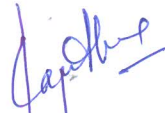
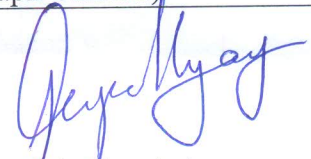

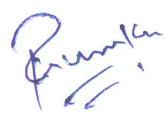


Form A

(Pursuant to Clause 31(a) of Listing Agreement)

No.	Particulars	Details
1.	Name of the Company	Sainik Finance & Industries Limited
2.	Annual Standalone financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	N.A.
5.	To be Signed by- <ul style="list-style-type: none"><li>• CEO</li><li>• CFO</li><li>• Auditor of the Company</li><li>• Audit Committee Chairperson</li></ul>	<p> (Kapil Sharma)</p> <p> (Jagdish Chandra)</p> <p>For Kumra Bhatia &amp; Co. Chartered Accountants (Firm Registration No.002848N)</p> <p> (P.K Bhatia) (Membership No. 81174)</p> <p> (Renuka Hooda)</p>

**23<sup>rd</sup>**  
**Annual Report**  
**2014–2015**

**SAINIK FINANCE & INDUSTRIES LIMITED**

# SAINIK FINANCE & INDUSTRIES LIMITED

## Board of Directors

Mr. Rudra Sen Sindhu	: 00006999
Mr. Kuldeep Singh Solanki	: 00009212
Mr. Samai Singh	: 00235036
Mrs. Renuka Hooda	: 03611979

## DIN No.

## KEY MANAGERIAL PERSONNEL (KMP)

Mr. Kapil Sharma	: Chief Executive Officer
Mr. Jagdish Chandra	: Chief Financial Officer
Ms. Shagun Taneja	: Company Secretary

## Audit Committee

Mr. Rudra Sen Sindhu  
Mrs. Renuka Hooda  
Mr. Samai Singh

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Rudra Sen Sindhu  
Mrs. Renuka Hooda  
Mr. Samai Singh

## STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Rudra Sen Sindhu  
Mrs. Renuka Hooda  
Mr. Samai Singh

## RISK MANAGEMENT COMMITTEE

Mr. Rudra Sen Sindhu  
Mr. Kuldeep Singh Solanki  
Mrs. Renuka Hooda

## STATUTORY AUDITOR

M/s. Kumra Bhatia & Co.  
Chartered Accountants

## SECRETARIAL AUDITORS

M/s S.S. Bhati & Associates  
Company Secretaries

## INTERNAL AUDITORS

M/s. Divyank Khullar & Associates  
Chartered Accountants

## SHARE TRANSFER AGENT

Indus Portfolio Private Limited

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# SAINIK FINANCE & INDUSTRIES LIMITED

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## NOTICE

Notice is hereby given that the **23rd Annual General Meeting** of the members of M/s Sainik Finance & Industries Limited will be held on **Wednesday, the 30th day of September, 2015** at the Farm House of M/s Kapil Constructions Private Limited, Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057 at 9:30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Financial Statements of the Company for the financial year ended 31st March, 2015, including the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kuldeep Singh Solanki, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration:

To ratify the appointment of auditors of the Company, to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

**"RESOLVED THAT**, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 30th September, 2014, the appointment of M/s Kumra Bhatia & Co, Chartered Accountants, (bearing ICAI Registration No.002848N) as the auditors of the Company to hold office till the conclusion of the 25th AGM of the Company to be held for the financial year ending on 31st March 2017, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year 2015-16 as may be agreed upon between the auditors and the Board of Directors."

### SPECIAL BUSINESS:

4. To consider and if though fit, to pass with or without modifications, the following resolution as an ordinary resolution thereof:

**"RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Renuka Hooda (DIN 03611979), who was appointed as an Additional Director w.e.f. 30th March, 2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Woman Independent Director of the Company for a period upto 29th March, 2020, not liable to retire by rotation."

5. To consider and if though fit, to pass with or without modifications, the following resolution as Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof) and pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, all material related part transactions entered between the Company and Indus Portfolio Private Limited (IPPL), Aryan Energy Private Limited (AEPL), Sindhu Trade Links Limited (STLL), ACB (India) Limited (ACBIL) and Kartikay Coal Washeries Private Limited (KCWPL) during the financial year 2014-15 on the terms & conditions as briefly mentioned in the explanatory statement to this resolution be and is hereby ratified and approved.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

## SAINIK FINANCE & INDUSTRIES LIMITED

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6. To consider and if though fit, to pass with or without modifications, the following resolution as Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the transaction entered or to be entered between the Company and Indus Portfolio Private Limited (IPPL) for giving inter-corporate loan not exceeding of Rs.10,00,00,000/- (Rupees Ten Crores only) to IPPL and for payment of service charge not exceeding of Rs.20,000/- (Rupees Twenty Thousands Only) for RTA services and which falls under the definition of material related party transaction during the financial year 2015-16 on the terms as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

7. To consider and if though fit, to pass with or without modifications, the following resolution as a Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the transaction entered or to be entered between the Company and Aryan Energy Private Limited (AEPL) (a related party) for giving inter-corporate loan not exceeding Rs.10,00,00,000/- (Rupees Ten Crores only) to AEPL and which falls under the definition of material related party transaction during the financial year 2015-16 on the terms as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

8. To consider and if though fit, to pass with or without modifications, the following resolution as a Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the transaction entered or to be entered between the Company and Sindhu Trade Links Limited (STLL) (a related party) for giving inter-corporate loan not exceeding of Rs.10,00,00,000/- (Rupees Ten Crores only) to STLL and which falls under the definition of material related party transaction during the financial year 2015-16 on the terms as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

9. To consider and if though fit, to pass with or without modifications, the following resolution as a Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the transaction entered or to be entered between the Company and Kartikay Exploration and Mining Services Private Limited (KEMSPL) (a related party) for giving inter-corporate loan not exceeding of Rs.10,00,00,000/- (Rupees Ten Crores only) to KEMSPL and which falls under the definition of material related party transaction during the financial year 2015-16 on the terms as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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10. To consider and if though fit, to pass with or without modifications, the following resolution as a Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the transaction entered or to be entered between the Company and Kartikay Coal Washeries Private Limited (KCWPL) (a related party) for taking inter-corporate loan not exceeding of Rs.10,00,00,000/- (Rupees Ten Crores only) from KCWPL and which falls under the definition of material related party transaction during the financial year 2015-16 on the terms as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

By order of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

Dated : 28th August, 2015  
Place : New Delhi

**Kuldeep Singh Solanki**  
Director

### **NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the company's registered office, duly completed and signed, not less than forty-eight hours before the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (Ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. Proxies submitted on behalf of the companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
4. The proxy form and attendance slip are annexed herewith.
5. Members/ proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the AGM.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses is annexed herewith and forms part of the Notice.
7. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under item No. 2 and item No. 4 of the Notice are also annexed herewith.
8. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Bank Holidays between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.
9. The Register of Members and Transfer Books of the Company will be closed from **Saturday, 26th, September, 2015 to Wednesday, 30th September, 2015, (both days inclusive)** for the purpose of holding Annual General Meeting of the Company.

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent - M/s Indus Portfolio Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company's Registrars and Transfer Agent.
11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or the Company's Registrars and Transfer Agent for assistance in this regard.
12. SEBI & the Ministry of Corporate Affairs encourage paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Indus Portfolio Private Limited, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, the members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
13. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial statements, Board's report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ID's with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to [legal.secretarial@sainikmining.com](mailto:legal.secretarial@sainikmining.com) or [bharat.b@indusinvest.com](mailto:bharat.b@indusinvest.com) mentioning your Folio/DP ID & Client ID.
14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
15. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or the Company's Registrars and Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
16. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
17. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
18. In compliance with the provisions of section 108 of the Company Act, 2013 and the Rules 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules 2015, and Clause 35B of Listing Agreement, the Company is pleased to provide members with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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19. The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
- i. Open the e-mail and also open PDF file namely "Sainik Finance e-voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
  - iii. Click on Shareholder - Login.
  - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - viii. Select "EVEN" (E-Voting Event Number) of M/s Sainik Finance & Industries Limited. Now you are ready for e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently. 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., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [r.gulati64@gmail.com](mailto:r.gulati64@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- C. Other Instructions:
- i. The e-voting period commences on Saturday, 26th September, 2015 (9.00 a.m. IST) and ends on Tuesday, 29th September, 2015 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 25th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
  - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 25th September, 2015.
  - iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 25th September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA).



## SAINIK FINANCE & INDUSTRIES LIMITED

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However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990

- iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper. A person may participate in the AGM even after exercising his/her vote through remote e-voting but shall not be allowed to vote again at the AGM.
- v. Mr. Rajesh Gulati, Practicing Chartered Accountant (Membership No. 89046), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- vi. The Facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote e-voting may only cast their vote at the AGM through ballot paper.
- vii. The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- viii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the results of the voting forthwith.
- ix. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Rajesh Gulati, Practicing Chartered Accountant, (Membership No. 89046), at the Registered Office of the Company not later than Tuesday, 29th September, 2015 (5.00 p.m. IST).
- x. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [info@sainik.org](mailto:info@sainik.org) or [legal.secretarial@sainikmining.com](mailto:legal.secretarial@sainikmining.com) by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Tuesday, 29th September, 2015 (5.00 p.m. IST).
- xi. Ballot Form received after this date will be treated as invalid.
- xii. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- xiii. The results, along with the Scrutinizer's Report will be placed on the Company's website [www.sainikfinance.com](http://www.sainikfinance.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and communicated to the BSE Limited, where the shares of the Company are listed

By order of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi  
Dated : 28th August, 2015

**Kuldeep Singh Solanki**  
Director  
DIN: 00009212

**Rudra Sen Sindhu**  
Director  
DIN: 00006999

## SAINIK FINANCE & INDUSTRIES LIMITED

### EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 :

#### Item No. 4:

The Board of Directors of the Company at its meeting held on 30th March, 2015 had appointed Mrs. Renuka Hooda (DIN 03611979) as additional director of the Company who holds office as such upto ensuing Annual General Meeting pursuant to provisions of section 161 and other applicable provisions of the Companies Act, 2013 and Articles of Association. The Company has received a notice from a member proposing her candidature for the office of Director along with requisite deposits pursuant to the provision of section 160 of the Companies Act, 2013.

In compliance of the provisions of the Companies Act, 2013 and the provisions of clause 49 of the Listing Agreement, Mrs. Renuka Hooda was appointed by the Board of Directors as a Woman Independent Director w.e.f. 30th March, 2015. She fulfils all criteria of Listing Agreement as well as the provisions of section 149(6) of Companies Act, 2013 for appointment as Woman Independent Director of the Company. She has also given declaration that she fulfils and complies with all the conditions specified in the Section 149(6) of Companies Act, 2013 making her eligible to be appointed as a Woman Independent Director of the Company at ensuing Annual General Meeting. The Board of Directors is also of the opinion that Mrs. Renuka Hooda fulfils all the conditions specified in the Companies Act, 2013 as well as Listing Agreement and is recommended to appoint her as a Woman Independent Director of the Company.

#### Item No. 5:

The Company is Non-Banking Finance Company registered with Reserve Bank of India and engaged in investment and finance business. The Company has given & taken intercorporate loan and also provided / availed services to / from related parties during the financial year 2014-15. The Audit Committee at their meeting held on 15th April, 2014 has approved such related party transactions as these are in ordinary course of business and on an arm's length basis. The details of all related parties transactions are annexed in AOC-2.

Even though the provisions of Companies Act, 2013 read with rules made thereunder regarding related party transactions are not attracted to such transactions as these are in ordinary course of business and on an arm's length basis, but they were material related party transaction by virtue of clause 49 of Listing Agreement. Therefore, the approval of the shareholders is being sought in compliance of Clause 49 of Listing Agreement to ratify the above said related party transactions.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Name of Related Party	Name of Director or key Managerial Person who is related, if any and nature of relationship	Nature, Material Terms, Monetary Value and Particulars of the Contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution
IPPL	Mr. Rudra Sen Sindhu is director and shareholder in IPPL.	Payment of service charges of Rs.10,112/- and providing Inter-corporate loans of Rs.5.00 Crores to IPPL	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
AEPL	Mr. Rudra Sen Sindhu is director & Chairman of AEPL.	Providing inter-corporate loan of Rs.6.40 Crores to AEPL	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
STLL	Mr. Rudra Sen Sindhu is director and shareholder in STLL.	Providing inter-corporate loan of Rs.5.00 Crores to STLL	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
ACBIL	Mr. Rudra Sen Sindhu and Mr. Kuldeep Singh Solanki are directors and shareholders in ACBIL.	Taking inter-corporate loan of Rs.2.00 Crores from ACBIL	Loan will be repaid on demand and interest is to be paid as per terms of contract or arrangement.
KCWPL	Mr. Rudra Sen Sindhu is director and Chairman of KCWPL.	Taking inter-corporate loan of Rs.6.15 from KCWPL	Loan will be repaid on demand and interest is to be paid as per terms of contract or arrangement.

## SAINIK FINANCE & INDUSTRIES LIMITED

None of the Director or Key managerial personal of the Company and their relatives, other than Mr. Rudra Sen Sindhu and Mr. Kuldeep Singh Solanki and their relatives, are concerned or interested, financially or otherwise, in this Resolution.

The Board recommends this Resolution for your approval.

### Items No. 6 to 10:

The Company is Non-Banking Finance Company registered with Reserve Bank of India and engaged in investment and finance business. The Company entered or to be entered with related transactions to provide or to take intercorporate loan and also to provide / to avail services to / from related parties during the financial year 2015-16. The Audit Committee at their meeting held on 23rd May, 2015 has approved such related parties transactions to be entered during the year 2015-16 as they are in ordinary course of business and on an arm's length basis.

Even though the provisions of Companies Act, 2013 read with rules made thereunder regarding related party transactions are not attracted to such transactions as they are in ordinary course of business and on an arm's length basis but they may become a material related party transaction i.e. it may exceed in monetary value more than 10% of turnover of the Company in terms of Clause 49 of Listing Agreement. Therefore the approval of the shareholders is being sought in compliance of Clause 49 of Listing Agreement to enter into such related party transactions.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Name of Related Party	Name of Director or key Managerial Person who is related, if any and nature of relationship	Nature, Material Terms, Monetary Value and Particulars of the Contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution
IPPL	Mr. Rudra Sen Sindhu is director and shareholder in IPPL.	Payment of services charges and providing intercorporate loan having monetary value more than 10% of turnover of the Company but not exceeding Rs.10.00 Crores.	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
AEPL	Mr. Rudra Sen Sindhu is director & Chairman of AEPL.	Providing intercorporate loan having monetary value more than 10% of turnover of the Company but not exceeding Rs.10.00 Crores.	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
STLL	Mr. Rudra Sen Sindhu is director and shareholder in STLL.	Providing intercorporate loan having monetary value more than 10% of turnover of the Company but not exceeding Rs.10.00 Crores.	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
KEMSPL	The relative of Mr. Rudra Sen Sindhu is director & Shareholder in KEMSPL	Providing intercorporate loan having monetary value more than 10% of turnover of the Company but not exceeding Rs.10.00 Crores.	Loan repayable on demand and interest is to be charged as per terms of contract or arrangement.
KCWPL	Mr. Rudra Sen Sindhu is director and Chairman of KCWPL.	Taking intercorporate loan having monetary value more than 10% of turnover of the Company but not exceeding Rs.10.00 Crores.	Loan will be repaid on demand and interest is to be paid as per terms of contract or arrangement.

