

Ref :

Date :

Date: 10<sup>th</sup> September, 2018

To,  
The Secretary  
BSE Limited  
Corporate Relations Department,  
P. J. Towers, Dalal Street,  
Mumbai-400 001

Dear Sir,

**Sub: Submission of Annual Report under Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Ref: Scrip Code- 506863**

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith 37<sup>th</sup> Annual Report of the Company.

Kindly take the above on your records.

Thanking you,

Yours faithfully,

For SWADESHI INDUSTRIES AND LEASING LIMITED

  
GOURAV JAIN  
DIN: 06794973  
Managing Director





# SWADESHI INDUSTRIES AND LEASING LIMITED

## SWADESHI INDUSTRIES AND LEASING LIMITED 35TH ANNUAL REPORT (2018-19)

### **BOARD OF DIRECTORS:**

Mr. Gourav Jain	(DIN 06794973)	Managing Director
Mr. Jagdishchandra Hansraj Ghumara	(DIN 00519468)	Director
Ms. Krishna Kamalkishor Vyas	(DIN 07444324)	Director
Mr. Amit Kumar	(DIN 06393899)	Director

### **BOARD COMMITTEES**

<b>Audit Committee</b>	<b>Nomination &amp; Remuneration Committee</b>	<b>Stakeholders' Relationship Committee</b>	<b>Share Transfer Committee</b>
Amit Kumar, Chairman	Amit Kumar, Chairman	Amit Kumar, Chairman	Amit Kumar, Chairman
Jagdishchandra Ghumara	Jagdishchandra Ghumara	Jagdishchandra Ghumara	Jagdishchandra Ghumara
Krishna Vyas	Krishna Vyas	Krishna Vyas	Krishna Vyas
Gourav Jain	Gourav Jain	Gourav Jain	Gourav Jain

### **Key Managerial Personnel**

Gourav Jain	Chairman & Managing Director
Vikas Kushalchand Sanklecha	Chief Financial Officer & Compliance Officer
CS Shruity Jain	Company Secretary

### **AUDITOR**

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

### **BANKERS**

HDFC Bank Limited (Borivali East Branch, Mumbai)

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

M/s. Link Intime India Pvt. Ltd. (w.e.f 01st January, 2017)  
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.

### **REGISTERED OFFICE**

Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near Anjur Phata, Bhiwandi Thane MH 421302 IN.  
Phone 9326321829 Email: compliance@swadeshiglobal.com Website: www.swadeshiglobal.com

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

## NOTICE

NOTICE is hereby given that the 35<sup>th</sup> ANNUAL GENERAL MEETING of the Members of **SWADESHI INDUSTRIES AND LEASING LIMITED** (CIN: L45209MH1983PLC031246) will be held on Saturday, 28<sup>th</sup> September 2019 at 2.00 p.m. at A/101, 1st floor, Manibadra Complex, Phase II, Rahnal, Bhiwandi Thane MH 421302 IN. to transact the following business:

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March 2019, together with the Reports of Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Gourav Jain, (DIN 06794973) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Audit Committee to appoint M/s. Dhawan & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 002864N, 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 2018-19, 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-imbursment of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

### **SPECIAL BUSINESS:**

- 4) 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 160, 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of the Listing Regulation, Mrs. Indira Dhariwal (DIN 02524743), who was appointed as an Additional Independent Director in the Board Meeting held on 28<sup>th</sup> May 2019, having tenure up to the ensuing Annual General Meeting and who is not disqualified to become a Director under the Companies Act, 2013 and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act be as is hereby appointed as an Independent

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

Director of the Company, not liable to retire by rotation and to hold office for 5 consecutive years w.e.f. 28<sup>th</sup> September, 2019.”

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

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

## **Registered Office:**

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

Date:28<sup>th</sup>May, 2019

Place: Mumbai

CIN: L45209MH1983PLC031246

## **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY TO BE EFFECTIVE SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

2. The Register of member and the Share Transfer Books of the Company will remain closed from, Saturday ,21<sup>st</sup> September, 2019 to Friday,28<sup>th</sup>September, 2019 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out above is annexed hereto.
4. In respect of Resolution at Item No. 2, details as mandated under 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, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
5. Electronic copy of the 35<sup>th</sup>Annual Report 2018-19, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the

## SWADESHI INDUSTRIES AND LEASING LIMITED

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35<sup>th</sup>Annual Report 2018-19, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the physical mode.

6. Members are requested to :-
  - i. Members holding shares in Physical form are requested to convert their holding into demat form to eliminate all risk associated with Physical shares; Members can contract our RTA in this regard.
  - ii. Members holding shares in Dematerialize form are requested to intimate all changes pertaining to their Bank details, Email address, Contact Numbers which will help Company and its Registrar's to provide better & efficient services.
  - iii. Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31<sup>st</sup> March 2019, so as to enable the Company to keep the information ready.
  - iv. Intimate to the Registrar & Transfer Agent (RTA) of the Company immediately, about any change in their address, where the shares are held in electronic form, such change is to be informed to the Depository Participant (DP) and not to the Company/ RTA.
  - v. Quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.
  - vi. Approach the RTA of the Company for consolidation of folios.
  - vii. Avail of Nomination facility by filing in and forwarding the nomination form to the RTA, if not already done.
  - viii. Send all share transfer lodgments (physical mode)/ correspondence to the RTA of the Company, M/s.Link Intime India Pvt. Ltd., C/101,247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083 up to the date of book closure.
7. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. Members/Proxies/Authorized Representatives should bring their copy of the Annual Report and Attendance Slip sent herein for attending the Meeting. Proxy/Authorized Representatives of Members should state on the Attendance Slip as 'Proxy' or 'Authorized Representative', as the case may be. Further, those who hold shares in demat form are requested to write their Client Id and DP Id and those who hold shares in physical forms are requested to write their folio number on the attendance slip for easy identification at the meeting.
9. In case of joint holders, the vote of only such joint holder who is higher in the order of names, whether in person or proxy, shall be accepted to the exclusion of the votes of other joint holders.
10. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/ R&TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.
11. Members desiring any information pertaining to the financial statements are requested to write to the Compliance Officer at an early date so as to enable the Management to reply at the AGM.
12. The Company has listed its shares on the BSE Limited. The listing fees till date have been paid.
13. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.
14. The Company is supporting "Green Initiative in Corporate Governance", a step taken by the Ministry of Corporate Affairs wherein the service of various documents including Notice, Directors' Report, Annual Accounts and various correspondences by a Company can be made through electronic mode which shall also be in compliance

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with the provisions of Section 20 of the Companies Act, 2013.

Supporting this initiative the Company sends its Annual Report to the members whose email ids are available in electronic form. To support this initiative in full measure, Members who have not registered their email address with the Depository through their concerned Depository Participants (DPs) are requested to register the same with their DPs. Members who hold shares in physical form are requested to register their email address with M/s. Link Intime India Pvt. Ltd, C/101,247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083.

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

15. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market and Members holding shares in electronic form are requested to submit their PAN to their Depositories Participant(s). Members holding shares in physical form shall submit their PAN details to RTA, if not already submitted.
16. In terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolution proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting systems from a place other than venue of the AGM ("remote e voting) will be provided by National Securities Depositories Limited (NSDL).
17. The members shall note that the facility for voting shall also be provided at the meeting through ballot paper and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their voting rights at the meeting. If the members have already cast their vote by remote e-voting prior to the meeting they may attend the meeting but shall not be entitled to cast their vote again and his vote, if any, cast at the meeting shall be treated as invalid.
18. The e-voting period commences on Wednesday, 25<sup>th</sup> September, 2019 (9:00 am) and ends on Friday, 27<sup>th</sup> September, 2019 (5:00 pm). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, 21<sup>st</sup> September, 2019, may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**19. 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.

## SWADESHI INDUSTRIES AND LEASING LIMITED

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Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID 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 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 For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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.nsd.com](http://www.evoting.nsd.com).
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.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.

