade and other receivables that were not impaired was as follows.

| Carrying amount               | 31-Mar-20        | 31-Mar-19        |
|-------------------------------|------------------|------------------|
| Neither Past due nor impaired | 16,72,745        | 31,52,997        |
| Past due but not impaired     | -                | -                |
| Past due more than 180 days   | 16,43,049        | 19,17,731        |
| <b>TOTAL</b>                  | <b>33,15,794</b> | <b>50,70,728</b> |

#### ii Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of ` 155,103 at March 31, 2020 (March 31, 2019: ` 130,060). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

#### B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables & borrowings.

#### Liquidity risk management

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2020 and 31st March, 2019. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, are retained as cash and cash equivalents (to the extent required).

## SWADESHI INDUSTRIES & LEASING LIMITED

### Maturities of non – derivative financial liabilities

(Amount in Rs.)

| Particulars                            | As at 31 March 2020 |                  | As at 31 March 2019 |                  |
|--|---------------------|------------------|---------------------|------------------|
|  | Less than 1 year    | More than 1 year | Less than 1 year    | More than 1 year |
| <b>Financial Liabilities - Current</b> |                     |                  |                     |                  |
| i. Borrowings                          | 1,05,000            | -                | -                   | -                |
| ii. Trade payables                     | 137,67,463          | -                | 159,19,080          | -                |
| <b>Total</b>                           | <b>138,72,463</b>   | <b>-</b>         | <b>159,19,080</b>   | <b>-</b>         |

### C. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments.

#### i Currency Risk

The functional currency of the Company is Indian Rupee. Currency risk is not material, as the Company does not have any exposure in foreign currency.

#### ii Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

According to the Company interest rate risk exposure is only for floating rate borrowings. Company does not have any floating rate borrowings on any of the Balance Sheet date disclosed in this financial statements.

#### iii Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in quoted instruments.

#### a Fair value sensitivity analysis for fixed rate Instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through Profit or Loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

#### b Cash flow sensitivity analysis for variable rate Instruments

The company does not have any variable rate instrument in Financial Assets or Financial Liabilities.

## 28 Capital Management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

## SWADESHI INDUSTRIES & LEASING LIMITED

### Other Notes to Accounts

#### 29. Micro, Small and Medium Enterprises

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

##### 1. Banke Bihari Process Private Limited

| Particulars   | 31.03.2020    | 31.03.2019    |
|---|---------------|---------------|
| Principal amount remaining unpaid to any supplier as at the end of the year.  | Rs. 86,00,000 | Rs. 86,00,000 |
| Amount of interest due remaining unpaid to any supplier as at the end of the year.  | Nil           | Nil           |
| Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.                | Nil           | Nil           |
| Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid). | Nil           | Nil           |
| Amount of interest accrued and remaining unpaid at the end of year.   | Nil           | Nil           |
| Amount of further interest remaining due and payable even in the succeeding year.   | Nil           | Nil           |

##### 30. Transaction in Foreign Currency

| Sr. No. | Particulars                     | 31.03.2020 | 31.03.2019 |
|---------|---------------------------------|------------|------------|
| 1       | Earning in Foreign Currency     | Nil        | Nil        |
| 2       | CIF Value of Imports            | Nil        | Nil        |
| 3       | Expenditure in Foreign Currency | Nil        | Nil        |

##### 31. Segment Information

Company is engaged in the business of **Textiles & Trading** and incidental activities thereto which, in the context of Ind AS 108 on Operating Segments, constitutes a single reportable segment.

##### 32. Related Party Transaction

Disclosure in accordance with Indian Accounting Standard-24 – Related Party transactions during the financial year ended 31<sup>st</sup> March, 2020.

###### 1. Name of Related Party

Related Party Disclosures

###### (i) Relationships:

###### (a) Investment in Partnership Firm

Park View Developers

###### (b) Promoters: Nageshwar Power Private Limited

###### (c) Key Managerial Personnel: (KMP)

|                               |  |
|-------------------------------|--|
| Mr. Gaurav Jain               | Executive Director-Chairperson-MD        |
| Mrs. Indira Dhariwal          | Non-Executive - Independent Director     |
| Mr. Amit Kumar                | Non-Executive - Independent Director     |
| Mr. Vikas Jain                | Chief Financial Officer                  |
| Mrs. Krishna Kamalkishor Vyas | Non-Executive - Independent Director     |
| Mr. Vikas Sanklecha           | Compliance Officer                       |
| Ms. Shruti Jain               | Company Secretary cum Compliance officer |

**SWADESHI INDUSTRIES & LEASING LIMITED**

Note: Related Party Relationship is identified by the Company and relied upon by the Auditors  
Key Management Personnel Compensation

|                                 | <b>Vikas Jain<br/>(CFO)</b> | <b>Shruti Jain<br/>(CS)</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Short-Term Employee Benefits    | 3,00,000<br>(3,00,000)      | 300,000<br>(150,000)        |
| Post-Employment Benefits        | (Nil)                       | (Nil)                       |
| Other Long-Term Benefits        | (Nil)                       | (Nil)                       |
| Termination Benefits            | (Nil)                       | (Nil)                       |
| Share-Based Payment             | (Nil)                       | (Nil)                       |
| Total:                          | 3,00,000<br>(3,00,000)      | 300,000<br>(150,000)        |
| Balance outstanding at year end | 381,400<br>(83,900)         | 41,200<br>(148,700)         |

2. Transactions during the Year

| <b>Name</b>                     | <b>Relationship</b>            | <b>Nature Of Transaction</b> | <b>Amount received (Rs)</b> | <b>Amount paid (Rs)</b>  | <b>Amount Outstanding at year end (Rs)</b> |
|---------------------------------|--------------------------------|------------------------------|-----------------------------|--------------------------|--|
| Park ViewDevelopers             | Investment in Partnership Firm | Net Investment               | 310,000<br>(1,650,000)      | 3,500,000<br>(1,825,000) | 33,597,311<br>(30,878,488)                 |
| Nageshwar Power Private Limited | Promoter Company               | Loan Taken                   | 3,05,000<br>(770,000)       | 2,00,000<br>(770,000)    | 1,05,000<br>(NIL)                          |

32. Previous Year's figures have been regrouped, rearranged or recasted wherever necessary to conform to the Year's classification.

For **Dhawan & Co.**

**Chartered Accountants**

Firm Regn No.002864N

**On Behalf of the Board**

**For Swadeshi Industries & Leasing Limited**

**(CIN: L45209MH1983PLC031246)**

**-SD/-  
(M.C. Gupta)**

**Partner**

M. No. 070834

**Date:** 30<sup>th</sup> June, 2020

**Place:** Mumbai

**-SD/-  
Gaurav Jain**

DIN: 6794973

**Managing Director**

**-SD/-  
Vikas Jain**

**Chief Financial Officer**

**SD/-  
Krishna Vyas**

DIN:7444324

**Director**

**-SD/-  
Shruti Jain**

**Company Secretary**