None of the Director or Key managerial personal of the Company and their relatives, other than Mr. Rudra Sen Sindhu, are concerned or interested, financially or otherwise, in this Resolution.

The Board recommends these Resolutions for your approval.

By order of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi  
Dated : 28th August, 2015

**Kuldeep Singh Solanki**  
Director  
DIN: 00009212

**Rudra Sen Sindhu**  
Director  
DIN: 00006999

## SAINIK FINANCE & INDUSTRIES LIMITED

### ANNEXURE TO ITEMS 2 & 4 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting  
(in pursuance of Clause 49 of the Listing Agreement)

#### Brief Profile of Director being appointed / re-appointed:

<b>Name</b>	<b>Mr.Kuldeep Singh Solanki</b>	<b>Mrs. Renuka Hooda</b>
<b>DIN</b>	00009212	03611979
<b>Age</b>	56 years	38 years
<b>Date of Appointment</b>	27/03/1997	30/03/2015
<b>Qualification</b>	Graduate	Post- Graduate
<b>Expertise</b>	After his Bachelor's degree he joined the Indian army. After serving the army for a period of five years he joined Sainik Transporters Private Limited in 1982. At present he is also interested as the director of several companies engaged in the business of coal mining, coal washing and related industries. He has approximately 30 years of experience in the coal sector, power & finance sector. Apart from the Company	She has expertise in the field of Finance and Investment.
<b>Directorship</b>	Sainik Mining and Allied Services Limited Kalinga Coal Mining Private Limited Maneesha Finlease Limited Global Opticals Private Limited ACB (India) Limited Sainik Coal Washery Private Limited Global Deftech Private Limited Aryan Clean Coal Technologies Private Limited Global Coal and Mining Private Limited Sainik Potash Private Limited Aryan M.P. Power Generation Private Limited Aryan Chhattisgarh Power Generation Private Limited ACB (India) Power Limited Arunachal Sainik Mining and Projects Private Limited XLR Capital (Cyprus) Limited Yara Dallon BV Sainik Mining (International) Limited Connoisseur Resources Limited	Shri Guru Gyan Private Limited
<b>*Chairman / Member of Committee of the Board of the Companies on which he/she is a Director as on 30<sup>th</sup> March, 2015</b>	Chairman -Audit Committee -Sainik Mining and Allied Services Limited	Except as Chairman/ Member of the Committees of the Board of the Company, she does not hold a position of Chairmanship or Membership of any Committee in any other Company.
<b>Shareholding in the Company</b>	1,527,430 Equity Shares	Nil
<b>Relationship with any Director(s) of the Company</b>	He is not related to any director or Key managerial personnel of the Company.	She is not related to Company or any director or Key Managerial Personnel of the Company.

# SAINIK FINANCE & INDUSTRIES LIMITED

## DIRECTORS' REPORT

The members,  
**Ladies and Gentlemen,**

Your directors have pleasure in presenting their 23rd Annual Report and the Audited Statement of Accounts for the year ended on 31st March, 2015.

<b>1. FINANCIAL RESULTS</b>		<b>(Amount in Rs.)</b>
<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Net sales and other Income	<b>95,025,102</b>	62,216,377
Profit before financial costs, depreciation, and Tax	<b>83,999,545</b>	28,194,505
Finance Costs	<b>51,753,008</b>	22,040,962
Profit before depreciation and tax	<b>32,246,537</b>	6,153,543
Depreciation for the financial year	<b>159,277</b>	677,577
Profit/(Loss) before tax	<b>32,087,260</b>	5,475,966
Direct Taxes	<b>12,453,043</b>	3,789,591
Profit / (Loss) after Tax	<b>19,634,217</b>	1,686,375
Transfer to Reserve Fund	<b>6,417,452</b>	1,095,193
Taxes for earlier years	<b>333,607</b>	429,608

(The Company has transferred Rs. 6,417,452/- (Rupees Sixty Four Lacs Seventeen Thousands Four Hundred Fifty Two only) to Special Reserve Funds in order to comply with provisions of Reserve Bank of India Act, 1934.

### 2. OPERATIONS OF THE COMPANY

During the year under review, the company was engaged in carrying on the business as Non- Banking Financial Company without accepting public deposits for which the Certificate of Registration has been obtained from the Department of Non- Banking Supervision, Reserve Bank of India, New Delhi. Your directors also intend to diversify its operation into another area / business in order to make the Company more profitable.

### 3. PERFORMANCE REVIEW

During the year under review, the Company's total income has increased to Rs. 95,025,102/- from Rs. 62,216,377/- and profit (before tax) to Rs. 3,20,87,260/- from Rs.54,75,966/- in the previous year.

### 4. DIVIDEND

Your directors do not recommend any dividend for payment to the shareholders for the financial year ended on 31st March, 2015.

### 5. DIRECTORS

Mr. Kuldeep Singh Solanki, Director of the Company retires by rotation and being eligible, has offered himself for re-appointment. Your directors recommend his re-appointment as director of the Company.

During the year under review, Mr. Vivek Varma, an Independent Director has tendered his resignation from the Board due to his preoccupation w.e.f. 30th March, 2015 and Mrs. Renuka Hooda has been appointed as Woman Independent Director on the Board of the Company w.e.f. 30th March, 2015.

Mrs. Renuka Hooda (DIN 03611979), who was appointed as an additional director w.e.f. 30th March, 2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, is proposed to be appointed as an Woman Independent Director of the Company for a period upto 29th March, 2020, not liable to retire by rotation.

The requisite resolution for the appointment of Mrs. Renuka Hooda as a Woman Independent Director is being proposed in the Notice of the ensuing Annual General Meeting for the approval of the Members.

# **SAINIK FINANCE & INDUSTRIES LIMITED**

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The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

As required under Clause 49 of the Listing Agreement with the Stock Exchange, the information on the particulars of the Directors proposed for appointment/ re-appointment has been given in the Notice of the Annual General Meeting.

## **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **Remuneration Policy**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of directors, senior management and to fix their remuneration. The Nomination and Remuneration Policy is stated in the Corporate Governance Report.

## **Meetings**

During the year under review, (8) Eight board meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between two board meetings was within the period prescribed under the Companies Act, 2013.

## **6. KEY MANAGERIAL PERSONNEL**

Mr. Ashok Arora resigned as Company Secretary and Ms. Shagun Taneja (Membership No. 38841) was appointed as Company Secretary w.e.f. 31st March, 2015. Mr. Kapil Sharma was appointed as Chief Executive Officer and Mr. Jagdish Chandra was appointed as Chief Financial Officer of the Company w.e.f. 31st March, 2015.

## **7. DEMATERIALISATION OF SHARES:**

74.38% of the Company's paid up equity share capital is in dematerialized form as on 31st March, 2015 and balance 25.62% is in physical form. The Company's Registrars & Transfer Agent is M/s Indus Portfolio Private Limited, having their communication office at G-65, Bali Nagar, New Delhi-110015.

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

As required under Clause 49 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

## **9. DIRECTORS RESPONSIBILITY STATEMENT:**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 and Clause 49(III)(D)(4)(a) of the listing agreement with Stock Exchanges in the preparation of the Financial Statement for the financial year ended on 31st March, 2015 and state:

- i) That in the preparation of Annual Accounts for the financial year ended as at 31st March, 2015, the applicable Accounting Standards have been followed along with proper explanation relating to the material departures.
- ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgements 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 financial year ended as at 31st March, 2015 and of the profit and loss of the Company for the financial year ended on 31st March, 2015.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud or other irregularities.

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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- iv) That the Directors have prepared the Annual Accounts on a Going Concern basis.
- v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **10. PUBLIC DEPOSITS**

The Company has not invited or accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder and section 45-I(bb) of the Reserve Bank of India Act, 1934 during the year under review. The Company does not hold any public deposit as on date and will not accept the same in future without the prior approval of Reserve Bank of India in writing.

### **11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans or finance & investment activities, is exempt from complying with the provisions of section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

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

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Such Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The Audit Committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability. No significant audit observations and recommendations have been received from the Internal Auditors of the Company.

### **13. AUDITORS REPORT**

The Auditors' Report on Annual Financial Statement of the Company for the financial year ended on 31st March, 2015 is self-explanatory. Hence, no explanation is required to be given.

### **14. AUDITORS**

#### **a) Statutory Auditors:**

Pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 30th September, 2014, the appointment of **M/s Kumra Bhatia & Co, Chartered Accountants**, (bearing ICAI Registration No.002848N) as the auditors of the Company to hold office till the conclusion of the 25th AGM of the Company to be held for the financial year ending on 31st March 2017, is required to be ratified at the ensuing Annual General Meeting. Your Directors recommend ratification for their re-appointment.

#### **b) Secretarial Auditors:**

Pursuant to provisions of section 204 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has, at its meeting held on 21st August, 2014 appointed M/s S.S. Bhati & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit report is annexed herewith as "Annexure A".

### **15. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B"

# **SAINIK FINANCE & INDUSTRIES LIMITED**

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## **16. CORPORATE GOVERNANCE REPORT**

The Company is committed to good Corporate Governance as the requirement of the Clause 49 of the Listing Agreement. As required under Clause 49 of the Listing Agreement, a detailed report on Corporate Governance together with Auditor's Certificate on compliance of conditions of Corporate Governance is annexed herewith as "Annexure - C" and is forming integral part of this Report.

## **17. RELATED PARTY TRANSACTIONS**

The main business of the Company is financing & Investment in shares etc. and granting loans to related or unrelated parties. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. All Related Party Transactions are placed before the Audit Committee for their approval. The material related party transactions for which the shareholders' approval is being sought, are mentioned in notice of Annual General Meeting. The details of all related parties transactions are annexed in AOC-2.

Your Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013 and the rules made thereunder and the Listing Agreement. This Policy was considered and approved by the Board has been placed on the Company's website [www.sainikfinance.com](http://www.sainikfinance.com)

## **18. CODE OF CONDUCT:**

The Board of directors has approved a Code of Conduct which is applicable to the members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website [www.sainikfinance.com](http://www.sainikfinance.com)

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## **19. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 read with the rules made thereunder and pursuant to the provision of clause 49(II)(f) of Listing Agreement, the Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, Vigil Mechanism / Whistle Blower Policy have been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

## **20. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.



# **SAINIK FINANCE & INDUSTRIES LIMITED**

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## **21. BUSINESS RISK MANAGEMENT**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49(III) (VI) of the Listing Agreement, the Company has constituted a Business Risk Management Committee. The details of the committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards Report. At present the Company has not identified any element of risk which may threaten the existence of the Company.

## **22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review, the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 were not applicable to our Company. Hence, Statement detailing the particulars required under the said Section and rules are not being furnished. There was no foreign exchange earnings and outgo in the Company during the financial year.

## **23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year under review, provision of section 135 and Schedule VII of the Companies Act, 2013, pertaining to Corporate Social Responsibility are not applicable to our Company. Hence, details of expenditure of CSR Committee are not being furnished.

## **24. LISTING OF SECURITIES**

Presently, the Securities of the Company are listed on Bombay Stock Exchange Limited, Mumbai. The listing fee for the financial year 2015-16 has been paid.

## **25. ACKNOWLEDGEMENTS**

Your directors would like to place their grateful appreciation for the assistance and co-operation received from the Company's bankers during the year under review. The directors also acknowledge with appreciation the support and co-operation rendered by various Government Agencies and Departments. Your Directors would also wish to place on record their deep sense of appreciation for the continued support of all the investors of the Company.

By order of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi  
Dated : 28th August, 2015

**Kuldeep Singh Solanki**  
Director  
DIN: 00009212

**Rudra Sen Sindhu**  
Director  
DIN: 00006999

# SAINIK FINANCE & INDUSTRIES LIMITED

## FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** Sainik Finance & Industries Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2014-15.
- 2. Details of contracts or arrangements or transactions at Arm's length basis:**

S. No.	Name of Related Party	Nature of Relation Ship	Nature of Contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction	Date of approval by the Board	Amount incurred during the year (Rs. In lakhs)
1.	Rudra Sen Sindhu and Kuldeep Singh Solanki	Directors	Sale of investment	-	-	N.A.	9.00
2.	Shyam Indus Power Solution Private Limited	Directors' relatives holds more than 2% shareholdings	Rent received	-	-	N.A.	6.00
3.	Kapil Constructions Private Limited	Common Shareholding	Rent paid	-	-	N.A.	0.60
4.	Indus Portfolio Private Limited	Common Director and shareholders	Services Charge paid	-	-	15-04-2014	0.10
			ICD given	-	-		500.00
			Interest received on ICD given	-	-	N.A.	2.67
			Refund of ICD Given	-	-	N.A.	500.00
5.	Aryan Energy Private Limited	Common Director	ICD given	-	-	15.04.2014	640.00
			Interest received on ICD given	-	-	N.A.	56.77
6.	BhilwaraTex-Fin Limited	Common Director	ICD given	-	-	15.04.2014	400.00
			Interest received on ICD given	-	-	N.A.	214.30
			Refund of ICD Given	-	-	N.A.	160.00
7.	Sindhu Trade Links Limited	Common Director & Shareholders	ICD given	-	-	15.04.2014	500.00
			Interest received on ICD given	-	-	N.A.	31.02
			Refund of ICD Given	-	-	N.A.	500.00
8.	Pragati Vanijaya Limited	Directors' relatives holds more than 2% shareholding	Interest received on ICD given during previous years	-	-	N.A.	16.50
			Refund of ICD Given	-	-	N.A.	255.00
9.	Blastec (India) Limited	Directors and his relatives holds more than 2% shareholding	Interest received on ICD given during previous years	-	-	N.A.	53.48
			Refund of ICD Given	-	-	N.A.	120.00
10.	ACB (India) Limited	Common Directors and shareholders	ICD taken	-	-	15-04-2014	200.00
			Interest paid on ICD	-	-	N.A.	3.76
			Refund of ICD Taken	-	-	N.A.	200.00
11.	Kartikay Coal Washeries Private Limited	Common Director	ICD taken	-	-	15-04-2014	615.00
			Interest paid on ICD	-	-	N.A.	169.66
			Refund of ICD Taken	-	-	N.A.	103.86
12.	ACB (India) Power Limited	Common Director	Interest Paid on ICD	-	-	N.A.	1.40
			Refund of ICD Taken	-	-	N.A.	240.00
13.	Mittersen Agro Farms Private Limited	Directors' holding is more 2%	Interest Paid on ICD	-	-	N.A.	7.14
14.	Sarvesh Coaltech Private Limited	Common Director and shareholder	Interest Paid on ICD	-	-	N.A.	13.00
			Refund of ICD Taken	-	-	N.A.	100.00

# **SAINIK FINANCE & INDUSTRIES LIMITED**

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**ANNEXURE-A**

## **SECRETARIAL AUDIT REPORT**

### **FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,**  
**The Board of Directors,**  
**SAINIK FINANCE & INDUSTRIES LIMITED**  
129, Transport Centre,  
Rohtak Road, Punjabi Bagh,  
Delhi-110035

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAINIK FINANCE & INDUSTRIES LIMITED (CIN-L26912DL1991PLC045449)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 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 extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of;

- I) The Companies Act, 2013 ("the Act") and the rules made there under;
- II) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- III) The Depositories Act, 1996 and the regulations and bye-law framed hereunder;
- IV) Foreign Exchange Management Act, 1999 (FEMA) 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 under review)
- V) The following regulations and guidelines prescribed under the Securities and Exchange Board of India, 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;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit period under review)

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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- (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period under review)
  - (f) The Securities and Exchange Board of India ( Registration to an Issue and Share Transfers Agents ) Regulations, 1993;
  - (g) The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period under review)
  - (h) The Securities and Exchange Board of India (Buyback of Securities ) Regulations, 1998; (Not applicable to the Company during the Audit period under review)
- VI) The Company has identified the following laws as applicable to the Company:-
- i) The Employees' Provident Fund and Miscellaneous Provision Act, 1952
  - ii) The Employees' State Insurance Act, 1948
  - iii) Industrial Dispute Act, 1947,
  - iv) The Payment of Wages Act, 1936,
  - v) The Payment of Minimum Wages Act, 1948
  - vi) The Payment of Bonus Act, 1965,
  - vii) The Payment of Gratuity Act, 1972
  - viii) The Contract Labour (Regulation and Abolition) Act,1970,
  - ix) The Maternity Benefits Act, 1961

I have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India. Not notified hence not applicable to the Company during the audit report
- II. The Listing Agreements entered into by the Company with BSE Limited.