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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.
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 [atevoting@nsdl.co.in](mailto:atevoting@nsdl.co.in)  
  
The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 21<sup>st</sup> September 2018.
20. The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary FCS 2655 and CP 1798 as the Scrutinizer to count the votes casted in favour or against the resolutions proposed from item No. 1 to 4 of the Notice for point No. 16 as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013.
21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall, after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through ballot paper in the presence of at least two witnesses, not



## SWADESHI INDUSTRIES AND LEASING LIMITED

in the employment of the Company, and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

23. The Chairman or the authorised person shall declare the results of the voting forthwith and the results declared along with the report of the scrutinizer shall be placed on the website of the Company i.e. [www.swadeshiglobal.com](http://www.swadeshiglobal.com) and on the website of NDSL.
24. Map of venue of AGM:



25. 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>	Mr. Gourav Jain
<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>	11 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

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

**GOURAV JAIN**  
DIN: 06794973  
Managing Director

# SWADESHI INDUSTRIES AND LEASING LIMITED

## EXPLANATORY STATEMENT

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

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

### Item No. 4:

Mrs. Indira Dhariwal (DIN 02524743) was appointed as an Additional Independent Director in the Board Meeting held on 28<sup>th</sup> May 2019, under Section 161 of the Companies Act 2015 having tenure upto the ensuing Annual General Meeting. Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from the member alongwith requisite deposit proposing the candidature of Mrs. Indira Dhariwal (DIN 02524743) for the office of Independent Director of the Company. In terms of Sections 146, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mrs. Indira Dhariwal, being eligible is proposed to be appointed as an Independent Director not liable to retire by rotation for a period of 5 years w.e.f. 28<sup>th</sup> September, 2019. The Company has received the following documents from the proposed appointee:

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

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

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

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

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

### Registered Office:

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

Date: 28<sup>th</sup> May, 2019

Place: Mumbai

CIN: L45209MH1983PLC031246

# SWADESHI INDUSTRIES AND LEASING LIMITED

## DIRECTORS' REPORT

[(Disclosure under Section 134(3) of the Companies Act, 2013)  
{Read With Companies (Accounts) Rules, 2014}]

Dear Shareholders,

Your Directors are presenting the 35<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the period ended 31<sup>st</sup> March 2019.

### 1. Financial Results:

(in Lacs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue from Operations	212.87	736.61
Profit before Depreciation & Amortization	-96.33	-24.19
Depreciation & Amortization	0.28	NIL
Profit / (Loss) before taxation	-96.61	-24.19
Provision for taxation (incl. deferred tax)	0.69	0.14
Profit/ (Loss) for the year carried to Balance Sheet	-95.92	-24.33

### 2. Dividend:

Due to the losses for the year under consideration your director's have not recommended any dividend for the year under consideration.

### 3. Reserves:

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

### 4. 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. 212.87 Lacs as against Rs.736.61Lacs in the previous year and the total income (which includes other income) stood at Rs. 233.90 Lacs as against Rs. 756.19 The Company has occurred a Net Loss of Rs.(95.92) Lacs as compared to the Loss of Rs. (24.33) Lacs during the previous accounting year. The main reason for the loss is share of loss from partnership firm M/s Park Veiw Developers where company has 55% stake i.e. Rs. 85.76 lacs

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

There was no change in nature of business.

### 6. 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

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

balance sheet relates and the date of the report.

**7. 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.

**8. Details of Subsidiary/ Joint Ventures/ Associate Companies:**

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

**9. 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.

**10. 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 is appended as **Annexure 2** of the Board's Report.

**11. 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.

**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

## SWADESHI INDUSTRIES AND LEASING LIMITED

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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

**12. Directors And Key Managerial Personnel:**

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

Mr. Gourav Jain (DIN 06794973), Managing 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.

After the closure of the financial year, in accordance with the provision of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors in their meeting held on 28<sup>th</sup> May 2019 has 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.

**B. 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.

**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:**



## SWADESHI INDUSTRIES AND LEASING LIMITED

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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 programme 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.

**13. Details of Committee of the Board:**

Currently the Board has 3 Committees: the Audit Committee, Nomination and Remuneration 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 thereunder 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 KamalkishorVyas& Mr. JagdishchandraHansrajGhumara and Mr. Gourav Jain Director as other members of the Committee. The recommendations of the Audit Committee is always welcomed and accepted by the Board and all the major steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee.

**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 KamalkishorVyas&Mr. JagdishchandraHansrajGhumaraand Mr. Gourav Jain Director as other members of the Committee. The Committee has framed a policy to determine the qualification and attributes for appointment and basis of determination of

## SWADESHI INDUSTRIES AND LEASING LIMITED

remuneration of all the Directors, Key Managerial Personnel and other employees. A copy of policy is annexed as Annexure- 4

Name of the Directors	Directors' Position	Relationship with other Directors	Salary & allowances (Rs.)	Perquisites (Rs.)	Sitting Fees (Rs.)
Mr. Gourav Jain (DIN 06794973)	Managing Director	—	Nil	Nil	Nil
Mr. Amit Kumar (DIN 06393899)	Independent Director	—	Nil	Nil	Nil
Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	Independent Director	—	Nil	Nil	Nil
Ms. Krishna Kamal Kishor Vyas (DIN 07444324)	Independent Director	—	Nil	Nil	Nil
Mr. Vikas Sanklecha	CFO	—	300000	Nil	Nil
Ms. Shruti Jain	Company Secretary	—	1,50,000	Nil	Nil

### C. 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 KamalkishorVyas&Mr. JagdishchandraHansrajGhumaraand Mr. Gourav Jain Director as other members of the Committee. The role of the Committee is to consider and resolve securities holders' complaint. The meetings of the Committee are held once in a quarter and the complaints are responded within the time frame provided.

### 14. Secretarial Audit Report:

The Board of Directors have appointed M/s. Sanjay Dholakia & Associates, Practicing Company Secretaries to conduct Secretarial Audit for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and the rules framed thereunder. The Secretarial Audit Report for the financial year 2018-19 forms part of the Directors' Report as **Annexure 1**.

### 15. Board Meetings:

During the year under review, the Company has conducted 6 (Six) 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	May 2, 2018
2	Board Meeting	May 28, 2018
3	Board Meeting	August 14, 2018
4	Board Meeting	September 28,2018
5	Board Meeting	November 13, 2018
6	Board Meeting	February 9, 2019

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

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

The Company has not taken any Loan, made investment as per provisions of Section 186 of the Companies Act, 2013.

### 17. 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.

### 18. Directors' Responsibility Statement:

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

- a) In preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from them;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- 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.

### 19. Managerial Remuneration:

- A) Details of the ratio of their 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 - 4.

- 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

# SWADESHI INDUSTRIES AND LEASING LIMITED

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Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is set out in the Annexure -3 to this report.

## **20. 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 8**.

## **21. 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".

## **22. 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**.

## **23. 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.

## **24. 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.

## **25. 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.

## **26. 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.

## **27. Other Disclosures / Reporting:**

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

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).

### **28. 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.

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

Mr. Gourav Jain  
Managing Director  
(DIN 06794973)

Ms. Krishna Kamalkishor Vyas  
Director  
(DIN 07444324)

### **Registered Office:**

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

Date: 28<sup>th</sup> May, 2019

Place: Mumbai

CIN: L45209MH1983PLC031246



# SWADESHI INDUSTRIES AND LEASING LIMITED

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## Annexure 1

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2019

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

To,  
The Members,  
**SWADESHI INDUSTRIES AND LEASING LIMITED**  
Mumbai.

CIN: L45209MH1983PLC031246

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SWADESHI INDUSTRIES AND LEASING LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 complied with the statutory provisions listed hereunder and 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, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - (Not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective May 15, 2015);
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;**There were no further issue of securities during the year under review.**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective October 28, 2014);**There were no ESOPS issued during the year under review.**

## SWADESHI INDUSTRIES AND LEASING LIMITED

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- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **There were no debts securities issued during the year under review**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2)
- ii. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements), 2015

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

***The Company has not appointed a Whole-time Company Secretary as required pursuant to Section 203 of the Companies Act, 2013 and not appointed Company Secretary as Compliance Officer under regulations 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However the Company has appointed Company Secretary and Compliance Officer of the company w e f 28<sup>th</sup> September, 2018 and as on 31<sup>st</sup> March, 2019 has complied with the Section 203 of the Companies Act, 2013 and also regulations 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015***

### **We further report that**

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

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

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

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

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this Report.

For **SANJAY DHOLAKIA & ASSOCIATES**

(**SANJAY R DHOLAKIA**)

**Practising Company Secretary**

**Proprietor**

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

Date: 28<sup>th</sup> May 2019

Place: Mumbai

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

## Annexure A

To,

The Members,

SWADESHI INDUSTRIES AND LEASING LIMITED

Mumbai.

