

# **SW INVESTMENTS LIMITED**

**36<sup>TH</sup> ANNUAL REPORT  
2015-2016**

# **CORPORATE INFORMATION**

## **BOARD OF DIRECTORS**

Mr. Kamal Kishor Vyas

Mr. Mahadevan Kalahasthi

Mr. Hiten Shah

Mr. Pankaj Jain

Mrs. Lalitha Cheripalli

## **AUDITORS**

M/s M B A H & CO  
Chartered Accountants, Mumbai

## **BANKERS**

Kotak Mahindra Bank Ltd.

## **REGISTRAR & TRANSFER AGENT**

M/s Link Intime India Pvt. Ltd., C-13,  
Pannalal Silk Mills Compound,  
L.B.S Marg, Bhandup, Mumbai-400 078

## **REGISTERED OFFICE**

5th Floor, Sunteck Centre, 37-40,  
Subhash Road, Vile Parle (East),  
Mumbai-400 057

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## DIRECTORS' REPORT

**To  
The Members,  
SW Investments Limited**

Your Directors take the privilege of presenting the 36th Annual Report of the Company on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2016.

### FINANCIAL RESULTS

The Company's performance during the financial year ended 31st March, 2016 as compared to the previous financial year, is summarized below:

(Rs. In Lacs)

PARTICULARS	For the year ended on 31.03.2016	For the year ended on 31.03.2015
Revenue from operations	47.99	50.89
Other Income	0.87	0.31
<b>Total Revenue</b>	<b>48.86</b>	51.20
Total Expenditure	13.32	21.83
<b>Profit before tax (PBT)</b>	<b>35.54</b>	29.37
<b>Less: Income Tax Provision</b>		
Excess/(Short)provision for tax	0.40	0.00
Current Tax	10.80	9.03
Deferred Tax	(0.00)	-
<b>Profit before minority interest</b>	<b>24.34</b>	20.33
Less: Minority interest	--	--
<b>Profit After Tax</b>	<b>24.34</b>	20.33
Balance brought forward from previous year	92.38	77.47
Surplus available for Appropriation	116.73	97.80
<b>Less: Appropriations</b>		
Proposed equity dividend	4.50	4.50
Tax on proposed equity dividend	0.92	0.92
Statutory Reserve Fund	--	--
Transfer to Capital Reserve	--	--
<b>Surplus carried to Balance Sheet</b>	<b>111.32</b>	92.39

During the year under review, the total revenue earned is Rs. 48,86,100/- compared to previous year's revenue of Rs. 51,19,605/-. The profit before tax stands at Rs. 35,53,963/- as compared to Rs. 29,36,604/- during the previous year.

### DIVIDEND

Your Directors are pleased to recommend a final dividend of Rs. 0.50/- per Equity share on 9,00,000 Equity Shares of Rs. 10/- each amounts to Rs. 4,50,000/- (Rupees Four Lakh Fifty Thousand Only) including dividend distribution tax of Rs. 91,610/- out of the profits of the Company for the financial year 2015-16 for the approval of shareholders.

### TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to reserves out of the profits earned during the Financial Year 2015-16.

## **SHARE CAPITAL**

During the year under review, the Company has not allotted any Equity Shares, thus the paid up Equity Share Capital of the Company remains the same. Also, the Company has not issued shares with differential voting rights and sweat equity shares.

## **DEPOSITS**

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

## **REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES**

The Company does not have any Subsidiary/Joint Venture/Associate Company.

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

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements of the Company.

## **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In compliance with the provisions of section 152 of the Companies Act, 2013, Mr. Pankaj Jain (DIN-00048283), Director of the Company retire by rotation and being eligible seeks re-appointment at the ensuing Annual General Meeting. The Board recommends his re-appointment.

Mrs. Vandana Kacholia (DIN: 07195330) resigned as Company Secretary on 14th August, 2015 and she resigned as Director of the Company on 9th November, 2015.

Mrs. Lalitha Cheripalli (DIN-07026989) is appointed as an Additional Director of the Company in the meeting of Board of Directors held on 9th November, 2015. Mrs. Cheripalli holds office of directorship upto the ensuing Annual General Meeting of the Company. Your Director recommends her appointment as Director in the forthcoming AGM of the Company.

Ms. Mayuri Jain was appointed as Company Secretary on 9th November, 2015 and she resigned on 5th February, 2016.

On the recommendation of Board and Nomination and Remuneration Committee, Ms. Sapna Patel was appointed as Company Secretary on 12th February, 2016.

## **DECLARATIONS BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement).

## **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

### **Board Meetings**

The Board of Directors met 4 (four) times during the financial year ended March 31, 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time. Further details of the meetings of Board are given in the Report on Corporate Governance forming part of this Annual Report.