The Company has identified the following laws as specifically applicable to the Company:-

- i) The Reserve Bank of India Act, 1934,
- ii) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007,

During the Audit period under review and as per the representations and clarifications provided by the management that, I confirm that, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned hereinabove.

**I further report that** compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by Statutory Auditor and other designated professional

**I further report that:-**

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

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at Board Meetings and Committee Meetings as presented by the Management are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further observe the following:

As informed and explained by the management, the Company has made related party transaction on ordinary course of business and/ arm's length transaction as decided by the Audit Committee in their meeting during the financial year.

**For: S S BHATI & ASSOCIATES  
(COMPANY SECRETARIES)**

**DATE: 28.08.2015**

**PLACE: DELHI**

**Satyapal Singh Bhati**

**(Proprietor)**

**ACS NO. 24345**

**CP NO. 9387**

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

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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**To,  
The Board of Directors,  
SAINIK FINANCE & INDUSTRIES LIMITED  
129, Transport Centre,  
Rohtak Road, Punjabi Bagh,  
Delhi-110035**

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

1. Maintenance of Secretarial records 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. I have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For: S S BHATI & ASSOCIATES  
(COMPANY SECRETARIES)**

**DATE:28.08.2015  
PLACE: DELHI**

**Satyapal Singh Bhati  
(Proprietor)  
ACS NO. 24345  
CP NO. 9387**

# SAINIK FINANCE & INDUSTRIES LIMITED

ANNEXURE-B

**Form No.MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31st March, 2015**

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

## I. REGISTRATION & OTHER DETAILS:

CIN:	:	L26912DL1991PLC045449
Registration Date	:	22/08/1991
Name of the Company	:	Sainik Finance & Industries Limited
Category / Sub-Category of the Company	:	Company limited Shares
Address of the Registered office and contact details	:	129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi -110035
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Indus Portfolio Private Limited G- 65, Bali Nagar, New Delhi 110015 Contact No: 91-11-47671200 Fax No: 91-11- 25449863

## 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)

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Investment & Financing		99.34%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of share held	Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

# SAINIK FINANCE & INDUSTRIES LIMITED

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	5621877	4200	5626077	51.71	5668742	4200	5672942	52.14	N.A
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1):</b>	5621877	4200	5626077	51.71	5668742	4200	5672942	52.14	N.A.
2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	-	-	-	-	-	-	-	-	N.A.
<b>B. Public Shareholding</b>	<b>5621877</b>	<b>4200</b>	<b>5626077</b>	<b>51.71</b>	<b>5668742</b>	<b>4200</b>	<b>5672942</b>	<b>52.14</b>	
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>	-	-	-	-	-	-	-	-	-
<b>a) Bodies Corp.</b>									
(i) Indian									
(ii) Overseas	1649452	1855052	3504504	32.21	1987504	1480486	3467690	31.87	-
<b>b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	246091	930818	1176909	10.82	242838	915652	1158490	10.65	-
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	183783	353366	537149	4.94	192079	353366	545445	5.01	-
<b>c) Others(Specify)</b>									
i) Non-Resident Indian	1263	33617	34880	0.32	889	33617	34506	0.32	-
ii) Clearing Member	308	-	308	0.00	28	-	28	0.00	-
iii) Clearing House	173	-	173	0.00	899	-	899	0.01	-
<b>Sub-total(B)(2)</b>	2081070	3172853	5253923	48.29	2424237	2782821	5207058	47.86	-
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>7702947</b>	<b>3177053</b>	<b>10880000</b>	<b>100%</b>	<b>8092979</b>	<b>2787021</b>	<b>10880000</b>	<b>100%</b>	<b>N.A.</b>



## SAINIK FINANCE & INDUSTRIES LIMITED

### (ii) Shareholding of Promoter

S N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kuldeep Singh Solanki	1521998	13.98	N.A.	1527430	14.04	N.A.	+0.06
2	Yuvraj Singh Solanki	432883	3.98	N.A.	432833	3.98	N.A.	-
3	Indu Solanki	337833	3.11	N.A.	337833	3.11	N.A.	-
4	Rudra Sen Sindhu	352883	3.24	N.A.	358283	3.29	N.A.	+0.05
5	Sarvesh Sindhu	248866	2.29	N.A.	248866	2.29	N.A.	-
6	Vir Sen Sindhu (HUF)	247066	2.27	N.A.	247066	2.27	N.A.	-
7	Vritpal Sindhu	206200	1.90	N.A.	206200	1.90	N.A.	-
8	Sumati Sindhu	194333	1.79	N.A.	194333	1.79	N.A.	-
9	Kuldeep Singh Solanki (HUF)	172800	1.59	N.A.	172800	1.59	N.A.	-
10	Abhimanyu Sindhu	175166	1.61	N.A.	175166	1.61	N.A.	-
11	Surabhi Sindhu	149933	1.38	N.A.	149933	1.38	N.A.	-
12	Parmeshwari Devi	456532	4.20	N.A.	456532	4.20	N.A.	-
13	Manisha Solanki	117800	1.08	N.A.	117800	1.08	N.A.	-
14	Col. Girdhari Singh (HUF)	109400	1.01	N.A.	109400	1.01	N.A.	-
15	Vir Sen Sindhu	102198	0.94	N.A.	102198	0.94	N.A.	-
16	Shweta Sindhu	96565	0.89	N.A.	96565	0.89	N.A.	-
17	Rudra Sen Sindhu (HUF)	89600	0.82	N.A.	89600	0.82	N.A.	-
18	Saroj Sindhu	87033	0.80	N.A.	87033	0.80	N.A.	-
19	Rajshree Rathore	64000	0.59	N.A.	64000	0.59	N.A.	-
20	Asha Rathore	75200	0.69	N.A.	75200	0.69	N.A.	-
21	Shahista Sindhu	58600	0.54	N.A.	58600	0.54	N.A.	-
22	Somvir Sindhu	52000	0.48	N.A.	52000	0.48	N.A.	-
23	Rachna Sindhu	51900	0.48	N.A.	51900	0.48	N.A.	-
24	Satya Pal Sindhu	45000	0.41	N.A.	45000	0.41	N.A.	-
25	Saurabh Sindhu	41666	0.38	N.A.	41666	0.38	N.A.	-
26	Usha Sindhu	52675	0.48	N.A.	52675	0.48	N.A.	-
27	Dev Suman Sindhu	40000	0.37	N.A.	40000	0.37	N.A.	-
28	Shashi Sindhu	18466	0.17	N.A.	18466	0.17	N.A.	-
29	Vrit Pal Sindhu (HUF)	13166	0.12	N.A.	13166	0.12	N.A.	-
30	Ekta Sindhu	5000	0.05	N.A.	5000	0.05	N.A.	-
31	Anika Sindhu	500	0.00	N.A.	500	0.00	N.A.	-
32	Rajbir Singh	4665	0.04	N.A.	4665	0.04	N.A.	-
33	Niranjan Singh	4200	0.04	N.A.	4200	0.04	N.A.	-
34	Madhu Singh	-	-	N.A.	36033	0.33	N.A.	0.33
	<b>Total</b>	<b>5626077</b>	<b>51.70</b>	<b>N.A.</b>	<b>5672942</b>	<b>52.14</b>	<b>N.A.</b>	<b>0.44</b>

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

S N.	For each of Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the Company	No. of shares	% of total share of the Company
	At the beginning of the year	5262077	51.71		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	46865#	0.43		
	At the End of the year	5672942	52.14		

## SAINIK FINANCE & INDUSTRIES LIMITED

### Reason of Change in Shareholding#

Sl. No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Reason Cumulative Shareholding during the year (01-04-14 to 31-03-15)
		No. of Shares at the beginning (01-04-14)/ end of the year (31-03-15)	% of total shares of the Company				
1.	Sh. Rudra Sen Sindhu	352883	3.24	01-04-2014			
		-	-	12-03-2015	5400	Purchase	358283
		358283	3.29	31-03-2015			
2.	Sh. Kuldeep Singh Solanki	1521998	13.98	01-04-2014			
		-	-	12-03-2015	5432	Purchase	1527430
		1527430	14.04	31-03-2015			
3	Madhu Singh	-	-	26-09-2014	36033	Purchase	36033
		36033	0.33	31-03-2015			

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

S N.	For each of Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the Company	No. of shares	% of total share of the Company
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.	N.A.	N.A.	N.A.
	At the End of the year(or on the date of separation, if separated during the year)	N.A.	N.A.	N.A.	N.A.

## SAINIK FINANCE & INDUSTRIES LIMITED

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

Sl. No	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Reason Cumulative Shareholding during the year (01-04-14 to 31-03-15)
		No. of Shares at the beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the Company				
<b>A</b>	<b>Director:</b>						
1.	Sh. Rudra Sen Sindhu	352883	3.24	01-04-2014			
				12-03-2015	5400	Purchase	358283
		358283	3.29	31-03-2015			
2.	Sh. Kuldeep Singh Solanki	1521998	13.98	01-04-2014			
					5432	Purchase	1527430
		1527430	14.04	31-03-2015			
3	Samai Singh	2000	0.02	N.A	N.A	N.A	2000
		-	-	-	-	-	-
		2000	0.02	31-03-2015	-	-	-
4	Renuka Hooda	N.A	N.A	N.A	N.A	N.A	N.A
5	Vivek Varma*	2000	0.02	01-04-2014	-	-	2000
		-	-	-	-	-	-
		2000	0.02	31-03-2015	-	-	-
6.	Kapil Shamra, CEO	N.A	N.A	N.A	N.A	N.A	N.A
7.	Jagdish Chandra, CFO	470	0.00	01-04-2014			470
		-	-	20-11-2014	100	Purchase	570
		-	-	24-12-2014	10	Sale	560
		-	-	07-01-2015	50	Sale	510
		-	-	23-01-2015	50	Sale	460
		460	0.00	31-03-2015	-	-	-
8.	Shagun Taneja	-	-	-	-	-	-

\*Vivek Varma has resigned w.e.f. 31-03-2015

### V. INDEBTEDNESS

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

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

## SAINIK FINANCE & INDUSTRIES LIMITED

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

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particular of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (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.	Others, please specify	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL

#### B. Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of Directors		Total Amount
	1. Independent Directors			
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL
	2. Other Non-Executive Directors			
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B) = (1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL

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

Sl. No.	Particular of Remuneration	Name of Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2.	Stock Option	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4.	Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total (A)	N.A.	N.A.	N.A.	N.A.
	Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.

## SAINIK FINANCE & INDUSTRIES LIMITED

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

Type		Section of the Companies Act	Brief description	Details of Penalty/ Punishment /Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made, If any (give details)
<b>A.</b>	<b>Company</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>B.</b>	<b>Directors</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>C.</b>	<b>Other Officers in default</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

# SAINIK FINANCE & INDUSTRIES LIMITED

## CORPORATE GOVERNANCE REPORT for the financial year ended on 31st March, 2015

ANNEXURE-C

### 1. COMPANY'S PHILOSOPHY

The Corporate Governance refers to set of policies, systems, regulations and procedures to be followed in the best interest of stakeholders i.e. Shareholders, Consumers, Banks, financial institutions and employees of the Company etc. Our Company is making regular compliances and furnishing the information related to the performance and prospect of the Company keeping in view of true spirit of the Corporate Governance. The Company's philosophy is the conduct of its affairs transparently with all persons dealing with the Company and/or having a stake in the Company. As required under clause 49 of the Listing Agreement entered into with the Stock Exchange, all necessary disclosures are set out towards achievements of good Corporate Governance.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company provides leadership, strategic guidance to the Company and exercises control over the Company and accountable at all time to the shareholders of the Company. The present Board comprises of 4 (Four) directors (of which 2 are non-executive independent directors) who possess the requisite qualifications and experience in general corporate management, finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

#### 2.1 The composition of the Board of Directors as on date is as follows:

NAME OF DIRECTOR	CATEGORY
Mr. Kuldeep Singh Solanki	Non-Executive -Non Independent Director
Mr. Rudra Sen Sindhu	Non-Executive -Non Independent Director
Mr. Samai Singh	Independent Director
Mrs. Renuka Hooda	Independent Director

#### 2.2 Board Meetings held during the year under review:

**During the Financial Year 2014-15, Eight (8)** meetings of the Board of Directors of the Company were held on 15th April 2014, 30th May, 2014, 11th August, 2014, 21st August 2014, 13th November 2014, 24th December, 2014, 31st January 2015, and 30th March, 2015.

#### 2.3 Attendance record of Directors at Board Meeting and Annual General Meeting and number of other Directorships / Committee memberships / Chairmanships.

Name of Director	Attendance details			**Other committees of which he is	
	At Board Meeting	At Annual General Meeting held on 30.09.2014	Number of other Companies in which he is Director		
Mr. Rudra Sen Sindhu	8	-	18	1	1
Mr. Kuldeep Singh Solanki	7	-	15	N.A.	N.A.
Mr. Samai Singh	7	Yes	4	N.A.	N.A.
Mr. Vivek Varma*	5	-	3	N.A.	N.A.
Mrs. Renuka Hooda*	1	-	1	N.A.	N.A.

\* Mr. Vivek Varma has been resigned and Mrs. Renuka Hooda has been appointed w.e.f. 30th March, 2015 on the Board.

\*\* For the purpose of reckoning the limit of Chairmanship/Membership in Committees, we consider only Audit Committee and Stakeholders Relationship Committee.

# SAINIK FINANCE & INDUSTRIES LIMITED

## 2.4 Independent Directors:

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

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

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

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

The Independent Directors held a Separate Meeting on 24th December, 2014, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 3. COMMITTEES OF THE BOARD

### 3.1 AUDIT COMMITTEE

The Audit Committee has been constituted by the Board of Directors in order to meet the requirements of section 177 of the Companies Act, 2013 as well as the clause 49 of Listing Agreement. The Audit Committee has been reconstituted on 30th March, 2015. Mrs. Renuka Hooda, Woman Independent Director of the Company has been inducted at the Audit Committee in place of Mr. Vivek Varma, who resigned from the Board of the Company w.e.f. 30th March, 2015. All the members of the committee are financially literate.

As on date the Audit Committee comprise the following members:

Mrs. Renuka Hooda	Chairman	Independent Director.
Mr. Rudra Sen Sindhu	Member	Non-Executive Director Non Independent Director.
Mr. Samai Singh	Member	Independent Director

During the year under review, 7 (Seven) Audit Committee meetings were held. The attendance record of the members during these meetings is set down below:

Date of Meeting	Mr. Rudra Sen Sindhu	Sh. Vivek Varma*	Sh. Samai Singh	Mrs. Renuka Hooda*
15-04-2014	Yes	Yes	Yes	-
30-05-2014	Yes	No	Yes	-
11-08-2014	Yes	Yes	Yes	-
21-08-2014	Yes	Yes	Yes	-
13-11-2014	Yes	Yes	Yes	-
31-01-2015	Yes	Yes	Yes	-
30-03-2015	Yes	N.A.	Yes	Yes

\*Mr. Vivek Varma has been resigned and Mrs. Renuka Hooda has been appointed w.e.f. 30th March, 2015 on the Board.