CIN: L45209MH1983PLC031246

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my 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. I believe that the practices and processes I have followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, I 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. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in my audit report, only those non-compliance, especially in respect of filing of applicable forms/ documents, which, in my opinion, are material and having major bearing on financials of the Company.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**

**Practising Company Secretary**

**Proprietor**

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

Date: 28<sup>th</sup> May 2019

Place: Mumbai

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Annexure 2

### EXTRACT OF ANNUAL RETURN FORM MGT 9

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

**Financial Year ended on 31.03.2019**

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	<b>CIN: L45209MH1983PLC031246</b>
2	Registration Date	31 <sup>st</sup> October 1983
3	Name of the Company	<b>SWADESHI INDUSTRIES AND LEASING LIMITED</b>
4	Category/Sub-category of the Company	Public Limited Company/ Limited by shares
5	Address of the Registered office & contact details	Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata, Bhiwandi Thane MH 421302 IN.. Phone: 9326321829, Email-compliance@swadeshiglobal.com Web:www.swadeshiglobal.com
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Link Intime India Pvt. Ltd.</b> C 101,247 Park, L. B. S. Marg, Vikhroli(W), Mumbai -400 083. Tel.No.: 022-49186000 Fax No. : 022-49186060 E-mail: mumbai@linkintime.co.in

#### 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 AND LEASING LIMITED

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

(i)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares	
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	30808500	0	30808500	28.48	30808500	0	30808500	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>30808500</b>	<b>0</b>	<b>30808500</b>	<b>28.48</b>	<b>30808500</b>	<b>0</b>	<b>30808500</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/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) (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)</b>									
<b>(i)+(A)(ii)</b>	<b>30808500</b>	<b>0</b>	<b>30808500</b>	<b>28.48</b>	<b>30808500</b>	<b>0</b>	<b>30808500</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/Fl	0	50	50	0.00	0	50	50	0.00	0
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



## SWADESHI INDUSTRIES AND LEASING LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares	
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>500</b>	<b>500</b>	<b>0.00</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>0.00</b>	<b>0</b>
(ii) Non Institutions									
a) Bodies corporate	42233670	74000	42307670	39.10	4281091	7400	4288491	39.64	0.54
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	17566163	3988500	21554663	19.92	1692531	378294	2070825	19.14	(0.78)
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	9998385	0	9998385	9.24	1176421	0	1176421	10.87	1.63
c) Any Other (specify) NRIs	44990	0	44990	0.04	3973	0	3973	0.03	0.01
NBFC's registered with RBI	0	0	0	0	29261	0	29261	0.27	0.27
Clearing Members	1724673	0	1724673	1.59	33426	0	33426	0.31	(1.28)
HUF	1740119	0	1740119	1.61	134653	0	134653	1.24	(0.36)
Sub Total (B)(ii):	<b>73308000</b>	<b>4062500</b>	<b>77370500</b>	<b>71.52</b>	<b>7351356</b>	<b>385694</b>	<b>7737050</b>	<b>71.52</b>	<b>0</b>
Total Public Shareholding									
(B)= (B)(i)+(B)(ii)	<b>73308000</b>	<b>4063000</b>	<b>77371000</b>	<b>71.52</b>	<b>7351356</b>	<b>385744</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
Grand Total (A+B+C)	<b>104116500</b>	<b>4063000</b>	<b>108179500</b>	<b>100.00</b>	<b>10432206</b>	<b>385744</b>	<b>10817950</b>	<b>100.00</b>	<b>0</b>

## SWADESHI INDUSTRIES AND LEASING LIMITED

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Nageshwar Power Pvt. Ltd Formally known as (Chin Infotech P.Ltd)	27308500	25.24%	NIL	27308500	25.24%	NIL	-
2	Lalima Buildcon P.Ltd.	3500000	3.24%	NIL	3500000	3.24%	NIL	-

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

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

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Increase/ Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	Fresh Trexim Pvt Ltd	5038381	4.6574	NIL	5038381	4.6574
2	Moonview Mercantile Pvt Ltd	5013955	4.6348	NIL	5013955	4.6348
3	Florin Consultancy Pvt Ltd	3436634	3.1768	NIL	3436634	3.1768
4	Shivputra Distributors Private Limited	3332257	3.0803	NIL	3332257	3.0803
5	Topwell Properties Private Limited	2105550	1.9463	NIL	2105550	1.9463
6	SurajKenwar	232219	2.1466	NIL	232219	2.1466
7	Gannayak Barter Private Limited	1978000	1.8284	NIL	1978000	1.8284
8	Smartchamp Services Pvt Ltd	1800000	1.6639	NIL	1800000	1.6639
9	ShantilalKawar	1600000	1.4790	NIL	1600000	1.4790
10	Arni Shares Private Limited			+1350000	1350000	1.2479

## SWADESHI INDUSTRIES AND LEASING LIMITED

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Increase/Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	Amit Kumar (DIN 06393899)	NIL	NIL	NIL	NIL	NIL
2	Gourav Jain (Din 06794973)	NIL	NIL	NIL	NIL	NIL
3	Jagdishchandra Hansraj Ghumara (DIN 00519468)	NIL	NIL	NIL	NIL	NIL
4	Krishna Kamalkishor Vyas (DIN 07444324)	NIL	NIL	NIL	NIL	NIL

**V. INDEBTEDNESS:**

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01.04.2018</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-31.03.2019</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>	NIL	NIL	NIL	NIL

# SWADESHI INDUSTRIES AND LEASING LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

### B. Remuneration of other directors:

#### I. Independent Directors:-

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

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

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

# SWADESHI INDUSTRIES AND LEASING LIMITED

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

Sr.	Particulars of Remuneration	Name of KMP		Total Amount (Rs. In Lacs)
		Mr. Vikas Sanklecha (CFO)	Ms. Shruti Jain (Company Secretary)	
1	Gross Salary	300000	150000	450000
	(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			
	- As % of Profit			
	- Others, specify	NIL	NIL	NIL
5		NIL	NIL	
		NIL	NIL	
	Performance Bonus	NIL	NIL	NIL
	Total (C)	300000	150000	450000

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

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

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Annexure 3

### 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 2017-18 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 2017-18:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for the financial year 2018-19	Increase in Remuneration in % the Financial Year 2018-19
1.	Vikas Sanklecha(CFO)	3,00,000	NIL
2.	Shrutijain (CS)	1,50,000	1,50,000

3. The percentage increase in the median remuneration of employees in the Financial Year:  
In the Financial Year, there was an increase of 11.11% in the median remuneration of employees.
4. The number of permanent employees on the rolls of Company:  
There were six (Including KMP) permanent employees on the rolls of the Company as on March 31, 2019.
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	2018-19	2017-18	% Change	Remarks
1	Managerial Remuneration	300000/-	300000/-	NIL	There has been no change in the remuneration paid to the Managerial personnel
2	Other Employee Salary	1055000/-	11,10,633/-	-5.01%	Decrease due to managerial reducing salary

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 AND LEASING LIMITED --- ---

## Annexure4

### 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.

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

## 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;
- 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;



## SWADESHI INDUSTRIES AND LEASING LIMITED

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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.

#### 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.

## SWADESHI INDUSTRIES AND LEASING LIMITED

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### 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.
- 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

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

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:**

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.

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

- 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/-  
Gourav Jain  
Managing Director  
(DIN: 06794973)**

Date: 28<sup>th</sup> May 2019

Place: Mumbai

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Annexure 5 REPORT ON CORPORATE GOVERNANCE (FY2018-19)

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 area of 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 2019 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. Gourav 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.
Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	Non- Executive Independent Director	(I) Infra Industries Limited,	N.A.	N.A.
Ms. Krishna Kamal Kishor Vyas (DIN 07444324)	Non- Executive Independent Director	NIL	N.A.	N.A.

@ Does not include Directorships in Private Companies

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

## SWADESHI INDUSTRIES AND LEASING LIMITED

The Board of Directors duly met Six (6) times during the period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019. The dates on which the meetings were held are as follows:

02<sup>nd</sup> May 2018, 28<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 28<sup>th</sup> September 2018, 13<sup>th</sup> November 2018 and 09<sup>th</sup> February 2019.