### **Directors' Responsibility Statement**

In terms of section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, the Board of Directors hereby confirms that:

1. in the preparation of the annual accounts for the year 2015-16, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

2. such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year under review and of the Profits of the Company for that period;
3. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts of the Company have been prepared on a going concern basis;
5. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Audit Committee**

An Audit Committee is in existence in accordance with the provisions of section 177 of the Companies Act, 2013 and the Listing Regulations. Kindly refer section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings, functions of the Committee.

#### **Nomination and Remuneration Committee**

A Nomination and Remuneration Committee is in existence in accordance with the provisions of subsection (3) of section 178 and the Listing Regulations. Kindly refer section on Corporate Governance, under the head, 'Nomination and Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

#### **Corporate Social Responsibility Committee**

The provisions of section 135 of the Companies Act 2013 are not applicable to the Company, hence, the Company is not required to develop and implement any Corporate Social Responsibility initiatives.

#### **Other Board Committees**

For details of other board committees viz. Stakeholder's Relationship Committee and others, kindly refer to the section on Corporate Governance.

#### **Board Evaluation**

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The Board of Directors has expressed their satisfaction with the evaluation process. The overall performance of the Board was satisfactory.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **Policy on directors' appointment and remuneration and other details**

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report.

#### **Vigil Mechanism / Whistle Blower Policy**

In compliance with provisions of section 177(9) of the Companies Act, 2013 read with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement), your Company has established a Vigil Mechanism which includes whistle blower policy for Directors and employees to report genuine concerns to the management of the Company. The whistle blower policy of the Company is posted on the website of the Company and may be accessed at [www.sw1india.com](http://www.sw1india.com).



## **Risk Management**

The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the system that governs how the Group conducts the business of the Company and manages associated risks.

The approach is based on a clear understanding of the variety of risks that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

## **RELATED PARTY TRANSACTIONS**

There are no related party transactions entered into by the Company during the financial year, hence, there is no need to furnish form AOC-2.

## **PARTICULARS OF EMPLOYEES**

The information as required under the provisions of section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in MGT 9 attached hereto, which forms part of this report.

During the Financial Year 15-16, there were no persons employed, for a part of the financial year who were in receipt of remuneration of not less than Rs. 5 lakhs p.m.

However, in accordance with the provisions contained in the proviso to section 136(1) of the Companies Act, 2013, the particulars relating to other employees of the Company are not being sent as a part of this Annual Report. Any Member interested in obtaining a copy of the same may write to the Company Secretary at the registered office of the Company.

## **DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this report.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS**

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## **INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

## **POSTAL BALLOT FOR OBTAINING APPROVAL OF MEMBERS**

The Company conducted Postal Ballot during the period under review to seek approval of the Members by way of special resolution under section 186 of the Companies Act, 2013 to provide loans or give guarantee or to make further investment or provide security by the Company, which was duly passed and approved by the members of the Company with requisite majority on 15th July, 2015.

## **AUDITORS**

### **A) STATUTORY AUDIT**

In compliance with provisions of section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s MBAH & Co., Chartered Accountants, Mumbai (Firm Registration No.121426W) who are Statutory Auditors of the Company are recommended for ratification by the shareholders to audit the accounts

of the Company who were appointed for a term of 5 years on 29th September, 2015 subject to ratification by the shareholders at every AGM of the Company. The appointment would be within the limits prescribed under section 139 of the Companies Act, 2013.

The Statutory Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by Statutory Auditor.

## **B) SECRETARIAL AUDIT**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and rules made thereunder, the Company has re-appointed, Veeraraghavan N., (Membership No. A6911) Company Secretary in Practice to undertake the Secretarial Audit of the Company. Secretarial Audit Report for the financial year 2015-16 issued by him in the prescribed form MR-3 is annexed as **"Annexure A"** to this Report. In respect of the observation made by the auditor in the report, Directors would like to state that the Company is in process of appointing CFO and Whole Time Director of the Company.

## **OTHER DISCLOSURES**

Other disclosures as per provisions of section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

### **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"**.

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

Considering the nature of activities the Company is engaged into, the Company is not required to furnish information as required under the provisions of section 134(3)(m) of the Companies Act, 2013 read with the rule 8(3) of the Companies (Accounts) Rules, 2014.

Foreign Exchange Earnings and Outgo are as follows:

- i) Foreign Exchange Earned: Rs. NIL
- ii) Foreign Exchange Outflow: Rs. NIL

### **Information required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2014**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information.

## **SERVICE OF DOCUMENTS THROUGH ELECTRONIC MEANS**

All documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

## **CORPORATE GOVERNANCE**

Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement) is not applicable to the Company but for better corporate practices, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis report as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been separately furnished in the Annual Report and forms a part of the Annual Report.