# SAINIK FINANCE & INDUSTRIES LIMITED

## 3.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee looks into the matters of complaints of the investors and shareholders relating to the non-receipt of dividend warrants, annual reports, share transfers/ transmission in time, issue of duplicate share certificate, remat / demat of shares, change of address etc. and the redressal of their complaints.

The Stakeholder Relationship Committee has been constituted by the Board of Directors in order to meet the requirements of section 178 of the Companies Act, 2013 as well as the clause 49 of Listing Agreement. The Stakeholder Relationship Committee has been re-constituted w.e.f. 30th March, 2015. Mrs. Renuka Hooda, Woman Independent Director of the Company has been inducted at the Stakeholder Relationship Committee in place of Mr. Vivek Varma, who resigned from the board of the Company w.e.f. 30th March, 2015

As on date the **Stakeholders Relationship Committee** comprises of the following members

Mrs. Renuka Hooda	Chairman	Independent Director
Mr. Samai Singh	Member	Independent Director
Mr. Rudra Sen Sindhu	Member	Non -Executive Non Independent Director.

The Committee met 7 (Seven) times during the year under review. The following table summarises the attendance of the members at the Stakeholders Relationship Committee of the Company:

Date of Meeting	Mr. Rudra Sen Sindhu	Sh. Vivek Varma*	Sh. Samai Singh	Mrs. Renuka Hooda*
30-05-2014	Yes	No	Yes	-
09-08-2014	Yes	Yes	No	-
29-11-2014	Yes	No	Yes	-
24-12-2014	Yes	Yes	Yes	-
13-01-2015	Yes	Yes	Yes	-
12-03-2015	Yes	Yes	Yes	-
30-03-2015	Yes	N.A.	Yes	Yes

\*Mr. Vivek Varma has been resigned and Mrs. Renuka Hooda has been appointed w.e.f 30th March, 2015 on the Board. The details of queries/ complaints received from shares holders, status thereof etc. are summarized as under during the year under review:

Sl. No.	Particulars	No.	Status/Remark
1.	Number of queries/complaints received from shareholders/ investors from April 01, 2014 to March 31, 2015 regarding non-receipt of dividend/ interest warrants, non-receipt of shares sent for transfer, Annual Reports etc.	NIL	N.A.
2.	Number of queries/complaints not attended	NIL	N.A.
3.	Number of request of Share Transfer / Transmission received during the year.	12	-
4.	Number of Shares for which above requests received.	13994	-
5.	Number of Share Transfer cases done during the year	12	-
6.	Number of Share Transfer pending during the year	NIL	N.A

## 3.3 NOMINATION AND REMUNERATION COMMITTEE

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Committee has been re-constituted with effect from 30th March 2015. Mrs. Renuka Hooda, Woman Independent Director of the Company has been inducted at the Nomination



## SAINIK FINANCE & INDUSTRIES LIMITED

and Remuneration Committee in place of Mr. Vivek Varma who resigned from the board of the Company w.e.f 30th March, 2015.

As on date the Nomination and Remuneration Committee comprises of the following members:

Mrs. Renuka Hooda	Chairman	Independent Director
Mr. Samai Singh	Member	Independent Director
Mr. Rudra Sen Sindhu	Member	Non -Executive Non Independent Director

The Committee met 3 (Three) times during the year under review. The following table summarises the attendance of the members at the Nomination and Remuneration Committee of the Company:

Date of Meeting	Mr. Rudra Sen Sindhu	Sh. Vivek Varma*	Sh. Samai Singh	Mrs. Renuka Hooda*
30-05-2014	Yes	No	Yes	-
21-08-2014	Yes	Yes	Yes	-
30-03-2015	Yes	N.A	Yes	Yes

\*Mr. Vivek Varma has been resigned and Mrs. Renuka Hooda has been appointed w.e.f 30th March, 2015 on the Board.

#### 4. THE MANNER OF THE BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under Clause 49 of the Listing Agreements.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

#### 5. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

##### a) Criteria of selection of Non-executive Directors

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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The Committee shall consider the following attributes / criteria, whilst and recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

**b) CEO & Executive Chairman / Director - Criteria for selection / appointment**

For the purpose of selection of the CEO & Executive Chairman / Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Nomination and Remuneration Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

**c) Remuneration to the independent directors or for the CEO & Executive Director at the time of appointment or re-appointment,**

At the time of appointment or re-appointment, the CEO & Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the CEO & Executive Chairman / Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting. The remuneration of the CEO & Executive Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

**d) Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees, the Committee shall ensure the relationship of remuneration and performance benchmark is clear. The Executive Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Committee for its review and approval.

### **6 BUSINESS RISK MANAGEMENT COMMITTEE**

The Board has set up Risk Management Committee pursuant to the requirement of Clause 49 of Listing Agreement and Reserve Bank of India for NBFC. The Committee was set up on 13th November, 2014 consisting of Mr. Vivek Varma and Mr. Kuldeep Singh Solanki as its Members of said Committees and Mr. Rudra Sen Sindhu as its Chairperson. The Committee regularly review the Company's business risk. The Internal Auditors also report to the Committee from time to time from the purpose of risk management. Business Risk Evaluation and Management is an outgoing process within the Organization. The Company has a strong risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management.
2. Reviewing the policy and framework in line with legal requirements and SEBI guidelines.

## SAINIK FINANCE & INDUSTRIES LIMITED

3. Reviewing risks and evaluate treatment including initiating mitigation actions.
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan

The Risk Management Committee has been re- constituted with effect from 30th March 2015. Mrs. Renuka Hooda, Woman Independent Director of the Company has been inducted at the Risk Management Committee in place of Mr. Vivek Varma, who resigned from the board of the Company w.e.f, 30th March, 2015.

### 7. GENERAL MEETINGS

Location and time of the last three Annual General Meetings:

Year	Date	Time	Location
2014	30th September, 2014	9.30 A.M.	Farm House of Kapil Constructions Private Limited, Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057
2013	30th September, 2013	9.30 A.M.	Farm House of Kapil Constructions Private Limited, Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057
2012	29th September, 2012	9.30 A.M.	Farm House of Kapil Constructions Private Limited, Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057

The following table summarizes the details of the special resolution passed or not during the last three years:

Sl. No.	Particulars	Status	Remark
1.	Whether any Special Resolutions were passed at the last three Annual General Meeting	No	
2.	Whether Special Resolutions were put through postal ballot at the last three Annual General Meeting	No	
3.	Persons who conducted the postal ballot	N.A.	
4.	Procedure for postal ballot	N.A.	

### 8. DISCLOSURES

- a) Except as disclosed in annual report of the Company for the financial year ended on 31st March, 2015, there was no related party transactions with its promoters, Directors or the management, their subsidiaries / relatives that may have potential conflict with the interests of the Company at large.
- b) There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, or the Securities and Exchange Board of India or any other statutory body/ authority, on any matter related to capital markets during the last three years.
- c) The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.
- d) No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.
- e) To the extent possible, the Company has complied with the mandatory requirement of this clause.
- f) The Company has complied with all applicable Accounting Standards in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

# SAINIK FINANCE & INDUSTRIES LIMITED

## 9. MEANS OF COMMUNICATIONS WITH THE INVESTORS/SHAREHOLDERS

- |  |  |
|--|--|
| a) Half Yearly report sent to each household of shareholders                     | No, the results were published by the Company in National and regional newspapers in English and Hindi.  |
| b) Quarterly results   | Are published in the following newspapers:<br><b>The Pioneer/The Financial Express</b><br>English / and<br><b>Dainik Haribhoomi</b> -Vernacular language (Hindi) |
| c) Any website where displayed   | www.sainikfinance.com  |
| d) Whether the website also displays official news releases                      | Yes  |
| e) Presentations made to institutional investors and analysts                    | No   |
| f) Whether Management Discussion and Analysis Report forms part of Annual Report | Yes  |

## 10. GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date	:	30 <sup>th</sup> September, 2015
Day	:	Wednesday,
Time	:	9:30 A.M.
Venue	:	Farm House of Kapil Constructions Pvt. Ltd. Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057.
ISIN	:	INE584B01013

**Financial Calendar (tentative) : Financial year – April 01, 2015– March 31, 2016**

### Quarterly results- For Quarter ending

30-06-2015	-	1 <sup>st</sup> / 2 <sup>nd</sup> week of August, 2015
30-09-2015	-	1 <sup>st</sup> / 2 <sup>nd</sup> week of November, 2015.
31-12-2015	-	1 <sup>st</sup> / 2 <sup>nd</sup> week of February, 2016.
31-03-2016	-	3 <sup>rd</sup> /4 <sup>th</sup> week of May, 2016

### Book closure

Saturday, 26th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive).

### Listing on Stock Exchange(s):

#### BSE Limited, Mumbai,

Floor 25, P.J. Towers, Dalal Street,  
Mumbai - 400 001.

The Listing fees have been paid to the Stock Exchange for the year 2015-16.

### Stock Exchange Code

For BSE Limited – 530265 (SAINIK)

## SAINIK FINANCE & INDUSTRIES LIMITED

**Market Price data (as traded in the Bombay Stock Exchange Limited) during the year under report.**

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April, 2014	7.50	6.89	October, 2014	6.33	5.65
May, 2014	7.25	6.89	November, 2014	7.25	6.00
June, 2014	6.69	5.56	December, 2014	14.90	7.24
July, 2014	6.74	5.83	January, 2015	16.00	13.38
August, 2014	5.92	5.13	February, 2015	13.90	11.52
September, 2014	5.93	5.65	March, 2015	12.09	9.05

### Share Transfer system

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. However, all requests received for transfer of shares for off market transaction in physical form furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf are processed by the Registrar and Transfer Agents and are approved by Share Transfer Committee. The Share Transfers are registered and returned within period of 15 days from the date of lodgment, if documents are complete in all respect.

### Outstanding GDR/Warrants/Convertible Instruments

The Company has no outstanding GDR/Warrants/Convertible Instruments.

### Share Registrar and Transfer Agents:

**Indus Portfolio Private Limited,**

G-65, Bali Nagar, New Delhi-110 015.

**Tel. Nos :** 91-11-47671200 **Fax no:** 91-11- 25449863.

**Email :** bharat.b@indusinvest.com

**Website :** www.indusinvest.com

**Business Hours :** 10:00 a.m. to 6:00 p.m. (Monday to Saturday)

The shares of the Company are traded on the stock exchange in dematerialised form with effect from 18<sup>th</sup> July, 2000.

### DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2015:

Category wise Shareholding (in shares)	No. of Shareholders	% to Total Shareholders	Number of Share held	% to total share capital
UPTO 500	3013	85.72	306005	2.81
501 - 1000	171	4.86	133562	1.23
1001 - 5000	224	6.37	550712	5.06
5001- 10000	44	1.25	328393	3.02
10001-20000	20	0.57	294586	2.71
20001-30000	3	0.09	76200	0.70
30001-40000	5	0.14	181123	1.66
40001-50000	4	0.11	177550	1.63
50001-100000	12	0.34	816639	7.51
ABOVE 100000	19	0.54	8015230	73.67
<b>Total</b>	<b>3,515</b>	<b>100.00</b>	<b>10880000</b>	<b>100.00</b>

## SAINIK FINANCE & INDUSTRIES LIMITED

### SHAREHOLDING DETAILS AS ON 31ST MARCH, 2015:

Category	No. of shares held	Percentage of shareholding
Promoters	5672942	52.14
Institutional Investors	-	-
Mutual Funds and UTI	-	-
Banks, Financial institutions, Insurance Companies (Central / State Govt. Institutions/Non-govt. Institutions)	-	-
FII's -	-	
Private Bodies Corporate	3467690	31.87
Indian Public	1703935	15.66
NRIs	34506	0.32
Clearing House	899	0.01
Clearing Member	28	0.00
<b>TOTAL</b>	<b>10880000</b>	<b>100.00</b>

### TOP 10 SHAREHOLDERS AS ON 31ST MARCH, 2015:

Sr. No.	Name	Shares	Percentage
1.	Kuldeep Singh Solanki	1527430	14.04
2.	Sindhu Trade Links Limited	1173565	10.79
3.	ManeeshaFinlease Limited	1046159	9.62
4.	Sainik Mining And Allied Services Limited	853666	7.85
5.	Parmeshwari Devi	456532	4.20
6.	Yuvraj Singh Solanki	432833	3.98
7.	Rudra Sen Sindhu	358283	3.29
8.	Indu Solanki	337833	3.11
9.	Sarvesh Sindhu	248866	2.29
10.	Vir Sen Sindhu (HUF)	247066	2.27

### DEMATERIALISATION OF SHARES AND DETAILS THEREOF

The shareholders desirous of getting the shares dematerialised should approach a depository participant (DP) (For example, Indus Portfolio Private Limited) and get a depository account opened. The share certificates should be deposited with the same Depository Participant who shall approach the Company and get the shares dematerialised.

**8,092,979** Equity shares of the Company i.e.74.38%of total paid up share capital are held in dematerialised form as on 31st March, 2015.

Demat ISIN in NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited)-**INE584B01013**

## SAINIK FINANCE & INDUSTRIES LIMITED

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### ADDRESS FOR CORRESPONDENCE :

For any query related to Annual Report, Transfer of Shares and other query related to shares, please contact at the following addresses.

#### **Registered Office of the Company :**

129, Transport Centre, Rohtak Road,

Punjabi Bagh, New Delhi-110035

**Tel.No** : 011-28315036, 0124-2719000

**Fax. No** : 011-28315044, 0124-2719100

**E-mail** : info@sainik.org

**CIN** : L26912DL1991PLC045449

#### **Corporate Office of the Company :**

7th Floor, Office Tower, Ambience Mall,

NH-8, Gurgaon-122002, Haryana

**Tel.No** : 0124-2719000

**E-mail** : legal.secreterial@sainikmining.com

#### **Registrar and Transfer Agents:**

**Indus Portfolio Private Limited,**

G-65, Bali Nagar, New Delhi-110 015.

**Tel. Nos:** 91-11-47671200 **Fax no:** 91-11- 25449863.

**Email:** bharat.b@indusinvest.com

**Website:** www.indusinvest.com

**Business Hours:** 10:00 a.m. to 6:00 p.m. (Monday through Saturday- 'except second and fourth Saturdays')

By order of the Board of Directors  
**For SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi  
Dated : 28th August, 2015

**Kuldeep Singh Solanki**

Director

DIN: 00009212

**Rudra Sen Sindhu**

Director

DIN: 00006999

# SAINIK FINANCE & INDUSTRIES LIMITED

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry structure and developments

Indian markets were one of the best performing markets globally in 2014. The BSE Sensex and NSE Nifty jumped 30% buoyed by hopes of a better economy and reforms by the present government. India also emerged as one of the strongest economies amongst the emerging markets.

The key drivers for growth in India will continue to be reforms. Strong reforms in various sectors will be an important catalyst for the markets in 2015. Markets cheered the reforms introduced by the new government in 2014 such as diesel deregulation, FDI in construction and re-allocation of coal blocks. Decline in interest rates will be an important trigger for the markets. India has been battling with high inflation. However, inflation contracted sharply in 2014 due to lower food, oil and commodity prices. The Reserve Bank of India has started cutting rates in the first quarter of the calendar year, but it may not exceed 0.5-0.7% this year.