### Attendance of each Director at the Board Meetings and the last AGM held on 26<sup>th</sup> September 2018:

Name of the Director	Board Meetings held during the tenure of the Director	Board Meeting Attended	Last AGM attendance (Yes /No)
Mr. Amit Kumar (DIN 06393899)	6	6	Present
Mr. Gourav Jain (DIN 06794973)	6	6	Present
Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	6	6	Present
Ms. Krishna Kamal Kishor Vyas (DIN 07444324)	6	6	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.

## SWADESHI INDUSTRIES AND LEASING LIMITED

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 2018, 14<sup>th</sup> August 2018, 13<sup>th</sup> November 2018 and 09<sup>th</sup> February 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	4	4
Mr. Gourav Jain (DIN 06794973)	Member	Executive Director	4	4
Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	Member	Non- Executive Independent Director	4	4
Ms. Krishna Kamal Kishor Vyas (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> September 2018.

## SWADESHI INDUSTRIES AND LEASING LIMITED

### 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. Gourav Jain (DIN 06794973)	Member	Executive Director	1	1
Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	Member	Non- Executive Independent Director	1	1
Ms. Krishna Kamal Kishor Vyas (DIN 07444324)	Member	Non- Executive Independent Director	1	1

### Performance Evaluation of Independent Directors

The Board evaluates the performance of 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:

(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity;

There is no pecuniary relationship or transactions of the non-executive directors with the Company.

(b) criteria of making payments to non-executive directors and weblink;

No payment has been made to non-executive Directors. The weblink of the same is available at [www.Swadeshiglobal.com](http://www.Swadeshiglobal.com)

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

### 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 2018, 14<sup>th</sup> August 2018, 13<sup>th</sup> November 2018 and 09<sup>th</sup> February 2019.



## SWADESHI INDUSTRIES AND LEASING LIMITED

### 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. Gourav Jain (DIN 06794973)	Member	Executive Director	4	4
Mr. Jagdishchandra Hansraj Ghumara (DIN 00519468)	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 to No. of complaints received from the shareholders, No. of Complaints solved to the satisfaction of shareholders and No. of Complaint pending during the year ended on 31<sup>st</sup> March 2019 are given hereunder:

<b>No. of Complaints Received during the FY 2018-19.</b>	1
No. of Complaint not Solved to the Satisfaction of Shareholders.	1
No. of Complaint pending at the end of FY 2018-19.	Nil

### 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, rematerialization and dematerialization of shares.

### 8) General Body Meetings:

Location and time for the last three AGMs:

Year	Date	Venue	Time	Special Resolution
2015-16	23 <sup>rd</sup> September 2016	Hotel Granville, Plot No. 680/D, Opp Kora Kendra Ground, R.M. Bhattar Road, Borivali (w), Mumbai – 400 092	4.30 pm	NIL
2016-17	23 <sup>rd</sup> September 2017	Hotel Granville, Plot No. 680/D, Opp Kora 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

## SWADESHI INDUSTRIES AND LEASING LIMITED

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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:	28 <sup>th</sup> September 2019, at 2:30 pm at Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near Anjur Phata, Bhiwandi Thane MH 421302
b	Financial Year	1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019
c	Listing on Stock Exchanges	BSE Limited - P.J. Towers, Dalal Street, Mumbai 400001
d	The Company has paid listing fees for the year 2018-19 stock exchanges.	
e	Stock Code:	BSE- 506863
f	Date of Book Closure	21 <sup>st</sup> September, 2019 to 28 <sup>th</sup> September, 2019 ( <i>both days inclusive</i> )
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 17.03% (in BSE Sensex during the year, the price of equity shares of the Company has risen by 3.08%. (1.30:1.34)
h	Registrar and Transfer Agents	Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai- 400083 Tel: 022-49186000 Fax: 022-49186060 E-mail: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a>
i	Address of Correspondence	Shop No.131, 1st Floor, V-Mall, Off. W.E. Highway, Nr. Sai Hospital, Thakur Complex, Kandivali (East), Mumbai City MH 400101 E-Mail: <a href="mailto:compliance@swadeshiglobal.com">compliance@swadeshiglobal.com</a> and <a href="mailto:swadeshiindltd@gmail.com">swadeshiindltd@gmail.com</a> Web Site: <a href="http://www.swadeshiglobal.com">www.swadeshiglobal.com</a>
j	Commodity price risk or foreign exchange risk and hedging activities	Not applicable
k	Plant Locations:	Not applicable

## SWADESHI INDUSTRIES AND LEASING LIMITED

### 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 2019:

Month & Year	BSE		
	High	Low	Volume
Apr 18	1.30	0.76	4,05,951
May 18	0.90	0.61	14,97,141
Jun 18	1.30	0.90	4,92,739
Aug 18	13.05	1.26	5,49,077
Sep 18	10.91	8.29	4,40,204
Oct 18	8.45	3.71	81,785
Nov 18	3.71	2.20	1,17,612
Dec 18	2.30	1.72	29,722
Jan 19	2.03	1.60	20,067
Feb 19	1.89	1.27	52,979
Mar 19	1.68	1.34	1,75,202

### n. Dematerialisation of Shares and liquidity

The Company shares are traded compulsorily in dematerialized form. As on March 31, 2019 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	385744	3.57%
Shares held in Demat Form	10432206	96.43%
TOTAL	108179500	100.00%

ISIN No. of the Company's Equity Shares in Demat Form: INE716M01026

Depository Connectivity: NSDL and CDSL

## SWADESHI INDUSTRIES AND LEASING LIMITED

**p. Distribution of Share Holdings:**

No. of Equity Share Held	As on 31.03.2019				As on 31.03.2018			
	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
01-500	11692	93.3791	11559650	10.69	7550	52.116	1643661	1.519
501-1000	474	3.7856	3899360	3.60	2979	20.563	2801395	2.590
1000-2000	173	1.3817	2620700	2.42	1673	11.548	2845811	2.631
2000-3000	58	0.4632	1470150	1.36	726	5.011	1940544	1.794
3000-4000	16	0.1278	578230	0.53	253	1.746	933711	0.863
4001-5000	14	0.1118	673540	0.62	493	3.403	2427862	2.244
5001-10000	27	0.2156	2021430	1.87	492	3.396	4101680	3.792
10001-and above	67	0.5351	85356440	78.90	321	2.216	91484836	84.568
Total	12521	100.0000	108179500	100.00	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.

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

- f) During the year ended 31<sup>st</sup> March 2019, 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 to this Report.

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

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the period ended 31<sup>st</sup> March 2019.

**GOURAV JAIN**

**DIN: 06794973**

**Managing Director**

Date: 28<sup>th</sup> May, 2019

Place: Mumbai

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

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

To,

The Board of Directors

Swadeshi Industries and Leasing Limited

1. I have reviewed financial statements and the cash flow statement of Swadeshi Industries and Leasing Limited for the period ended 31<sup>st</sup> March 2019 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.
4. I have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which I have become aware.

Mr. VikasKushalchandSanklecha  
Chief Financial Officer

Date: 28<sup>th</sup> May 2019

Place: Mumbai

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

## Annexure 6

### CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Swadeshi Industries and Leasing LIMITED (the "Company"), for the year ended 31<sup>st</sup> March 2019, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Director and Management, we certify that the Company has complied with the conditions of Corporate Governance ***except appointment of Company Secretary and appointment of Company Secretary to act as Compliance Officer under regulations 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However the Company has appointed Company Secretary and Compliance Officer of the company w e f 28<sup>th</sup> September, 2018 and as on 31<sup>st</sup> March, 2019 has complied with the Section 203 of the Companies Act, 2013 and also regulations 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015***

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

For Sanjay Dholakia & Associates

(Sanjay Dholakia)

Practicing Company Secretary

Membership No: 2655

Date: 28<sup>th</sup> May 2019

Place: Mumbai

# SWADESHI INDUSTRIES AND 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 31.03.2019</b>	<b>For the year ended 31.03.2018</b>
Revenue from Operations	212.87	736.61
Profit before Depreciation & Amortization	-96.33	-24.19
Depreciation & Amortization	0.28	NIL
Profit / (Loss) before taxation	-96.61	-24.19
Provision for taxation (incl. deferred tax)	-0.69	0.14
Profit/ (Loss) for the year carried to Balance Sheet	-95.92	-24.33

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

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

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



# SWADESHI INDUSTRIES AND LEASING LIMITED

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## INDEPENDENT AUDITOR'S REPORT

To the Members of **SWADESHI INDUSTRIES 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 2019, 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, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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.

