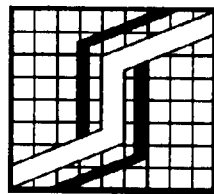


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# Swastika Fin-Lease Ltd.

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**10th Annual Report  
2001 - 2002**

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**Board of Directors**

Sunil Nyati

*Managing Director*

S. N. Maheshwari

*Director*

Anil C. Nyati

*Director*

Vinod Gupta

*Director***Auditors**

M. B. Ladha & Co.  
Chartered Accountants  
MUMBAI

**Bankers**

ICICI Bank Ltd.

Bank of India

The Bank of Rajasthan Ltd.

**Regd. Office**

246, Girgam Road, Mangalwadi, MUMBAI - 400 004

**Admn. Office &  
Share Department**

48, Jaora Compound, M.Y.H. Road, INDORE - 452001

**Listed At**

- THE STOCK EXCHANGE, MUMBAI
- JAIPUR STOCK EXCHANGE LTD., JAIPUR
- M. P. STOCK EXCHANGE, INDORE



10th ANNUAL REPORT 2001-2002

**Swastika Fin-Lease Ltd.****NOTICE FOR ANNUAL GENERAL MEETING**

Notice is hereby given that 10th Annual General Meeting of the Members of Swastika Fin-Lease Ltd. will be held at the Registered Office of the company, at 246, GIRGAM ROAD, MANGALWADI, MUMBAI - 400 004, On Monday, the 30th day of Sept. 2002 at 10.00 a.m. to transact the following business :

**Ordinary Business**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2002 and the Profit & Loss Account for the year ended on the same date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri S.N. Maheshwari who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**NOTES**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. The Proxies in order to be valid must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Register of Members and Share Transfer Book of the Company will remain closed from Tuesday the 24th Sept., 2002 to Monday the 30th Sept., 2002 (both days inclusive) in connection with the Annual General Meeting.
3. Members are requested to send their queries, if any, at least 7 days in advance so that the information can be made available at the Meeting.

Place : MUMBAI  
Date : 29th June, 2002

By Order of the Board of Directors  
**SUNIL NYATI**  
Managing Director

**DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in presenting the 10th Annual Report of the Company and the Audited Accounts for the financial year ended 31st March, 2002.

**FINANCIAL HIGHLIGHTS**

|  | (Amount in Rupees) |              |
|--|--------------------|--------------|
|  | 31.03.2002         | 31.03.2001   |
| Total Income                                 | 2,26,04,644        | 22,31,27,734 |
| Gross Profit                                 | 15,92,793          | 12,75,595    |
| Less : Depreciation                          | 9,59,724           | 3,72,309     |
| Profit before Taxation                       | 6,33,069           | 9,03,286     |
| Less : Provision for Taxation                | 70,250             | 3,02,000     |
| Provision for Deferred Income Tax            | 1,26,684           | —            |
| Profit after Taxation                        | 4,36,135           | 6,01,286     |
| ADD : Prior Period Adjustment                | —                  | 53,885       |
| Net Profit                                   | 4,36,135           | 6,55,171     |
| Add : Balance brought forward from Last Year | 1,76,491           | 2,71,321     |
| Amount available for appropriation           | 6,12,626           | 9,26,492     |
| Appropriations :                             |                    |              |
| Transfer to General Reserve                  | 3,00,000           | 7,50,000     |
| Balance carried to Balance Sheet             | 3,12,626           | 1,76,492     |
|  | 6,12,626           | 9,26,492     |

**PERFORMANCE**

During the year under review the Company achieved lower Total Income of Rs. 226 Lacs in comparison to the previous year's Total Income of Rs. 2231 Lacs due to change in billing pattern. With the cost cutting coupled with efficiency in operations as well as expansion of Net Worth it was possible to achieve quantum jump in Gross Profit which stood at Rs. 15.92 Lacs, in comparison to the previous year's Gross Profit of Rs. 12.75 Lacs. However sluggishness in Secondary Capital Market and intense competition reduced the margin and further with the higher depreciation charged to cover up earlier years depreciation, Net Profit stood at Rs. 4.36 Lacs in comparison to the previous year's Net Profit of Rs. 6.55 Lacs.

**BUSINESS PROSPECTS**

To keep pace with the fast changing Capital Market scenario, during the current year the Company has obtained the Membership of Future & Options Segment of National Stock Exchange of India Ltd. With the acquaintance with the market the volumes are expected to grow over the medium to long term. The volume increases will be achieved through a mix of expansion of network, attractive offers and efficiency improvement.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the company Mr. S.N. Maheshwari retires from the Board of Directors by rotation and is eligible for reappointment.

**COMPANIES RULES 1988 (Disclosure of particulars in the reports of Board of Directors)**

As the Company is not engaged in any manufacturing activities, hence provisions of section 217 (1) (e) of the Companies Act, 1956 read with the Companies Rules, 1988 are not applicable to the Company.



## DIRECTOR'S REPORT

### PUBLIC DEPOSITS

During the year, no public Deposits were accepted.

### RBI DIRECTIONS

As on 31st March 2002, there were no public deposits which became due for repayment or renewal and therefore particulars stipulated under Non-Banking Financial Companies (Reserve Bank) Directions, 1957, in respect thereof are Nil. The Company is Registered NBFC with RBI, and Fulfilling the guidelines of RBI timely. As a matter of fact the Company is not engaged in any Non-Banking Financial activities.

### PARTICULARS OF EMPLOYEES

The Company did not have any employee, during the year drawing remuneration attracting the provisions of section 217 (2A) the Companies Act, 1956 read with the Companies (particulars of Employees) Rule 1975.

### AUDITORS

The auditors, M/s M.B. Ladha & Company, retire and being eligible offer themselves for re-appointment.

### CORPORATE GOVERNANCE

As per the provision of the Listing Agreement, it will be mandatory for your Company to implement the Corporate Governance from the financial year 2002-2003. However the Board of Directors support the broad principles of Corporate Governance. In addition to the basic governance issues, the board lays strong emphasis on transparency, accountability and integrity.

### DEPOSITORY SYSTEM

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories as aforesaid.

### DIRECTOR'S RESPONSIBILITIES STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed :

- i) that in the preparation of the annual accounts for financial year ended 31st Marh 2002, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- 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 end of financial year and of the profit of the Company for the year under review.
- iii) that the Directors have taken proper and sufficient care of 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 and other irregularities.
- iv) that the Directors have prepared the annual accounts on a going concern basis.

### APPRECIATION

Your directors wish to place on record their appreciation of valuable services rendered by all employees of the company, their gratitude to customers and shareholders for their continued support.

Place : MUMBAI

Date : 29th June, 2002

For and on behalf of the Board of Directors  
**Sunil Nyati** Managing Director  
**S.N. Maheshwari** Director