In 2014, Foreign Institutional Investors (FIIs) pumped close to \$16 billion (Rs 96,573 crore) into equities. Brokerages are optimistic about domestic inflows into equities in 2015. The robust sentiment in anticipation of economic reforms could see additional FII inflows this year.

The last four-five years witnessed large outflows from the equity markets into other asset classes like real estate and gold. Going forward, it is expected that this may reverse. DSP Black Rock Mutual Fund expects domestic inflows of about \$10-15 billion into Indian equities. They believe relative returns from equities would be better than other asset classes in 2015.

With a gradual pick-up in demand, fall in raw material prices as well as the improvement in economic conditions, corporate earnings are expected to gather momentum in the coming quarters. Corporate profits may rise at least 17-18% in each of the next two years, according to brokerage firm IIFL.

Geopolitical risks such as the situation in Russia and Ukraine, and ISIS-related problems in Iraq and the Middle East are some of the biggest uncertainties for the markets. The Russia/Ukraine situation was seen as by far the biggest geopolitical risk for 2015, according to 84 economists who participated in a Bloomberg survey in December 2014.

The Eurozone is already facing slowdown-related issues. On top of this, talks of Greece exiting the Eurozone are back. Will Eurozone be able to handle another crisis in Greece? Markets are speculating whether EU countries will slip into recession again. If that happens, markets around the world may slump. This could affect Indian markets too.

The US economy, which faced a recession after the 2008 financial crisis, is finally picking up. The US central bank, Federal Reserve, indicated that it is confident about the recovery and, thus, may raise interest rates this year. Brokerage firms expect the Fed to raise rates during the financial year 2014-2015. If the US hikes rates sooner than anticipated, it could lead to the exit of foreign investments from India and cause volatility in the markets.

The price of oil is down nearly 55% in value since June 2014, and shows no signs of abating. This week, prices slipped below \$50 a barrel, its lowest since 2009. Analysts expect prices to remain weak in the medium term. Oil prices could rise if consumption picks up or if output is cut. In such a case, oil import-dependent India could suffer.

The year ahead will be challenging on the interest rate and credit quality front, however, India has stable Government, and we can see improvement in asset quality and return growth. The economic environment prevailing in the country affected the NBFC sector also.

### Opportunities and Threats

Government has announced a number of policy measures to kickstart investments. This includes an investment allowance for manufacturing companies, policy measures for creating affordable housing and addressing requirements of agriculture sector through measures other than price supports. Steps are being taken to address requirements of mining and power generation sectors which will remove supply bottlenecks to a number of sectors. Improvement in connectivity to rural areas will result in robustness of demand from semi urban and rural areas. With the government's initiative to boost infrastructure projects, NBFCs can also look for growth in asset financing.

Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market. Growth of the company's asset book, quality of assets and ability to raise funds depends significantly on the economy. Unfavorable events in the Indian economy can affect consumer sentiment and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial services providers and changes in Government policy / regulatory framework could impact the Company's operations.

### Outlook

The markets will continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2015-16.



# SAINIK FINANCE & INDUSTRIES LIMITED

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## **Fixed Deposits**

The Company is a non-deposit accepting company -NBFC. The Company has not accepted any fixed deposit during the period under review.

## **Internal Control Systems and their adequacy**

The Company has satisfactory internal control system. The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firm of Chartered Accountants. An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

## **Risk Management**

The Company recognizes the importance of risk management and has accordingly invested in appropriate processes, people and a management structure. The Board of Directors of the Company reviews the asset quality at frequent intervals. The asset quality of the company continues to remain healthy. The nature of business the company is engaged in exposes it to a slew of complex and variable risks. The rapid and continuous changes in the business environment have ensured that the organization becomes increasingly risk focused to achieve its strategic objectives. SFIL's policies ensure timely identification, management and mitigation of relevant risks, such as credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risks, which help the company move forward with vigour.

## **Financial Performance with respect to Operational Performance**

### **Share Capital**

The paid up equity share capital of the Company as on March 31, 2015 stands at Rs. 108,800,000 divided into 10,880,000 equity shares of Rs. 10/- each fully paid up.

### **Net Worth**

The Net Worth of the Company increased from Rs. 25.66 Crore to Rs. 27.84 Crore during the year under review.

### **Total Income**

During the year under review total income was Rs 9.50 Crore as against Rs. 6.22 Crore in the previous year.

### **Other Income**

During the year under review other income was Rs. 0.06 Crores as against Rs. 0.14 Crores in the previous year.

### **Interest and Finance Charges**

During the year under review total interest and finance charges were Rs. 5.18 Crore as against Rs. 2.20 Crore in the previous year.

### **Tax Expense**

During the year under review tax expenses were Rs. 1.24 Crore.

### **RBI Guidelines**

The company has complied with all the applicable regulations of the Reserve Bank of India.

### **Human Resources/ Industrial Relations**

The Company has a dedicated team who has been contributing to the progress and growth of the Company. The manpower requirement at the offices of the Company is assessed continuously and recruitment is conducted accordingly.

### **Performance During the year**

During the year under review, the Company made a profit of Rs. 32,087,260/- (before tax) as compared to the profit of Rs. 5,475,966/- (before tax) earned during the previous year.

By order of the Board of Directors  
**For SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi  
Dated : 28th August, 2015

**Kuldeep Singh Solanki**  
Director  
DIN: 00009212

**Rudra Sen Sindhu**  
Director  
DIN: 00006999

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## SAINIK FINANCE & INDUSTRIES LIMITED

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### CERTIFICATE ON CORPORATE GOVERNANCE:

To

The members

**Sainik Finance & Industries Limited**

We have examined the compliance of conditions of corporate governance by Sainik Finance and Industries Limited, for the year ended 31st March, 2015 as per clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of the corporate governance as stipulated in the said clause. 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 based on the representations made by the Directors and the management, we certify that the company has complied with conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement, subject to the following observations.

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

For **KUMRA BHATIA & CO.**

Chartered Accountants

FR No. 002848N

**(P. K. Bhatia)**

Partner

M. No. 81174

Place : New Delhi

Dated : 28th August, 2015

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### ANNUAL CERTIFICATE UNDER CLAUSE 49(II)(E) OF LISTING AGREEMENT

In accordance with the Clause 49 of the Listing Agreement with the Stock Exchange, and according to information provided/available, this is to confirm that all members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2015.

**(Kapil Sharma)**

Chief Executive Officer

Place : New Delhi

Dated: 28th August, 2015

# **SAINIK FINANCE & INDUSTRIES LIMITED**

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## **CEO/CFO Certification**

The Board of Directors

### **Sainik Finance & Industries Limited**

- A. We have reviewed financial statements and the cash flow statement for the financial year 2014-2015 and certify that these statements to the best of our knowledge and belief :
- 1) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - 2) present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our 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.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
- E. To the best of our knowledge and belief, there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Company

**For SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi  
Dated : 28th August, 2015

**Jagdish Chandra**  
(Chief Financial Officer)

**Kapil Sharma**  
(Chief Executive Officer)

# **SAINIK FINANCE & INDUSTRIES LIMITED**

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Sainik Finance & Industries Limited**

#### **Report on Financial Statements**

We have audited the accompanying financial statements of Sainik Finance & Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the 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.

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

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

As required by the Companies (Auditor's Report) Order, 2015 (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 the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

## SAINIK FINANCE & INDUSTRIES LIMITED

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act. 2013
- (f) 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) There is no pending litigation which would have its impact on financial statement of the company.
  - (ii) The Company has made proper provision, where ever required as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long term contract and company has not entered in any derivative contracts under audit.
  - (iii) There are no amounts required to be transfer to the Investor Education and Protection Fund by the company.

For **KUMRA BHATIA & CO.**  
Chartered Accountants  
Firm's registration number: 002848N

Place : New Delhi  
Dated : 23rd May' 2015

**(P. K. Bhatia)**  
Partner  
M. No. 81174

### Annexure to the Auditors' Report

#### THE ANNEXURE REFERRED TO IN OUR REPORT TO THE MEMBERS OF SAINIK FINANCE & INDUSTRIES LIMITED ("THE COMPANY") FOR THE YEAR ENDED 31ST MARCH, 2015. WE REPORT THAT:

S.No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management;	Yes
	(b) are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business. If not, the inadequacies in such procedures should be reported;	Yes
	(c) whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;	Yes
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,	Yes
	(a) whether receipt of the principal amount and interest are also regular; and	Yes
	(b) if overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest;	Yes
(iv)	is there an adequate internal control system commensurate with the size of the company and the nature of its business. Whether there is a continuing failure to correct major weaknesses in internal control system.	Yes, there is adequate internal control system according to the size of company.

## SAINIK FINANCE & INDUSTRIES LIMITED

(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No, the company has not accepted any public deposit as per directive issued by Reserve Bank of India and other authorities.
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, to the Company.
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	Yes
	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	No
	(c) whether the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.	No amount is required to be transferred to Investor Education and Protection Fund.
(viii)	whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year;	The Company has no accumulated losses as at 31st March, 2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
(ix)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	No, the company does not have any loan from bank or financial institution or debenture holders.
(x)	whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;	No, the Company has not provided guarantee of any type of loans taken by others.
(xi)	whether term loans were applied for the purpose for which the loans were obtained;	The company has not obtained any term loan.
(xii)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	No material fraud on or by the Company has been noticed.

For **KUMRA BHATIA & CO.**  
Chartered Accountants  
Firm's registration number: 002848N

Place : New Delhi  
Dated : 23rd May' 2015

**(P. K. Bhatia)**  
Partner  
M. No. 81174

# SAINIK FINANCE & INDUSTRIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	NOTE NO.	AS AT 31ST, MARCH 2015 (₹)	AS AT 31ST, MARCH 2014 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share Capital	3	<b>108,800,000</b>	108,800,000
Reserves and Surplus	4	<b>169,587,452</b>	147,845,751
		<b>278,387,452</b>	256,645,751
<b>Non- current liabilities</b>			
Deferred Tax liabilities (Net)	6	<b>2,243,464</b>	2,389,091
Other Long term liabilities	7	<b>4,000,000</b>	4,000,000
Long-term Provisions	8	<b>17,696,762</b>	2,953,489
		<b>23,940,226</b>	9,342,580
<b>Current Liabilities</b>			
Short term borrowings	5	<b>396,072,662</b>	158,258,499
Trade payables	9	<b>735,868</b>	745,756
Other current liabilities	10	<b>49,382,252</b>	32,358,367
Short term provisions	8	<b>12,668,141</b>	12,668,141
		<b>458,858,923</b>	204,030,763
<b>TOTAL</b>		<b>761,186,601</b>	470,019,094
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	11	<b>8,516,717</b>	8,983,467
- Intangible assets	11	-	333
Non-current investments		-	-
Long-term loans and advances	12	<b>30,443,808</b>	26,484,435
Other non-current assets		-	-
		<b>38,960,525</b>	35,468,235
<b>Current assets</b>			
Inventories	13	<b>489,708</b>	553,849
Trade receivables	14	<b>3,075,390</b>	3,763,548
Cash and Cash equivalents	15	<b>7,848,830</b>	7,109,052
Short-term loans and advances	12	<b>710,812,148</b>	423,124,410
		<b>722,226,076</b>	434,550,859
<b>TOTAL</b>		<b>761,186,601</b>	470,019,094

**Significant accounting policies and notes to accounts**      **1-32**

As per our report of even date  
For **KUMRA BHATIA & CO.**  
Chartered Accountants  
FR No. 002848N

On behalf of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

**(P. K. Bhatia)**  
Partner  
M.No. 81174

**Rudra Sen Sindhu**  
Director  
DIN-00006999

**Kuldeep Singh Solanki**  
Director  
DIN-00009212

Place : New Delhi  
Dated : 23 May, 2015

**Shagun Taneja**  
Company Secretary

**Jagdish Chandra**  
C.F.O.

# SAINIK FINANCE & INDUSTRIES LIMITED

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	NOTE NO.	YEAR ENDED 31ST, MARCH, 2015(₹)	YEAR ENDED 31ST MARCH, 2014(₹)
<b>INCOME</b>			
I Revenue from operations	16	<b>94,397,482</b>	60,855,687
II Other Income	17	<b>627,620</b>	1,360,690
III Total Revenue (I+II)		<b>95,025,102</b>	62,216,377
<b>IV Expense</b>			
Cost of Materials Consumed	18	<b>178,464</b>	3,717,603
Purchases of Stock in Trade		-	-
Changes in inventories of finished goods, work-in- progress and Stock-in- trade	19	<b>38,210</b>	380,131
Employee benefits expense	20	<b>3,314,746</b>	3,411,777
Finance Costs	21	<b>51,753,008</b>	22,040,962
Depreciation and amortization expense	22	<b>159,277</b>	677,577
Other expense	23	<b>7,494,137</b>	26,512,361
<b>Total Expense</b>		<b>62,937,842</b>	56,740,411
V Profit before exceptional and extraordinary items and tax (III-IV)		<b>32,087,260</b>	5,475,966
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		<b>32,087,260</b>	5,475,966
VIII Extraordinary items		-	-
IX <b>Profit before tax (VII-VIII)</b>		<b>32,087,260</b>	5,475,966
X <b>Tax expense:</b>			
(1) Current tax		<b>12,598,670</b>	8,853,875
(2) Deferred tax		<b>(145,627)</b>	(5,064,284)
		<b>12,453,043</b>	3,789,591
XI Profit/(Loss) for the period from continuing operations (VII-VIII)		<b>21,750,712</b>	22,442,737
XII Profit/(Loss) for the period from discontinuing operations		<b>(2,116,495)</b>	(20,756,362)
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(Loss) from discontinuing operations (after tax) (XII- XIII)		<b>(2,116,495)</b>	(20,756,362)
XV <b>Profit/(Loss) for the period (XI+XIV)</b>		<b>19,634,217</b>	1,686,375
XVI <b>Earnings per equity share:</b>			
(1) Basic		<b>1.80</b>	0.15
(2) Diluted		<b>1.80</b>	0.15
See accompanying notes to the financial statements	<b>1-32</b>		

As per our report of even date  
For **KUMRA BHATIA & CO.**  
Chartered Accountants  
FR No. 002848N

On behalf of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

**(P. K. Bhatia)**  
Partner  
M.No. 81174

**Rudra Sen Sindhu**  
Director  
DIN-00006999

**Kuldeep Singh Solanki**  
Director  
DIN-00009212

Place : New Delhi  
Dated : 23 May, 2015

**Shagun Taneja**  
Company Secretary

**Jagdish Chandra**  
C.F.O.



# SAINIK FINANCE & INDUSTRIES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	YEAR ENDED 31ST, MARCH, 2015(₹)	YEAR ENDED 31ST MARCH, 2014(₹)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	32,087,260	5,475,966
<b>Adjustments for :-</b>		
Depreciation and amortisation	159,277	677,577
Provision for Standard, Sub-Standard Assets & Gratuity	4,893,500	2,748,897
Bad Debt written off (Net)	117,369	8,920,598
Profit & (Loss) on sale of assets	26,500	12,257,895
Lease Equalisation Reserve	-	(41,320)
<b>Operating profit before working capital changes-</b>	<b>37,283,906</b>	<b>30,039,613</b>
<b>Adjustments for :-</b>		
Trade and other Receivables	(306,289,522)	(33,012,869)
Inventories	64,141	3,047,529
Trade payables & other liabilities	17,013,997	18,162,853
Cash used in operations-		
Interest paid	14,492,986	(22,040,962)
Direct taxes paid	333,607	(7,498,615)
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>(237,100,885)</b>	<b>(11,302,451)</b>
Extraordinary items	-	-
<b>Net Cash from operating activities (A)</b>	<b>(237,100,885)</b>	<b>(11,302,451)</b>
<b>B) CASH FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	-	-
Proceeds from Sale of fixed assets	26,500	13,632,861
Purchase of long-term Investments	-	-
Proceeds from Sale of long-term Investments	-	-
<b>Net cash used in investing activities (B)</b>	<b>26,500</b>	<b>13,632,861</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends & Tax on Dividend	-	-
Proceeds from Intercorporate Deposits	237,814,163	(5,058,716)
Borrowing (Net)	-	-
<b>Net cash used in financing activities (C)</b>	<b>237,814,163</b>	<b>(5,058,716)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>739,778</b>	<b>(2,728,306)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>7,109,052</b>	<b>9,837,358</b>
<b>Cash and cash equivalents as at the end of the year</b>		
- Cash and Cash equivalents	7,848,830	7,109,052
- Non-Current bank balances	-	-
	<b>7,848,830</b>	<b>7,109,052</b>