##### i. Minimum Alternate Tax (MAT) Credit Entitlement – Deferred tax assets

The Company pays minimum alternate tax (MAT) under section 115JB of the Income Tax Act, 1961. The MAT paid would be available as an offset over a period of time. The MAT credit is recognized as a deferred tax asset to be available for offset when the Company pays taxes under the provision of Income Tax Act, 1961.

The balance of MAT credit receivable as at 31 March 2019 is Rs 687,374 (refer note 5 to the financial statements).

The recognition and recoverability of deferred tax asset on account of MAT credit requires significant judgement regarding the Company's future profitability and taxable income which will result in utilization of the MAT credit within the time limits available under the applicable Income tax laws.

#### Auditor's Response

In respect of such deferred tax assets, we assessed recoverability from a tax perspective by performing the following procedures:

- Understanding and evaluating the design and testing the operating effectiveness of key controls over recognition and review of deferred tax assets (net) including MAT Credit Entitlement;

## SWADESHI INDUSTRIES AND LEASING LIMITED

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- Assessing the appropriateness of tax rate applied to forecast future taxable profits;
- Considering whether the deferred tax asset is recognized and MAT Credit Entitlement is legally available for the forecasted recoupment period;
- Assessing the reasonableness of the assumptions of the business plans approved by the Board of Directors;
- Evaluating the progress made by the Company in achieving taxable profits for the business in recent periods;
- Performing sensitivity analysis on the estimated taxable profits by varying the underlying significant assumptions to assess that the recoupment period is within the legally available time limit.

Based on the above procedures, we did not identify any significant differences between our expectations and the management's assessment.

### **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.

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

## SWADESHI INDUSTRIES AND LEASING LIMITED

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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.

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

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

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

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

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

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

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (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)

**M C Gupta**  
**Partner**  
(Membership No. 070834)

**Place:** Mumbai  
**Date:** 28<sup>th</sup>May, 2019

# SWADESHI INDUSTRIES AND 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.
- 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 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, 2019 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.

## SWADESHI INDUSTRIES AND LEASING LIMITED

- (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, 2019 for a period of more than six months from the date they became payable, except the following:

Name of the statute	Nature of dues	Amount (In Lacs)	Period which the amount relates	Remark
Income Tax Act, 1961	Outstanding Demands	23,110 /-	A.Y. 2008-09	AO notice u/s 154 dated 22/04/2010
	Outstanding Demands	11,820/-	A.Y. 2009-10	CPC notice u/s 143 (1) (a) dated. 29/12/2010
	Outstanding Demands	1,10,570/-	A.Y. 2009-10	CPC notice u/s143(1)(a) Dated 29/12/2010
	Outstanding Demands	32,280/-	A.Y. 2016-17	CPC notice u/s143(1)(a) dated 22/03/2018
	TDS Short payment	15,100/-	Prior Years	Unpaid Till Date
	TDS Interest on Payments u/s 201	6,864/-	Prior Years	Unpaid Till Date
	TDS Late Filing Fee u/s234E	15,825/-	F.Y. 2013-14	Unpaid Till Date
	TDS Short payment	2,250/-	F.Y 2015-16	Unpaid Till Date
	TDS Interest on Payments u/s 201	33/-	F.Y 2015-16	Unpaid Till Date
	TDS Interest on Deduction u/s 201	102/-	F.Y 2015-16	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.

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

- (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.
- (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's Registration No.002864N)

**M C Gupta**  
**Partner**  
(Membership No. 070834)

**Place:** Mumbai  
**Date:** 28<sup>th</sup> May, 2019

# **SWADESHI INDUSTRIES AND 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, 2019 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.



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

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

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

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

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

## **Opinion**

In our opinion, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**M C Gupta**  
**Partner**  
(Membership No. 070834)

**Place:** Mumbai  
**Date:** 28<sup>th</sup> May, 2019

# SWADESHI INDUSTRIES AND LEASING LIMITED

Balance Sheet as at 31 March 2019

(Amount in Rs.)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	1	35,283,958	35,150,000
Financial Assets			
i. Investments	2	30,878,488	39,279,324
Deferred tax assets (net)	3	685,847	687,374
Other non-current assets	4	171,791	171,791
<b>Current assets</b>			
Inventories	5	3,370,078	-
Financial Assets			
i. Trade receivables	6	4,739,538	9,287,216
ii. Cash and cash equivalents	7	130,060	479,576
iii. Loans	8	38,903,720	37,603,709
Other current assets	9	799,536	5,316,556
<b>Total Assets</b>		<b>114,963,018</b>	<b>127,975,546</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	10	108,179,500	108,179,500
Other Equity	11	(9,819,011)	(226,561)
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities		-	-
<b>Current liabilities</b>			
Financial Liabilities			
i. Trade payables	12	15,919,080	19,211,097
Other current liabilities	13	683,448	740,510
Provisions	14	-	71,000
<b>Total EQUITY AND LIABILITIES</b>		<b>114,963,018</b>	<b>127,975,546</b>

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

M C Gupta  
Partner  
Membership No.70834  
Date : 28th May, 2019  
Place : Mumbai

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

(Gourav Jain)  
DIN: 6794973  
Managing Director  
(Vikas K. Sanklecha)  
Chief Financial Officer

(Krishna Vyas)  
DIN: 7444324  
Director  
Shruti Jain  
Company Secretary

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Statement of Profit and Loss for the period ended 31 March 2019

(Amount in Rs.)

Particulars	Notes	Year Ended March 31, 2019	Year Ended March 31, 2018
I Revenue From Operations	15	21,287,886.75	73,661,123.56
II Other Income	16	2,102,395.00	1,958,239.00
III <b>Total Income (I+II)</b>		<b>23,390,281.75</b>	<b>75,619,362.56</b>
IV <b>EXPENSES</b>			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		24,147,572.40	71,025,657.85
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	17	(3,370,078.38)	1,910,367.90
Employee benefits expense	18	1,355,000.00	1,410,633.00
Finance costs	19	3,498.70	2,704.65
Depreciation and amortization expense	1	28,185.00	-
Share of Profit/loss from partnership firm		8,575,835.71	1,619,506.86
Other expenses	20	2,312,191.52	2,069,068.35
<b>Total expenses (IV)</b>		<b>33,052,204.95</b>	<b>78,037,938.61</b>
V Profit/(loss) before exceptional items and tax (III- IV)		(9,661,923.20)	(2,418,576.05)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		<b>(9,661,923.20)</b>	<b>(2,418,576.05)</b>
VIII Tax expense:	21		
(1) Current tax		-	71,000.00
(2) Deferred tax		1,526.80	-
(3) Excess/Short provision of tax		(71,000.00)	(56,527.00)
IX <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(9,592,450.00)</b>	<b>(2,433,049.05)</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>(9,592,450.00)</b>	<b>(2,433,049.05)</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>(9,592,450.00)</b>	<b>(2,433,049.05)</b>
XVI Earnings per equity share (for continuing operation):			
(1) Basic		(0.89)	(0.02)
(2) Diluted		(0.89)	(0.02)
XVII Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)	22		
(1) Basic		(0.89)	(0.02)
(2) Diluted		(0.89)	(0.02)

Significant Accounting Policies and Notes to Accounts

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

**M C Gupta**  
Partner  
Membership No.70834  
Date : 28th May, 2019  
Place : Mumbai

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

**(Gourav Jain)**  
DIN: 6794973  
Managing Director  
**(Vikas K. Sanklecha)**  
Chief Financial Officer

**(Krishna Vyas)**  
DIN: 7444324  
Director  
**Shruti Jain**  
Company Secretary

# SWADESHI INDUSTRIES AND LEASING LIMITED

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

(Amount in Rs.)