As per our report of even date  
For **KUMRA BHATIA & CO.**  
Chartered Accountants  
FR No. 002848N

**(P. K. Bhatia)**  
Partner  
M.No. 81174

Place : New Delhi  
Dated : 23 May, 2015

On behalf of the Board of Directors  
For **SAINIK FINANCE & INDUSTRIES LIMITED**

**Rudra Sen Sindhu**  
Director  
DIN-00006999

**Shagun Taneja**  
Company Secretary

**Kuldeep Singh Solanki**  
Director  
DIN-00009212

**Jagdish Chandra**  
C.F.O.

# SAINIK FINANCE & INDUSTRIES LIMITED

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## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 1. General

The Company was incorporated on 22nd August 1991 with Registrar of Companies, NCT Delhi and Haryana in the name of M/s Garuda Clays Limited (a manufacturing company). Later on M/s Ramanuj Leasing Ltd which was incorporated on 02.01.1985 and was doing leasing & finance activities merged with M/s Garuda Clays Limited by order of the Hon'ble High Court of Delhi dt.01.11.1999 and the said order was filed with registrar of companies on 04.12.2000. The name of M/s Garuda Clays Ltd. was later on changed to M/s Sainik Finance & Industries Limited.

The Company is engaged in non-banking finance activities and registered with Reserve Bank of India as Non Banking Finance Company (NBFC). The Reserve Bank of India has renewed its registration on 03/09/2003 vide new registration certificate No. N.14.02967.

The Company was engaged in manufacturing of Portland Cement (ITC Code : 25.23.29.10) and Pre-stressed Concrete Pole (ITC Code-68.69.60.00). The business operation with respect to manufacturing of Portland Cement were discontinued in July, 2012 and the Plant machinery and equipment thereof were dismantled for sale etc. However the business operation with respect of Pre-stressed Poles continued till 2013 and thereafter the company decided the dispose off the factory building etc in entirety.

### 2. Significant Accounting Policies

#### A. Basis of Accounting

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. The financial statements are prepared in accordance with the accounting standards notified by the Central Government, in terms of section 133 of the Companies Act, 2013 read with Rule 7 and guidelines issued by the Securities and Exchange Board of India (SEBI) and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC'). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting periods. Difference between the actual results and estimates are recognized in the period in which the results are known materialized.

#### C. Revenue Recognition

- i) The Company follows the practice of accounting for Income on accrual basis except dividend. In respect of loans and advances, interest is accrued on standard advances and on others are accounted on the basis of certainty of collection, and/or receipt basis.
- ii) Sales represent invoiced value of goods sold net of excise duty.
- iii) Lease Rentals are accounted for on accrual basis and full months rental is considered as income irrespective of the date on which the lease rentals fall due during the month. Further the company accounts for income arising out of leasing activities on the method recommended by the Institute of Chartered Accountants of India. For assets leased up to 31st March 2001, the lease income is recognised at an Internal Rate of Return (IRR) on the principal amount outstanding at the due date of the lease rental. An annual lease equalisation charge is computed by deducting from lease rentals the income derived at IRR, which is then compared with depreciation provided.

# **SAINIK FINANCE & INDUSTRIES LIMITED**

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## **NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

The difference is adjusted through lease equalisation in lease adjustment account. No assets have been leased after 1-4-2001 and therefore the mandatory provisions under Accounting standard (A 8-9) in respect of leased assets after 1-4-2001 do not apply.

- iv) Hire Purchase Finance Charges/ Hypothecation charges/Loan Syndication Charges have been accounted for on instalment due basis based on Internal Rate of Return.

### **D. Inventories**

- i) Raw Material, Packing Materials, Stores and spares, Finished goods, Semi-finished goods & Stocks in process are valued at cost or market price whichever is lower. In accordance with valuation principles laid out in AS-2 issued by The Institute of Chartered Accountants of India.
- ii) Stock on Hire/ Hypothecation/ Loan Syndication Principal represents disbursed value of assets less capital repayments matured including un-matured finance/hypothecation/loan syndication charges thereon as per IRR. The un-matured finance/hypothecation/loan syndication charges are reduced from stock on hire/hypothecation/loan syndication to reflect the net principal outstanding.
- iii) The securities acquired with the intention of short term holding and trading positions are considered as inventories and disclosed as current assets. The securities held as inventories under current assets are valued at lower of cost or market value as at 31st March, 2015 is considered as market value.

### **E. Fixed Assets & Depreciation**

- i) Leased assets of the Company are valued at historical cost less depreciation and lease adjustment account
- ii) Other Fixed Assets are capitalized at cost inclusive of legal and/ or installation and incidental expenses, less accumulated depreciation.
- iii) The Company provides depreciation on straight line basis on the basis of useful lives of assets as specified in Schedule II to the Companies Act, 2013.
- iv) Depreciation on assets sold / purchased during the year is proportionately charged.

#### **Impairment of Assets -**

Impairment losses, if any, are recognized in accordance with the Accounting Standard. Where there is an indication that an asset is impaired, the recoverable amount, if any, is estimated and the impairment loss is recognized to the extent carrying amount exceeds recoverable amount and the same is charged to the Statement of Profit & Loss.

### **F. Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **G. Taxes on Income**

- i) Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.

## **SAINIK FINANCE & INDUSTRIES LIMITED**

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### **NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

ii) Minimum Alternative Tax : In the event the income tax liability as per normal provisions of the Income Tax Act, 1961 is lower than the tax payable as per section 115J ( Minimum Alternative Tax), tax is provided as per Section 115J.

iii) Deferred Tax : In accordance with the Accounting Standard, the deferred tax for the timing difference is measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax assets arising from timing difference are recognized only on the consideration of prudence.

#### **H. Employee Benefits**

i) Short Term Employee Benefits: (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

ii) Contributions towards Provident Fund are recognized as expense. Provident Fund contributions in respect of all employees are made to Provident Fund Authorities.

iii) Provision for Gratuity Payable has been made in accordance with the period of qualifying service put in by the each employee of the Company from the date of joining and upto the end of the financial year.

iv) Contribution to Central Government Employees State Insurance Scheme for eligible employees is recognized as charge for the year.

#### **I. Contingent Assets and Liabilities**

i) Contingent Liabilities are disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.

ii) Contingent Assets are neither recognized nor disclosed.

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(All amount in ₹)

	As at 31st March 2015	As at 31st March 2014
<b>3. SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
110,00,000 Equity Shares face value of Rs. 10/- each (Previous year 110,00,000 equity shares)	<u>110,000,000</u>	<u>110,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
108,80,000 Equity Shares of face value Rs. 10/- each fully paid up (Previous year 108,80,000 equity shares)	<u>108,800,000</u>	<u>108,800,000</u>
<b>TOTAL</b>	<u><u>108,800,000</u></u>	<u><u>108,800,000</u></u>

**3.1** Reconciliation of Shares outstanding at the beginning and at the end of reporting period

Particulars	As at 31st March 2015		As at 31st March 2014	
	No.of Shares	Amount	No.of Shares	Amount
At the Commencement and at the end of the year	10,880,000	108,800,000	10,880,000	108,800,000

**3.2** The details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No.of Shares	%held	No.of Shares	%held
Capt.Kuldeep Singh Solanki	1,527,430	14.04%	1,511,665	13.89%
Sindhu Trade Links Limited	1,173,565	10.79%	1,173,565	10.79%
Maneesha Finlease Ltd.	1,046,159	9.62%	1,046,159	9.62%
Sainik Mining And Allied Services Limited	853,666	7.85%	853,666	7.85%

**4. RESERVES & SURPLUS**

	As at 31st March 2015	As at 31st March 2014
<b>General Reserve</b>		
Balance as per last year	7,191,579	7,191,579
<b>Reserve Fund</b>		
Balance as per last year	38,067,509	36,972,316
Add : Transferred from P&L Account	<u>6,417,452</u>	<u>1,095,193</u>
<b>Profit and Loss Appropriation Account</b>		
Balance as per last year	62,571,663	48,971,627
Add : Profit for the year	19,634,217	1,686,375
Add : Provision for Bad & Doubtful Debts Written Back	2,748,897	12,903,480
Add : Provision Written Back	-	534,982
	<u>84,954,777</u>	<u>64,096,464</u>
Less : Appropriations - Transfer to Reserve Fund (RBI Norms)	6,417,452	1,095,193
Less : Depreciation for Earlier year (Companies Act 2013)	307,806	
Income Tax Paid for earlier years	<u>333,607</u>	429,608
	<u>77,895,912</u>	<u>62,571,663</u>
<b>Securities Premium Reserve</b>		
Balance as per last year	40,015,000	40,015,000
<b>TOTAL</b>	<u><u>169,587,452</u></u>	<u><u>147,845,751</u></u>

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 5. BORROWINGS

	Long-Term		Short-Term	
	As at 31st March 2015	As at 31st March 2014	As at 31st March 2015	As at 31st March 2014
<b>Unsecured</b>				
Inter Corporate Deposits	-	-	396,072,662	158,258,499
<b>TOTAL</b>	-	-	<b>396,072,662</b>	158,258,499

5.1 Maturity profile of Unsecured Loan - Inter Corporate Deposits is 360 days.

### 6 DEFERRED TAX LIABILITY (Net)

	As at 31st March 2015	As at 31st March 2014
<b>Deferred Tax Liability on Account of :</b>		
- Related to fixed assets	2,243,464	2,389,091
Net Deferred Tax Liability	<u>2,243,464</u>	<u>2,389,091</u>

6.1 **Deferred Tax** - In accordance with the Accounting standard (AS-22) relating to "Accounting for Taxes on Income", the company has recorded cumulative net deferred tax liability of Rs.23,89,091/- in respect of timing differences upto 1st April, 2014 as a reduction to General Reserves. Further, the deferred tax asset of the year amounting to Rs.1,45,627/- has been debited to the Profit & Loss Account.

### 7 OTHER LONG TERM LIABILITIES

	As at 31st March 2015	As at 31st March 2014
Lease Security Deposit	1,500,000	1,500,000
Security Deposit from Agencies	2,500,000	2,500,000
	<u>4,000,000</u>	<u>4,000,000</u>

### 8 PROVISIONS

	Long-Term		Short-Term	
	As at 31st March 2015	As at 31st March 2014	As at 31st March 2015	As at 31st March 2014
<b>For Income Tax</b>				
Assessment Year 2013-14	-	-	3,814,266	3,814,266
Assessment Year 2014-15	-	-	8,853,875	8,853,875
Assessment Year 2015-16	12,598,670	-	-	-
For Reserve Bank of India (pursuant to RBI Norms)				
Sub-Standard Assets (Non-performing Assets)	2,807,457	2,748,897	-	-
Standard Assets (0.25%)	1,784,172	-	-	-
For Gratuity	506,463	204,592	-	-
	<u>17,696,762</u>	<u>2,953,489</u>	<u>12,668,141</u>	<u>12,668,141</u>

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- 8.1 The company has made provision on Non Performing Assets in accordance with the RBI directives to the extent of Rs. 28,07,457/- which has been debited to the Profit & Loss Account.
- 8.2 The company has made provision for Standard Assets accordance with the RBI directives to the extent of Rs.17,84,172/- has been debited to the Profit & Loss Account. During the year company has made an provision of Rs.10,59,718 on 07-07-2014 for Standard Assets pertaining to preveious year.
- 8.3 Upto the financial year ended 31.03.2014, the company has made provision for gratuity of Rs.2,04,592/- under the payment of Gratuity Act, 1972. The company has made provision of Rs. 3,01,871/- for Gratuity in the financial year ended 31.03.2015.

### 9 TRADE PAYABLES

	As at 31st March 2015	As at 31st March 2014
Micro, Small and Medium Enterprises	-	-
Others	<b>735,868</b>	745,756
	<b>735,868</b>	745,756

- 9.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under - Nil (Previous year - Rs. Nil)

### 10 OTHER CURRENT LIABILITIES

	As at 31st March 2015	As at 31st March 2014
Expenses Payable	<b>49,203,354</b>	31,788,360
Advances from Customers	<b>131,564</b>	522,673
Advance Payment for the portion for which value still to be given	<b>47,334</b>	47,334
	<b>49,382,252</b>	32,358,367

# Expenses payable includes statutory dues

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 11 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			LEASE ADJUSTMENT BLOCK			NET BLOCK			
	As On 31st March 2014	Addition During the Year	Sale/ Adjustment during the year	As On 31st March 2015	Upto 31st March 2014	Depreciation adjusted with retained earnings	For the year	Sale/ Adjustment during the year	Upto 31st March 2014	For the year	Sale/ Adjustment during the year	Upto 31st March 2015	As On 31st March 2014
<b>TANGIBLE ASSETS</b>													
<b>Finance Division (SLM) -</b>													
ASSETS ON LEASE													
Other Equipments	5,300,000	-	-	5,300,000	5,134,720	-	-	-	5,134,720	(3,278,624)	-	3,443,904	3,443,904
<b>OTHER ASSETS</b>													
Vehicles	1,216,647	-	562,772	653,875	1,182,204	34,443	-	562,772	653,875	-	-	(0)	34,443
Office Equipments	1,347,114	-	-	1,347,114	1,216,732	114,634	13,363	-	1,344,729	-	-	2,385	130,382
Furniture & Fixture	534,066	-	-	534,066	510,417	10,642	4,734	-	525,793	-	-	8,273	23,649
<b>Manufacturing Division (SLM) -</b>													
Land	1,603,360	-	-	1,603,360	-	-	-	-	-	-	-	1,603,360	1,603,360
Building	1,917,204	-	-	1,917,204	444,667	-	60,775	-	505,442	-	-	1,411,762	1,472,537
Vehicles	501,669	-	-	501,669	397,575	29,573	59,598	-	486,746	-	-	14,923	104,094
Furniture & Fixture	1,413,749	-	-	1,413,749	1,288,655	38,677	19,211	-	1,346,543	-	-	67,206	125,094
Office Equipments	409,322	-	-	409,322	326,652	79,504	1,596	-	407,752	-	-	1,570	82,670
Plant & Machinery (Assets held for Disposal)*	2,779,095	-	-	2,779,095	815,760	-	-	-	815,760	-	-	1,963,335	1,963,335
Total (Tangible assets)	17,022,226	-	562,772	16,459,454	11,317,382	307,473	159,277	562,772	11,221,360	(3,278,624)	-	8,516,717	8,983,467
<b>INTANGIBLE ASSETS</b>													
Finance Division (SLM)-													
Software	1,090,326	-	-	1,090,326	1,089,993	333	-	-	1,090,326	-	-	(0)	333
Total (Intangible assets)	1,090,326	-	-	1,090,326	1,089,993	333	-	-	1,090,326	-	-	(0)	333
<b>Current Year ( A + B + C)</b>	18,112,552	-	562,772	17,549,780	12,407,376	307,806	159,277	562,772	12,311,687	(3,278,624)	-	8,516,717	8,983,800
Previous Year	85,252,794	-	67,140,242	18,112,552	52,979,283	-	67,577	41,249,486	12,407,375	(3,237,304)	(41,320)	8,983,800	35,510,814

11.1 \* During the financial year 2012-13 the company has entered into an agreement for sale of Plant and Machinery, wherein the company has agreed to sell the Plant & Machinery of the Cement & Pole production plant situated at Rewari (Haryana). Consequently the Company has treated the said Plant & Machinery as assets retired from active use and held for disposal and not in use.