Particulars	As at	As at
	31 March 2019	31 March 2018
<b>Cash flows from operating activities</b>		
Profit / (Loss) for the year	(9,661,923)	(2,418,576)
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>		
Depreciation and Amortization	28,185	-
Interest Income	(2,102,395)	(1,958,239)
Finance costs	3,499	2,705
<b>Operating profit / (loss) before working capital changes</b>	<b>(11,732,635)</b>	<b>(4,374,110)</b>
<b>Changes in assets and liabilities:</b>		
Trade Receivables	4,547,678	49,913,216
Inventories	(3,370,078)	1,910,368
Other Current Assets	4,517,020	(5,477,097)
Other Current Financial Assets	-	125,381
Current Provisions	-	23,300
Trade Payables	(3,292,017)	(48,239,287)
Short-Term Loans	(1,300,011)	(4,988,882)
Other current liabilities	(57,062)	708,877
Other current financial liabilities		(1,135,720)
<b>Cash generated from operations</b>	<b>(10,687,104)</b>	<b>(11,533,955)</b>
Tax paid (net of refunds)	-	(14,473)
<b>Net Cash From/(Used in ) Operating Activities (A)</b>	<b>(10,687,104)</b>	<b>(11,548,428)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Plant, Property and Equipment	(162,143)	(2,350,000)
Proceeds from sales of Investments	8,400,836	3,969,764
Repayment of Loan and other financial asset	-	8,000,000
Interest received	2,102,395	1,958,239
<b>Net cash from/(Used in) Investing Activities (B)</b>	<b>10,341,087</b>	<b>11,578,003</b>
<b>Cash flows from Financing Activities</b>		
Finance cost	(3,499)	(2,705)
<b>Net cash from/(Used in) Financing Activities (C)</b>	<b>(3,499)</b>	<b>(2,705)</b>
<b>Increase in Cash and Cash Equivalents during the year (A+B+C)</b>	<b>(349,516)</b>	<b>26,870</b>
Cash and Cash Equivalents at the beginning of the year	479,576	452,706
Cash and Cash Equivalents at the end of the year	130,060	479,576

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

M C Gupta  
Partner  
Membership No.70834  
Date : 28th May, 2019  
Place : Mumbai

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

(Gourav Jain)  
DIN: 6794973  
Managing Director  
(Vikas K. Sanklecha)  
Chief Financial Officer

(Krishna Vyas)  
DIN: 7444324  
Director  
Shruti Jain  
Company Secretary

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Statement of Changes in Equity for the Year ended March 31, 2019

### A. Equity Share Capital

Particulars	Balance
Balance as at 31st March, 2018	108,179,500.00
Changes in equity share capital during 2018-19	
Balance as at 31st March, 2019	108,179,500.00

### B. Other Equity

Particulars	Reserves and Surplus				Total
	Capital Reserve	Retained Earnings	Forfeited Share	General Reserve	
Balance as at 31st March, 2018	1,232,400.00	(4,154,085.71)	1,480,125.00	1,215,000.00	(226,560.71)
Total Comprehensive Income for the year	-	(9,592,450.00)	-	-	(9,592,450.00)
Transfer to retained earnings	-	-	-	-	-
Balance as at 31st March, 2019	1,232,400.00	(13,746,535.71)	1,480,125.00	1,215,000.00	(9,819,010.71)

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

M C Gupta  
Partner  
Membership No.70834  
Date : 28th May, 2019  
Place : Mumbai

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

(Gourav Jain)  
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(Krishna Vyas)  
DIN: 7444324  
Director  
Shruti Jain  
Company Secretary

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## Notes to the Financial Statements for the financial year ended 31<sup>st</sup> March, 2019

### 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 Anjur Phata, 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 thereunder.

These Financial Statements were approved by the Board of Directors and authorised for issue on 28<sup>th</sup> May, 2019.

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.

#### 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.

# SWADESHI INDUSTRIES AND LEASING LIMITED

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## 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.

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

## SWADESHI INDUSTRIES AND LEASING LIMITED

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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 balance sheet 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.

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



## SWADESHI INDUSTRIES AND LEASING LIMITED

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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 cost less impairment at the end of each reporting period.

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

vi. **Derecognition 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 derecognition. 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 derecognition 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.

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. **Derecognition**

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.

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

## **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.

## **J. Provisions and contingencies**

Provisions are recognised 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 recognised 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

## SWADESHI INDUSTRIES AND LEASING LIMITED

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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.

### **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.

# SWADESHI INDUSTRIES AND LEASING LIMITED

Notes to financial statements for the Year ended March 31, 2019

(Amount in Rs.)

Particulars	As at		As at	
	31 March 2019		31 March 2018	
<b>1 Property, Plant and Equipment</b>				
Particulars	Land	Furniture and Fixtures	Computer	Total
<b>Gross Carrying Amount March 31, 2018</b>				
Opening Gross Carrying Amount	35,150,000.00	-	-	35,150,000.00
Additions		88,000.00	74,143.24	162,143.24
Disposals	-			-
<b>Closing gross carrying amount</b>	<b>35,150,000.00</b>	<b>88,000.00</b>	<b>74,143.24</b>	<b>35,312,143.24</b>
<b>Accumulated Depreciation</b>				
Opening Accumulated Depreciation	-	-	-	-
Depreciation charged during the year	-	3,808.00	24,377.00	28,185.00
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>3,808.00</b>	<b>24,377.00</b>	<b>28,185.00</b>
<b>Net carrying amount March 31, 2019</b>	<b>35,150,000.00</b>	<b>84,192.00</b>	<b>49,766.24</b>	<b>35,283,958.24</b>
<b>Net carrying amount March 31, 2018</b>	<b>35,150,000.00</b>	<b>-</b>	<b>-</b>	<b>35,150,000.00</b>

## 2 Investments

### Investments in partnership firms

Park View Developers 30,878,488.23 39,279,323.94

<u>Name of Partners</u>	<u>Total Capital</u>	<u>Share</u>		
Lalit Parasmal Nahata	(3,695,019.20)	20%		
Tarun Bhawarlal Nahata	(1,677,026.20)	20%		
Sampatraj Bhandari	4,764,192.37	5%		
Swadeshi Industries & Leasing Ltd		55%		
<b>Total</b>			<b>30,878,488.23</b>	<b>39,279,323.94</b>

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes to financial statements for the Year ended March 31, 2019

(Amount in Rs.)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>3 Deferred tax assets (Net)</b>		
Deferred tax asset		
Mat Credit Entitlement	687,374.00	687,374.00
Deferred tax liabilities		
Property, plant and equipment	1,526.80	-
Deferred tax assets (Net)	<b>685,847.20</b>	<b>687,374.00</b>
<u>Movement in deferred tax liabilities</u>		
As on 1st April 2018 (PY 1st April 2017)	-	-
Charged / credited		
- to profit & loss	1,526.80	-
As at 31 March 2019 (PY 31 March 2018)	<b>1,526.80</b>	-
<b>4 Other non-current assets</b>		
Balance with Revenue Authorities	171,791.00	171,791.00
<b>Total</b>	<b>171,791.00</b>	<b>171,791.00</b>
<b>5 Inventories</b>		
Finished goods	3,370,078.38	-
<b>Total</b>	<b>3,370,078.38</b>	-
<b>6 Trade Receivables</b>		
Unsecured Considered Good	5,070,728.00	9,618,406.00
Less: Provision for doubtful trade receivables	331,190.00	331,190.00
<b>Total</b>	<b>4,739,538.00</b>	<b>9,287,216.00</b>
<b>7 Cash and Cash Equivalents</b>		
Balances With Banks	7,064.24	71,621.94
Cash on hand	122,996.00	407,954.00
<b>Total</b>	<b>130,060.24</b>	<b>479,575.94</b>

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes to financial statements for the Year ended March 31, 2019

(Amount in Rs.)

Particulars	As at	
	31 March 2019	31 March 2018
<b>8 Loans</b>		
<u>Unsecured, considered good</u>		
Other loans	38,903,720.00	37,603,709.00
<b>Total</b>	<b>38,903,720.00</b>	<b>37,603,709.00</b>
<b>9 Other current assets</b>		
Capital Advances	-	5,200,000.00
Advances other than capital advances		
Security Deposits	145,000.00	65,000.00
Other advances		
Prepaid Expenses	39,826.00	11,250.00
Advance for Furniture	170,000.00	-
Balance with Revenue Authorities	444,710.31	40,306.41
<b>Total</b>	<b>799,536.31</b>	<b>5,316,556.41</b>

10 Equity Share Capital	As at		As at	
	31 March 2019		31 March 2018	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised Share Capital</b>				
Equity Shares of Rs 1/- each	125,000,000	125,000,000	125,000,000	125,000,000
<b>Issued, Subscribed and Paid Up</b>				
Equity Shares of Rs 10/- (2018: 1/-) each	10,817,950.00	108,179,500.00	108,179,500.00	108,179,500.00
<b>Total</b>	<b>10,817,950.00</b>	<b>108,179,500.00</b>	<b>108,179,500.00</b>	<b>108,179,500.00</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.