11.2 Assets on lease are become Non-performing Assets (NPA). There is no lease rent received during the year, hence no depreciation has been charged on leased assets.



# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 12 LOANS & ADVANCES

(Unsecured Considered Good, unless otherwise stated)

	As at 31st March 2015	Long-Term As at 31st March 2014	As at 31st March 2015	Short-Term As at 31st March 2014
	Advances Recoverable in cash or in kind or for value to be received	28,419,070	20,828,139	510,797,710
Trade Advances	3,234,666	6,600,079	200,445,675	28,768,406
Less : Unmatured Interest	1,209,928	943,783	431,237	1,398,998
	<u>30,443,808</u>	<u>26,484,435</u>	<u>710,812,148</u>	<u>423,124,410</u>

### 13 INVENTORIES

(As per Inventory prepared, valued & certified by the management)

	As at 31st March 2015	As at 31st March 2014
a) Finished Goods (At Cost or Market price whichever is lower)	129,138	166,333
b) Semi-Finished Goods (At Cost or Market price whichever is lower)	-	3,289
c) Raw Material (At Cost or Market price whichever is lower)	319,640	319,640
d) Fuel Oil & Lubricant (At Cost or Market price whichever is lower)	845	1,425
e) Spares & Stores (At Cost or Market price whichever is lower)	-	-
f) Shares (At Cost or Market price whichever is lower)	40,085	37,811
g) Stock on Hypothecation under Hypothecation Aggt.	-	26,375
Less: Unmatured Hypothecation Charges	-	1,024
	-	25,351
	<u>489,708</u>	<u>553,849</u>

### 14 TRADE RECEIVABLES

(Unsecured and Considered Good)

#### Hypothecation Money Receivable

Outstanding for a period exceeding 6 month	680,855	680,855
Other Debts	-	-
	<u>680,855</u>	<u>680,855</u>
Less: Unmatured Finance Charges (NPA)	-	-
	<u>680,855</u>	680,855

#### Cement Receivable

Outstanding for a period exceeding 6 month	2,394,535	-
Other Debts	-	3,070,693
	<u>2,394,535</u>	3,070,693

#### Pole Receivable

Outstanding for a period exceeding 6 month	-	12,000
Other Debts	-	-
	-	12,000
	<u>3,075,390</u>	<u>3,763,548</u>

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 15 CASH AND CASH EQUIVALENTS

	<b>As at 31st March 2015</b>	<b>Non-Current As at 31st March 2014</b>	<b>As at 31st March 2015</b>	<b>Current As at 31st March 2014</b>
Cash Balance on hand	-	-	<b>350,236</b>	238,462
Balances with Banks	-	-	<b>7,135,635</b>	3,550,122
Fixed deposits with banks	-	-	-	3,320,469
Cheques/DD/PO in hand	-	-	<b>362,959</b>	-
	<u>-</u>	<u>-</u>	<u><b>7,848,830</b></u>	<u>7,109,052</u>

# Cash Balance on hand including imprest with employee

### 16 REVENUE FROM OPERATIONS

	<b>For the year ended 31st March 2015</b>	<b>For the year ended 31st March 2014</b>
<b>Sales</b>		
Sale of Cement & other receipts	-	277,807
Sale of PCC Poles	<b>39,373</b>	383,334
Sale of Scrap	<b>9,045</b>	177,196
	<u><b>48,418</b></u>	<u>838,337</u>
<b>Lease Rentals</b>		
Lease Rent	-	-
Less : Lease Equalisation Reserve	-	(41,320)
	<u>-</u>	<u>41,320</u>
<b>Interest &amp; Finance Charges</b>		
Interest Income	94,348,040	55,453,035
Hypothecation Charges	1,024	21,455
Bad Debt recovered (Interest)	-	4,501,541
	<u><b>94,349,064</b></u>	<u>59,976,031</u>
	<u><b>94,397,482</b></u>	<u>60,855,687</u>
<b>17 OTHER INCOME</b>		
Miscellaneous Receipts	<b>1,120</b>	60,676
Dividend Received	-	15
Management Fees	-	1,200,000
Rent Received	<b>600,000</b>	100,000
Profit on sale of Assets	<b>26,500</b>	-
	<u><b>627,620</b></u>	<u>1,360,690</u>

\* Dividend received from non-current Investment

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 18 COST OF MATERIAL CONSUMED

	For the year ended 31st March 2015	For the year ended 31st March 2014	
<b>Raw Materials Consumed</b>			
Opening Stock	319,640	1,486,772	
Add:Purchased during the year	-	-	
	319,640	1,486,772	
Less:Closing Stock	319,640	319,640	
	-		1,167,133
<b>Stores &amp; Spares Consumed</b>			
Opening Stock	-	867,458	
Add:Purchased during the year	-	-	
	-	867,458	
Less:Closing Stock	-	-	
	-		867,458
<b>Packing Material Consumed</b>			
Opening Stock	-	481,852	
Add:Purchased during the year	-	-	
	-	481,852	
Less:Closing Stock	-	-	
	-		481,852
<b>Fuel, Oil &amp; Lubricants</b>			
Opening Stock	1,425	25,070	
Add:Purchased during the year	177,884	291,971	
	179,309	317,041	
Less:Closing Stock	845	1,425	
	178,464	315,616	
<b>Other Manufacturing Expenses</b>			
Electricity & Water Charges	-	885,545	
	178,464	3,717,603	

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year ended 31st March 2015	For the year ended 31st March 2014
<b>Finished &amp; Semi Finished Goods</b>		
A. Opening Stock		
Finished Goods	166,333	542,323
Semi-Finished Goods	3,289	3,289
	169,622	545,612
Add : Purchased during the year	-	-
	169,622	545,612
B. Less : Closing Stock		
Finished Goods	129,138	166,333
Semi-Finished Goods	-	3,289
	129,138	169,622
(Increase)/Decrease in Stocks (A-B)	40,484	375,990
Shares & Units		
Opening Stock	37,811	41,952
Add : Purchased during the year	-	-
	37,811	41,952
Less : Sales During the year	-	-
Less : Closing Stock	40,085	37,811
	(2,274)	4,141
	38,210	380,131
<b>20 EMPLOYEE BENEFITS EXPENSE</b>		
Factory Security Wages	375,831	372,956
Salary, Wages and Other Benefits	2,505,225	2,936,111
Staff Welfare	131,819	102,710
Provision for Gratuity	301,871	-
	3,314,746	3,411,777
20.1 Salary includes Director remuneration of Rs Nil ( Previous year Rs.Nil)		
<b>21 FINANCE COSTS</b>		
Interest Paid on loan	51,748,059	22,007,773
Bank/BG Charges	4,949	33,189
	51,753,008	22,040,962
<b>22 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Deprecation and amortization	159,277	677,577
	159,277	677,577

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 23 OTHER EXPENSES

	For the year ended 31st March 2015	For the year ended 31st March 2014
Advertisement Expenses	102,006	107,329
Repairs & Maintenance		
Plant & Machinery	-	207,475
Factory Building	36,650	7,500
Others	153,254	183,825
	<b>189,904</b>	398,800
Penalties	-	189,375
Vehicle Running & Maintenance	67,210	58,414
Loss on Sale of Assets	-	12,257,895
Travelling & Conveyance	160,294	393,249
Rates Fees & Taxes	221,962	130,475
General Expenses	98,322	279,914
Insurance Charges	5,820	5,050
Freight & Cartage, Carriage outward	-	9,496
Electricity & Water Charges	579,649	-
Donation	2,100	-
Legal & Professional Charges	491,946	249,240
Newspaper & periodicals	27,602	1,675
Auditor Remuneration -		
- Statutory & Tax Audit Fees	150,000	70,000
- Income Tax Representation Fees	75,000	55,000
- Service tax	27,810	15,450
	<b>252,810</b>	140,450
AGM Expenses	63,748	112,918
Printing & Stationery	67,596	97,878
Postage & Telegram	47,923	43,847
Telephone Expenses	69,913	118,201
Software Maintenance expenses	19,200	21,800
Rent Paid	60,000	108,000
Internal Audit Fees & Expenses	235,956	112,360
Diwali Expenses	21,178	6,500
Bad Debts Written Off	117,369	8,920,598
Provision for bad & doubtful debts (Pursuant to RBI Norms)	2,807,457	2,748,897
Provision for Standard Assets (Pursuant to RBI Norms)	1,784,172	-
	<b>7,494,137</b>	26,512,361

## SAINIK FINANCE & INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

24. Contingent Liability is - Nil (previous year - Nil)
25. Balances shown under the head of Current Assets, Loans and Advances are considered as good and recoverable by the management.
26. Debit balances of debtors are subjected to confirmation and reconciliation form respective parties. The final adjustment, if any, in the account of parties shall be known only after confirmation / reconciliation, the amount of which could not be ascertained.

27. Segment Information -

Particulars	Cement & Pole	Finance	Consolidated
<b>1. Segment Revenue</b>			
External Sales	48418	-	48418
Revenue from operation	77775	94271289	94349064
Other Revenue	600000	27620	627620
<b>Total Revenue</b>	<b>726193</b>	<b>94298909</b>	<b>95025102</b>
<b>2. Segment Result (Profit/(Loss))</b>			
Profit before interest & tax	(2116495)	85951814	83835319
Interest Paid	-	51748059	51748059
Provision for taxation		12453043	12453043
<b>3. Profit after Taxation</b>	(2116495)	21750712	19634217
<b>Other information</b>			
1. Segment Assets	9847678	751338923	761186601
2. Segment Liabilities	3504133	479295016	482799149
3. Depreciation	141180	18097	159277
4. Non cash expenditure other than depreciation	-	3226697	3226697

28. As per the Accounting Standard, disclosure regarding related party as defined in the are given below :

- a. Enterprises where control Exist :
- |   |   |     |
|---|---|-----|
| Subsidiaries                            | - | Nil |
| Other Entities under control of company | - | Nil |
- b. Other related party with whom the company had transactions, etc.
- i) Associates and Others :
- |  |                     |
|--|---------------------|
| a) Sindhu Trade Links Limited                  | Director Interested |
| b) Kapil Construction Private Limited          | -do-                |
| c) Indus Portfolio Private Limited             | -do-                |
| d) Shyam Indus Power Solutions Private Limited | -do-                |
| e) ACB (India) Limited                         | -do-                |
| f) ACB (India) Power Limited                   | -do-                |
| g) Kartikay Coal Washery Private Limited       | -do-                |
| h) Bhilwara Tex-fin Limited                    | -do-                |
| i) Sarvesh Coaltech Private Limited            | -do-                |
| j) Mittersen Agro Farms Private Limited        | Shareholding        |
| k) Pragati Vanijaya Limited                    | -do-                |
| l) Blastec (India) Private Limited             | -do-                |
- ii) Joint Venture
- |  |     |
|--|-----|
|  | Nil |
|--|-----|
- iii) Key Management
- |                             |          |
|-----------------------------|----------|
| a) Sh.Kuldeep Singh Solanki | Director |
| b) Sh.Rudra Sen Sindhu      | Director |

## SAINIK FINANCE & INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

c) Related party transactions

<b>Transaction</b>	<b>Associates</b>	<b>Key Management</b>	<b>Total</b>
Sh.Kuldeep Singh Solanki	-	450,000	450,000
Sh.Rudra Sen Sindhu	-	450,000	450,000
	-	<b>900,000</b>	<b>900,000</b>
<b>Services Received</b>			
Indus Portfolio Private Limited	10,112	-	10,112
Kapil Construction Private Limited	60,000	-	60,000
	<b>70,112</b>	-	<b>70,112</b>
<b>Service Provided</b>			
Shyam Indus Power Solution Private Limited	600,000	-	600,000
	<b>600,000</b>	-	<b>600,000</b>
<b>Finance Provided</b>			
Bhilwara Texfin Limited	40,000,000	-	40,000,000
Indus Portfolio Private Limited	50,000,000	-	50,000,000
Aryan Energy Private Limited	64,000,000	-	64,000,000
Sindhu Trade Links Limited	50,000,000	-	50,000,000
	<b>204,000,000</b>	-	<b>204,000,000</b>
<b>Refund of Finance Provided</b>			
Bhilwara Texfin Limited	16,000,000	-	16,000,000
Pragati Vanijaya Limited	25,500,000	-	25,500,000
Blastec India Private Limited	12,000,000	-	12,000,000
Indus Portfolio Private Limited	50,000,000	-	50,000,000
Sindhu Trade Links Limited	50,000,000	-	50,000,000
	<b>153,500,000</b>	-	<b>153,500,000</b>
<b>Finance Received</b>			
ACB India Limited	20,000,000	-	20,000,000
Kartikay Coal Washeries Private Limited	61,500,000	-	61,500,000
	<b>81,500,000</b>	-	<b>81,500,000</b>
<b>Repayment of finance received</b>			
ACB (India) Limited	20,000,000	-	20,000,000
ACB (India) Power Limited	24,000,000	-	24,000,000
Kartikay Coal Washeries Private Limited	10,385,837	-	10,385,837
Sarvesh Coaltech Private Limited	10,000,000	-	10,000,000
	<b>64,385,837</b>	-	<b>64,385,837</b>
<b>Interest Income</b>			
Indus Portfolio Private Limited	267,123	-	267,123
Aryan Energy Private Limited	5,676,575	-	5,676,575
Sindhu Trade Links Limited	3,102,740	-	3,102,740
Bhilwara Texfin Limited	21,429,509	-	21,429,509
Pragati Vnijaya Limited	1,649,747	-	1,649,747
Blastec (India) Private Limited	5,348,327	-	5,348,327
	<b>37,474,021</b>	-	<b>37,474,021</b>
<b>Interest Paid</b>			
ACB (India) Limited	375,890	-	375,890
ACB (India) Power Limited	139,616	-	139,616
Kartikay Coal Washeries Private Limited	16,965,725	-	16,965,725
Mittersen Agro Farms Private Limited	713,653	-	713,653
Sarvesh Coal Tech Private Limited	1,300,000	-	1,300,000
	<b>19,494,884</b>	-	<b>19,494,884</b>

## SAINIK FINANCE & INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

d) Particulars of balances as on 31st March, 2015 in respect of related party transactions :

<b>Transaction</b>	<b>Associates</b>	<b>Key Management</b>	<b>Total</b>
<b>Finance Provided</b>			
Bhilwara Texfin Ltd	184,721,605	-	184,721,605
Aryan Energy Pvt.Ltd.	69,108,917	-	69,108,917
Sindhu Trade Links Limited	2,792,466	-	2,792,466
Pragati Vnijaya Limited (Icd)	10,592,941	-	10,592,941
Blastec (India) Pvt. Ltd. (Icd)	34,020,226	-	34,020,226
	<b>301,236,155</b>	<b>-</b>	<b>301,236,155</b>
<b>Finance Received</b>			
Kartikay Coal Washeries Pvt.Ltd.	149,883,312	-	149,883,312
Mittersen Agro Farms Pvt.Ltd.	6,131,922	-	6,131,922
	<b>156,015,234</b>	<b>-</b>	<b>156,015,234</b>

29. Prudential Norms of the Reserve Bank of India (RBI) :

- a) Appropriated 20% of the net profit to "Reserve Fund" under section 45-IC of the RBI Act.1934. - Rs.64,17,452/- (Previous year Rs.10,95,193/-)
- b) Break up of other 'Provisions and Contingencies' have shown under the head Expenditure in Profit & Loss Account (in Rs.)