## SWADESHI INDUSTRIES AND LEASING LIMITED

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

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% held	No. of Shares	% held
<b><u>Equity shares with voting rights</u></b>				
Nageshwar Power Pvt. Ltd (Formerly known as Chin Info Tech Pvt. Ltd.)	2,730,850	25.24%	27,308,500	25.24%
	<b>2,730,850</b>	<b>25.24%</b>	<b>27,308,500</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	108,179,500	108,179,500	108,179,500	108,179,500
Add: Fresh Issue/ESOP	-	-	-	-
Less: Share Consolidated	(97,361,550)	-	-	-
Less: Buy Back	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>10,817,950</b>	<b>108,179,500</b>	<b>108,179,500</b>	<b>108,179,500</b>

## 11 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.

# SWADESHI INDUSTRIES AND LEASING LIMITED

Notes to financial statements for the Year ended March 31, 2019

(Amount in Rs.)

Particulars	As at		As at	
	31 March 2019		31 March 2018	
<b>B. Other Equity</b>				
<b>Reserves and Surplus</b>				
	<b>Capital Reserve</b>	<b>Retained Earnings</b>	<b>Forfeited Share</b>	<b>General Reserve</b>
<b>Balance as at 31st March, 2018</b>	1,232,400.00	(4,154,085.71)	1,480,125.00	1,215,000.00
Profit for the year	-	(9,592,450.00)	-	
Total Comprehensive Income for the year		(9,592,450.00)		
Transfer to retained earnings	-	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>1,232,400.00</b>	<b>(13,746,535.71)</b>	<b>1,480,125.00</b>	<b>1,215,000.00</b>

## 12 Trade payables

Unsecured, Considered Good	15,919,080.00	19,211,097.00
<b>Total</b>	<b>15,919,080.00</b>	<b>19,211,097.00</b>

## 13 Other current liabilities

other advances	-	-
Expenses Payable	635,060.31	708,877.00
Professional Tax Payable	24,100.00	11,200.00
TDS Payable	24,288.00	20,433.00
<b>Total</b>	<b>683,448.31</b>	<b>740,510.00</b>

## 14 Current Provisions

Provision for taxation	-	71,000.00
<b>Total</b>	<b>-</b>	<b>71,000.00</b>



# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes to financial statements for the Year ended March 31, 2019

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>15 Revenue From Operations</b>		
Sale of products	21,287,886.75	73,661,123.56
<b>Total</b>	<b>21,287,886.75</b>	<b>73,661,123.56</b>
<b>16 Other Income</b>		
Interest Income	2,102,395.00	1,958,239.00
<b>Total</b>	<b>2,102,395.00</b>	<b>1,958,239.00</b>
<b>17 Changes in inventories of finished goods, Stock-in -Trade and work-in-progress</b>		
<b>Stock at the beginning of the year</b>		
Finished Goods	-	1,910,367.90
	-	<b>1,910,367.90</b>
<b>Stock at the end of the year</b>		
Finished Goods	3,370,078.38	-
	<b>3,370,078.38</b>	-
<b>Changes In Inventories</b>	<b>(3,370,078.38)</b>	<b>1,910,367.90</b>
<b>18 Employee benefits expense</b>		
Salaries and wages	1,355,000.00	1,410,633.00
<b>Total</b>	<b>1,355,000.00</b>	<b>1,410,633.00</b>
<b>19 Finance costs</b>		
Other borrowing costs		
Bank Charges	3,498.70	2,704.65
<b>Total</b>	<b>3,498.70</b>	<b>2,704.65</b>

# SWADESHI INDUSTRIES AND LEASING LIMITED

Notes forming part to the Financial Statement for the Year ended March 31, 2018

(Amount in Rs.)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>20 Other expenses</b>		
Payments to the auditor		
Auditor - Audit fees	50,000.00	50,000.00
For taxation matters - Tax Audit Fees	25,000.00	25,000.00
	<b>75,000.00</b>	<b>75,000.00</b>
<b>Other Expenses</b>		
Brokerage Exps.	15,000.00	505,335.00
Brokerage on Sales	374,370.00	-
Carriage Outward A/c	-	20,605.00
Computer Maintenance Exps.	3,800.00	12,020.00
Conveyance Expenses	-	4,000.00
Custodial Fees	91,442.00	90,000.00
Discount Paid	30,739.00	283,532.00
Electric Exps.	12,353.00	5,126.00
Godown rent (bhiwandi)	360,000.00	-
Insurance Exps.	11,315.00	15,329.00
Internet Charges	-	1,819.00
Legal & Professional Exp.	206,667.50	92,500.00
Listing Fees	250,000.00	250,000.00
Newspaper Publishing Exps.	108,054.00	92,340.00
Office Exps.	64,591.69	33,267.00
Office Rent Exps.	151,400.00	211,000.00
Postage Exps.	69,603.00	52,005.00
Printing & Stationery Exps.	97,760.00	124,060.00
Profession Tax(Com.)	2,500.00	2,500.00
ROC Fees	7,700.00	6,000.00
RTA- Service Charges	97,883.33	76,579.44
Sales Promotion Exps.	-	54,000.00
Service Tax	-	54,468.91
Share Consolidation charges	247,393.00	-
Telephone Exps.	9,990.00	7,460.00
Transportation Charges	24,630.00	122.00
	<b>2,237,191.52</b>	<b>1,994,068.35</b>
<b>Total</b>	<b>2,312,191.52</b>	<b>2,069,068.35</b>

# SWADESHI INDUSTRIES AND LEASING LIMITED

Notes to financial statements for the Year ended March 31, 2019

(Amount in Rs.)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>21 INCOME TAX EXPENSE</b>		
<b>A. 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	-	71,000
Adjustments for current tax of prior periods	(71,000)	(56,527)
<b>Total a</b>	<b>(71,000)</b>	<b>14,473</b>
<b>Deferred Tax</b>		
Origination and Reversal of Temporary Differences	1,527	-
<b>Total b</b>	<b>1,527</b>	<b>-</b>
<b>Total (a+b)</b>	<b>(69,473)</b>	<b>14,473</b>
<b>B. Reconciliation of Tax Expense and the Accounting profit multiplied by India's Tax rate</b>		
Profit/(loss) for the period	(9,661,923)	(2,418,576)
<b>Tax at the Indian Tax rate of 26%</b>	<b>-</b>	<b>-</b>
Tax effects of amounts which are not deductible (taxable) in computing taxable income	-	-
Adjustments of current tax of prior periods	(71,000)	(56,527)
Tax losses for which no Deferred income tax was recognised	-	-
Incremental Deferred Tax Asset on Property, Plant & equipment	1,527	-
<b>Income Tax Expense</b>	<b>(69,473)</b>	<b>(56,527)</b>
Effective Tax Rate	<b>0.72%</b>	<b>2.34%</b>

## SWADESHI INDUSTRIES AND LEASING LIMITED

### 22 Earnings per Share

Particulars	For the year ended	
	31 March 2019	31 March 2018
Net Profit / (loss) after tax for the year (in Rs.)	(9,592,450)	(2,433,049)
Profit / loss attributable to equity share holders (in Rs.)	(9,592,450)	(2,433,049)
Weighted Average Number of equity shares outstanding during the year	10,817,950	108,179,500
Basic and Diluted Earnings Per Share (Rs.)	(0.89)	(0.02)
Face Value per Share (Rs.)	10	1

### 23 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.6,180/-
- b Income Tax Demand for A.Y. 2008-09 of Rs.23,110/-
- c Income Tax Demand for A.Y. 2009-10 of Rs.1,10,570/-
- d Income Tax Demand for A.Y. 2009-10 of Rs.11,820/-
- e Income Tax Demand for A.Y. 2014-15 of Rs.1,518/-
- f Income Tax Demand for A.Y. 2016-17 of Rs.32,280/-