<b>Sl</b>	<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
1	Provision for depreciation on Investment	Nil	Nil
2	Provision towards Non performing Assets	<b>2,807,457</b>	2,748,897
3	Provision made towards Income Tax	<b>12,453,043</b>	3,799,591
4	Other Provisions and Contingencies	Nil	Nil
5	Provision for Standard Assets (0.25%)	1,784,172	Nil *

\* During the year Company has made an Provision of Rs.10,59,718/- pertaining to 0.25% of Standard Assets of financial year 2013-14.

- c) Balance Sheet of Non-Deposit taking Non-Banking Financial Company - (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting and Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

**Liabilities side: (Rs.)**

<b>1</b>	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>	<b>Amount outstanding</b>	<b>Amount overdue</b>
(a)	Debentures: Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits*)		
(b)	Deferred Credits	Nil	Nil
(c)	Term Loans	Nil	Nil
(d)	Inter-corporate loans and borrowing	439725135	Nil
(e)	Commercial Paper	Nil	Nil
(f)	Other Loans	Nil	Nil

\* Please see Note 1 below

**Assets side:**

<b>2</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	<b>Amount Outstanding</b>
(a)	Secured	24561321
(b)	Unsecured	509720415



## SAINIK FINANCE & INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

#### 3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities

(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		3443904
(b) Operating lease		Nil
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire		Nil
(b) Repossessed Assets		Nil
(iii) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed		Nil
(b) Loans other than (a) above		680855
(iv) Other Loans counting towards AFC activities		
(a) Loans where assets have been repossessed		Nil
(b) Loans other than (a) above		Nil

#### 4 Break-up of Investments :

##### Current Investments :

##### 1. Quoted

(i) Shares : (a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil

##### 2. Unquoted :

(i) Shares : (a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (Please specify)		Nil

##### Long Term investments :

##### 1. Quoted :

(i) Share : (a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (Please specify)		Nil

##### 2. Unquoted :

(i) Shares : (a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (Please specify)		Nil

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 5 Borrower group-wise classification of assets financed as in (2) and (3) above :

(Please see Note 2 below)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	301236155	301236155
2. Other than related parties	28686080	208484260	237170340
<b>Total</b>	<b>28686080</b>	<b>509720415</b>	<b>538406495</b>

### 6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below

Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*\* As per Accounting Standard of ICAI (Please see Note 3)

### 7 Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	7640780
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	3737602
(iii) Assets acquired in satisfaction of debt	Nil

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- Notes :**
- i) As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
  - ii) Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
  - iii) All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

<b>30.</b>	CIF Value of Import of Raw Materials Components, Spare parts & Capital goods	:	Nil
	a) Expenditure in Foreign Currency	:	Nil
	b) Remittance in Foreign Currency	:	Nil
	c) Earning in Foreign currency (CIF Value in Exports)	:	Nil

**31.** Additional information in accordance of Companies Act, 2013. The company was discontinued its manufacturing operation in the Cement and Poles segment in Financial year 2012-13.

- a) Licensed & Installed Capacity and Actual Production in MT: Nil (Previous Year- Nil)
- b) Quantitative Detail of Consumption of Raw Materials and packing material : Nil (Previous Year- Nil )
- c) Quantitative Detail of Finished Goods :

Particulars	Opening Stock				Closing Stock			
	Quantity (MT)		Amount		Quantity (MT)		Amount	
	Cr. Yr.	Pr. Yr.	Cr. Yr.	Pr. Yr.	Cr. Yr.	Pr. Yr.	Cr. Yr.	Pr. Yr.
C-Silo	1.150	1.150	3288.58	3288.58	Nil	1.150	Nil	3288.58
	Quantity (Nos)		Amount		Quantity (Nos)		Amount	
Poles	47	206	166333.43	542322.94	39	47	129138	166333.43

**d) Sales:**

Particulars	Quantity (MT)		Amount	
	Cr. Yr.	Pr. Yr.	Cr. Yr.	Pr. Yr.
Poles	8	159	39373	383334

# SAINIK FINANCE & INDUSTRIES LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

e) Quantitative detail of Shares/Stock

NAME OF SCRIPT	OPENING		PURCHASES		SALES		CLOSING STOCK			
	QTY.	AMOUNT	QTY.	AMOUNT	QTY.	AMOUNT	QTY.	COST PRICE	MARKET RATE	COST OR MARKET PRICE WHICHEVER IS LESS
RANA MOHENDRA PAPERS LIMITED	1,300	3,900	-	-	-	-	1,300	39,917	3,900	3,900
BIRLA CENTURY FINANCE LTD.	500	4,950	-	-	-	-	500	30,662	4,950	4,950
CHINAR EXPORTS LTD.	300	3,600	-	-	-	-	300	15,846	3,600	3,600
HOTEL SHREE KRISHNA INTL.	600	1,140	-	-	-	-	600	13,410	1,140	1,140
HANSAFLON PLASTOCHEM. LTD.	100	110	-	-	-	-	100	4,368	110	110
NAHAR SUGAR & ALLIED IND.LTD	100	2,405	-	-	-	-	100	7,511	2,405	2,405
THE TIMES GAURANTEE LTD.	100	1,800	-	-	-	-	100	12,696	2,390	2,390
OSWAL AGRO LTD	500	6,120	-	-	-	-	500	20,213	6,120	6,120
SOMDATT FINANCE CORP. LTD.	700	2,695	-	-	-	-	700	54,033	4,830	4,830
ARVIND LTD	9	1,566	-	-	-	-	9	6,445	2,355	2,355
NAMESTE EXPORTS LTD.	200	520	-	-	-	-	200	17,322	520	520
SHREE RAM URBAN INFRAS. LTD.	100	9005	-	-	-	-	100	47559	7765	7,765
	4509	37811	-	-	-	-	4509	269982	40085	40085

32. Previous Years Figures are regrouped /reclassified wherever necessary.

As per our separate report of even date

For **KUMRA BHATIA & CO.**

Chartered Accountants

FR No. 002848N

**(P. K. Bhatia)**

Partner

M.No. 81174

Place : New Delhi

Dated : 23 May, 2015

For and on behalf of the Board of Directors

For **SAINIK FINANCE & INDUSTRIES LIMITED**

**Rudra Sen Sindhu**

Director

DIN-00006999

**Shagun Taneja**

Company Secretary

**Kuldeep Singh Solanki**

Director

DIN-00009212

**Jagdish Chandra**

C.F.O.

# SAINIK FINANCE & INDUSTRIES LIMITED

**Regd. Office:** 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi-110035  
**E-mail:** legal.secretarial@sainikmining.com **website:** www.sainikfinance.com  
**Tel:** 011-28315036 **Fax:** 011-28315044 **CIN:** L26912DL1991PLC045449

## 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 : **L26912DL1991PLC045449**  
Name of the Company : **SAINIK FINANCE & INDUSTRIES LIMITED**  
Registered Office : **129, Transport Centre, Rohtak Road, Punjabi Bagh, Delhi-110035**

<b>Name of the Member</b>	
<b>Registered Address</b>	
<b>E-mail ID</b>	
<b>Folio No/ Client ID</b>	
<b>DP ID</b>	

I/ we being a member /members of \_\_\_\_\_ shares of the above named company, hereby appoint

<b>Name</b>	
<b>Address</b>	
<b>E-mail ID</b>	
<b>Signature</b>	

Or failing him/her

<b>Name</b>	
<b>Address</b>	
<b>E-mail ID</b>	
<b>Signature</b>	

Or failing him/her

<b>Name</b>	
<b>Address</b>	
<b>E-mail ID</b>	
<b>Signature</b>	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the company, to be held on Wednesday, 30th day of September, 2015 at 9.30 a.m. at Farm House of M/s Kapil Constructions Private Limited, Kishangarh - Mehrauli Road, Near MaaAnandmai Ashram, New Delhi-110 057 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Please mention number of shares)		
		For	Against	Abstain
	<b>Ordinary Business:</b>			
1.	Adoption of the Annual Financial Statements of the Company for the Financial year ended 31st March, 2015, including the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the Financial year ended on that date and the reports of the Board of the Directors and Auditors thereon.			
2.	Approval for appointment a Director in place of Mr. Kuldeep Singh Solanki, who retires by rotation and, being eligible, offers himself for re-appointment			
3.	Approval for re-appointment of M/s Kumra Bhatia & Co. as statutory auditor of the Company and to fix their remuneration			
	<b>Special Business:</b>			
4.	Approval for appointment of Mrs. Renuka Hooda as Women Independent Director of the Company for a period upto 29th March, 2020, who is not liable to retire by rotation.			
5.	Approval for Related Party Transaction entered between the Company and other related parties during the financial year 2014-15.			
6.	Approval for Related Party Transaction entered or to be entered between the Company and Indus Portfolio Private Limited (IPPL) during the financial year 2015-16.			
7.	Approval for Related Party Transaction entered or to be entered between the Company and Aryan Energy Private Limited (AEPL) during the financial year 2015 -16.			
8.	Approval for Related Party Transaction entered to be entered between the Company and Sindhu Trade Links Private Limited (STLL) during the financial year 2015-16.			
9.	Approval for Related Party Transaction entered or to be entered between the Company and Kartikay Exploration and Mining Services Private Limited (KEMSPL) during the financial year 2015 -16.			
10.	Approval for Related Party Transaction entered or to be entered between the Company and Kartikay Coal Washeries Private Limited (KCWPL) during the financial year 2015 -16.			

Signed this ..... day of ..... of 2015.

-----  
Signature of shareholder

-----  
Signature of Proxy holder(s)

Affix a Re. 1/- Revenue Stamp
--

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

## SAINIK FINANCE & INDUSTRIES LIMITED

**Regd. Office:** 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi-110035  
**E-mail:** legal.secretarial@sainikmining.com **website:** www.sainikfinance.com  
**Tel:** 011-28315036 **Fax:** 011-28315044 **CIN:** L26912DL1991PLC045449

### ATTENDANCE SLIP

**(For 23rd Annual General Meeting on Wednesday, 30th September, 2015 at 9.30 A.M.)**

(To be handed over at the entrance of the Company Hall)

Name of Members (in BLOCK LETTERS):	
Address of Members	
Members folio/CL. ID	
No. of Shares held	
Name of Proxy (In case of proxies only) (in BLOCK LETTERS )	

I hereby record my presence at the 23rd Annual General Meeting of the Company on Wednesday, 30th day of September, 2015..

-----  
**(\*Member/ Proxy Signature)**

**\* To be signed at the time of handing over the slip.**

# SAINIK FINANCE & INDUSTRIES LIMITED

**Regd. Office:** 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi-110035  
**E-mail:** legal.secretarial@sainikmining.com **website:** www.sainikfinance.com  
**Tel:** 011-28315036 **Fax:** 011-28315044 **CIN:** L26912DL1991PLC045449

## FORM NO. MGT-12 Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : **M/s Sainik Finance & Industries Limited**

Registered office : **129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi -110035**

### BALLOT PAPER

S. No.	Particulars	Details
1	Name of the first named shareholder (in block letters)	
2	Postal Address	
3	Registered folio no./ *Client ID no. (Applicable to investors holding shares in dematerialized form)	
4	Class of shares	

I hereby exercise my vote in respect of ordinary/special resolution enumerated below by recording my assent / dissent to the said resolution in the following manner:

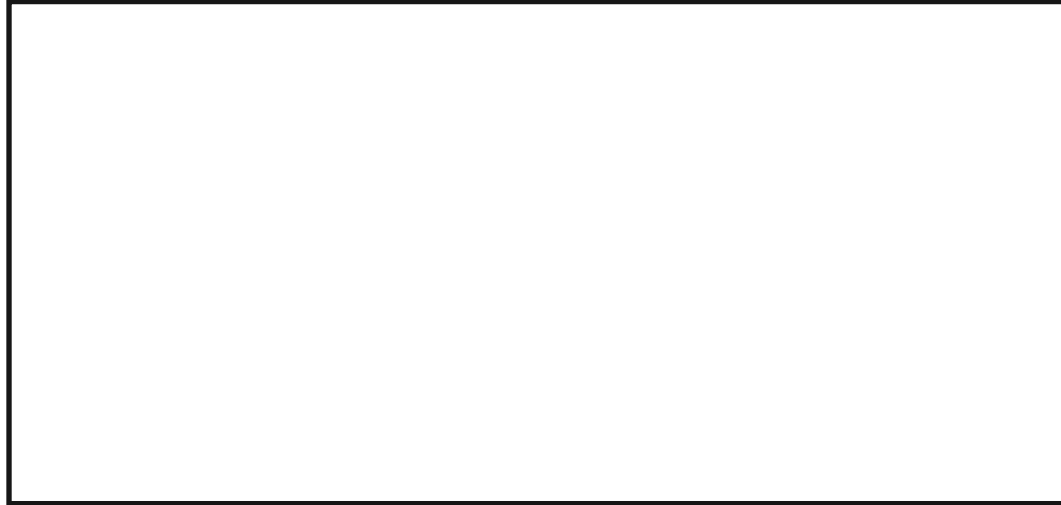
No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of the Annual Financial Statements of the Company for the Financial year ended 31st March, 2015, including the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the Financial year ended on that date and the reports of the Board of the Directors and Auditors thereon.			
2.	Approval for appointment a Director in place of Mr.Kuldeep Singh Solanki, who retires by rotation and, being eligible, offers himself for re-appointment.			
3.	Approval for re-appointment of M/s Kumra Bhatia &Co. as statutory auditor of the Company and to fix their remuneration.			
4.	Approval for appointment of Mrs.Renuka Hooda as Woman Independent Director of the Company for a period upto 29th March, 2020, who is not liable to retire by rotation.			
5.	Approval for Related Party Transaction entered between the Company and other related parties during the financial year 2014-15.			
6.	Approval for Related Party Transaction entered or to be entered between the Company and Indus Portfolio Private Limited (IPPL) during the financial year 2015 -16.			
7.	Approval for Related Party Transaction entered or to be entered between the Company and Aryan Energy Private Limited (AEPL) during the financial year 2015 -16.			
8.	Approval for Related Party Transaction entered to be entered between the Company and Sindhu Trade Links Private Limited (STLL) during the financial year 2015-16.			
9.	Approval for Related Party Transaction entered or to be entered between the Company and Kartikay Exploration and Mining Services Private Limited (KEMSPL) during the financial year 2015 -16.			
10.	Approval for Related Party Transaction entered or to be entered between the Company and Kartikay Coal Washeries Private Limited (KCWPL) during the financial year 2015 -16.			

Place:  
Date:

(Signature of shareholder/Proxy)



# BOOK-POST



*If undelivered, please return to :-*  
**SAINIK FINANCE & INDUSTRIES LIMITED**  
129, Transport Centre, New Rohtak Road,  
Punjabi Bagh, New Delhi-110035