### 24 Fair value measurements

#### Financial instruments by category:

Particulars	31-Mar-19							
	Carrying Value				Fair Value hierarchy			
	FVTPL	FVTOCI	AmortisedCost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
(i) Non Current Investments	-	-	30,878,488	<b>30,878,488</b>	-	-	-	-
(ii) Trade Receivable	-	-	4739538	<b>4,739,538</b>	-	-	-	-
(iii) Cash and Cash Equivalents	-	-	130060.24	<b>130,060</b>	-	-	-	-
(iv) Current Loans	-	-	38903720	<b>38,903,720</b>	-	-	-	-
<b>TOTAL</b>	-	-	<b>74,651,806</b>	<b>74,651,806</b>	-	-	-	-
<b>Financial Liabilities</b>								
(i) Trade Payables	-	-	15,919,080	<b>15,919,080</b>	-	-	-	-
<b>TOTAL</b>	-	-	<b>15,919,080</b>	<b>15,919,080</b>	-	-	-	-

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part to the Financial Statement for the Year ended March 31, 2019

31-Mar-18

Particulars	Carrying Value				Fair Value hierarchy			
	FVTPL	FVTOCI	AmortisedCost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
(i) Non Current Investments	-	-	39,279,324	<b>39,279,324</b>	-	-	-	-
(ii) Trade Receivable	-	-	9,287,216	<b>9,287,216</b>	-	-	-	-
(iii) Cash and Cash Equivalents	-	-	479,576	<b>479,576</b>	-	-	-	-
(iv) Current Loans	-	-	37,603,709	<b>37,603,709</b>	-	-	-	-
<b>TOTAL</b>	-	-	<b>86,649,825</b>	<b>86,649,825</b>	-	-	-	-
<b>Financial Liabilities</b>								
(i) Trade Payables	-	-	19,211,097	<b>19,211,097</b>	-	-	-	-
<b>TOTAL</b>	-	-	<b>19,211,097</b>	<b>19,211,097</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.

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part to the Financial Statement for the Year ended March 31, 2019

### 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.

### 25 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, 2019 and 2018 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-19	31-Mar-18
Neither Past due nor impaired	3,152,997	7,274,075
Past due but not impaired	-	-
Past due more than 180 days	1,917,731	2,344,331
<b>TOTAL</b>	<b>5,070,728</b>	<b>9,618,406</b>

# SWADESHI INDUSTRIES AND LEASING LIMITED

## Notes forming part to the Financial Statement for the Year ended March 31, 2019

### ii Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of ₹ 130,060 at March 31, 2019 (March 31, 2018: ₹ 479,576). 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.

#### 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, 2019 and 31st March, 2018. 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).

#### Maturities of non – derivative financial liabilities

(Amount in Rs.)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
<b>Financial Liabilities - Current</b>				
i. Trade payables	15,919,080	-	19,211,097	-
<b>Total</b>	<b>15,919,080</b>	<b>-</b>	<b>19,211,097</b>	<b>-</b>

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

Notes forming part to the Financial Statement for the Year ended March 31, 2019

## **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.



# SWADESHI INDUSTRIES AND LEASING LIMITED

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## Notes forming part to the Financial Statement for the Year ended March 31, 2019

### 26 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.

### 27 Micro, Small and Medium Enterprises

As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006 Therefore, the related information for this purpose stands to be Nil.

### 28. Transaction in Foreign Currency

Sr. No.	Particulars	31.03.2019	31.03.2018
1	Earning in Foreign Currency	Nil	Nil
2	CIF Value of Imports	Nil	Nil
3	Expenditure in Foreign Currency	Nil	Nil

### 29. 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.

### 30. Related Party Transaction

Disclosure in accordance with Indian Accounting Standard-24 – Related Party transactions during the financial year ended 31<sup>st</sup> March, 2019.

#### 1. Name of Related Party

Related Party Disclosures

##### (i) Relationships:

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

## SWADESHI INDUSTRIES AND LEASING LIMITED

Park View Developers

(b) Key Managerial Personnel:(KMP)

JagdishChandra Hansraj Ghumara	(Director)
Amit Kumar	(Director)
Gourav Jain	(Managing Director)
Krishna Kamal Kishore Vyas	(Director)
Vikas Jain	(CFO)
Shruti Jain	(Company Secretary; appointed w.e.f 28 <sup>th</sup> Sep 2018)

**Note:** Related Party Relationship is identified by the Company and relied upon by the Auditors

Key Management Personnel Compensation

	<b>Vikas Jain (CFO)</b>	<b>Shruti Jain (CS)</b>
Short-Term Employee Benefits	300,000(300,000)	150,000(Nil)
Post-Employment Benefits	Nil(Nil)	Nil(Nil)
Other Long-Term Benefits	Nil(Nil)	Nil(Nil)
Termination Benefits	Nil(Nil)	Nil(Nil)
Share-Based Payment	Nil(Nil)	Nil(Nil)
Total:	300,000(300,000)	150,000(Nil)
Balance outstanding at year end	83,900(220,199)	148,700(Nil)

2. Transactions During the Year

<b>Name</b>	<b>Relationship</b>	<b>Nature Of Transaction</b>	<b>Amount (Rs)</b>	<b>Amount Outstanding at year end (Rs)</b>
Park View Developers	Investment in Partnership Firm	Net Investment	1,75,000	3,94,54,323.94

31. 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

M C Gupta  
Partner  
Membership No.70834  
Date : 28th May, 2019  
Place : Mumbai

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

(Gourav Jain) (Krishna Vyas)  
DIN: 6794973 DIN: 7444324  
Managing Director Director  
(Vikas K. Sanklecha) Shruti Jain  
Chief Financial Officer Company Secretary

# SWADESHI INDUSTRIES AND LEASING LIMITED

Regd. Office: Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata,  
Bhiwandi Thane MH 421302IN CIN: L45209MH1983PLC031246  
Ph: 9326321829 Email: compliance@swadeshiglobal.com Website: www.swadeshiglobal.com

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## ATTENDANCE SLIP

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

Joint shareholders may obtain additional Attendance Slip on request.

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

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

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

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

\_\_\_\_\_

I/We record my/our presence at the 35<sup>th</sup>Annual General Meeting to be held on Saturday 28<sup>th</sup> September, 2019 at 2.30 p.m. at Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata, Bhiwandi Thane -421302

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

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

# Strike out whichever is not applicable

# SWADESHI INDUSTRIES AND LEASING LIMITED

Regd. Office: Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata,

Bhiwandi Thane MH 421302IN CIN: L45209MH1983PLC031246

Ph: 9326321829 Email: compliance@swadeshiglobal.com Website: www.swadeshiglobal.com

## Form No. MGT-11

### Proxy form

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies*

*(Management and Administration) Rules, 2014]*

CIN	L45209MH1983PLC031246	
Name of the company	SWADESHI INDUSTRIES AND LEASING LIMITED	
Registered office	Munisuvrat Complex, Phase III, Building. A 1, 1st floor, Near AnjurPhata, Bhiwandi Thane MH 421302 IN.	
Name of the member (s)		
Registered address		
E-mail Id		
Folio No/ Client Id	DP ID	

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

Name	
Address	
E-mail Id	Signature

OR FAILING HIM

Name	
Address	
E-mail Id	Signature

OR FAILING HIM

Name	
Address	
E-mail Id	Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the share holders of Swadeshi Industries & Leasing Limited (CIN-L45209MH1983PLC031246) will be held on Saturday, 28<sup>th</sup> September, 2019 at 2.30 p.m. at A/101, 1st floor, Manibadra Complex, Phase II, Rahnal, Bhiwandi Thane MH 421302 IN and at any adjournment thereof in respect of such resolutions as are indicated below:

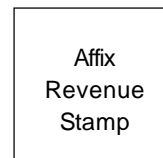
Resolution No.: RESOLUTIONS

1. Adoption of Financial Statements for the period ended 31 <sup>st</sup> March 2019
2. Re-appointment of Mr. Mr. Gourav Jain, (DIN 06794973), who retires by rotation.
3. Appointment of M/s. Dhawan & Co., as Auditors & fixing their remuneration.
4. Appointment of Mrs. Indira Dhariwal as Independent Director

Signed this..... day of..... 2019

Signature of Shareholder: ..... /

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



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

**BOOK POST**

*If Undelivered, Please Return to :*

**SWADESHI INDUSTRIES AND LEASING LIMITED**

Regd. Office: Munisuvrat Complex, Phase III, Building. A 1,  
1st floor, Near Anjur Phata, Bhiwandi Thane MH 421302.

**35<sup>th</sup>**  

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**Annual Report**  
**2018-2019**

**SWADESHI INDUSTRIES AND  
LEASING LIMITED**

**CIN NO: L45209MH1983PLC031246**

## SWADESHI INDUSTRIES AND LEASING LIMITED

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