



**SWADESHI INDUSTRIES AND LEASING LTD.**

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**19 TH  
ANNUAL REPORT  
2002 - 2003**



## **SWADESHI INDUSTRIES AND LEASING LIMITED**

### **BOARD OF DIRECTORS**

Shri. J. U. Patel	—	<i>Chairman</i>
Shri. S. C. Gautam	—	<i>Vice Chairman and Managing Director</i>
Shri. S. K. Agarwal	—	<i>Director</i>
Shri. R. N. Shah	—	<i>Director</i>

### **AUDITORS**

M/s. S. J. Agarwal & Associates

### **BANKERS**

Oman International Bank, SAOG  
State Bank of India  
Global Trust Bank

### **REGISTERED OFFICE**

45, Mittal Court, A-Wing,  
Nariman Point,  
Mumbai - 400 021.

### **WORKS**

- ( i ) Plot No. 11, Survey No. 38,  
Dewan Udyog Nagar,  
Village : Aliyali,  
PALGHAR - 401 404  
(Dist. Thane)
  
- ( ii ) Plot No. 336/2/3,  
Village Kachigam,  
Near Cricket Ground,  
Vapi - Daman Road,  
Daman (U. T.)

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**NOTICE OF MEETING**

NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF SWADESHI INDUSTRIES AND LEASING LIMITED will be held on Monday , the 22<sup>nd</sup> September 2003 at 11.00 A. M. at Ashoka Hall, "Arcadia" Nariman Point, Mumbai - 400 021. to transact the following business :

**ORDINARY BUSINESS**

1. To Consider, approve and adopt the audited Balance Sheet as on 31st March, 2003 and Profit & Loss Account for the year ended on that date and Auditors' Report thereon.
2. To appoint a Director in place of Shri. R.N.Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution.

"RESOLVED THAT subject to the approval of the Members of the Company the consent be and is hereby given pursuant to Sections 198 ,309, 310, 311 and 314 and other applicable provisions of the companies Act,1956 to re-appoint Mr. S.C.Gautam as a Managing Director as follows with effect from 01.10.2003.

( A ) Salary : 25,000 – 5,000 – 50,000

(Rs. 25,000/- ( Rupees Twenty Five Thousand only ) per month and all permissible perquisites and Allowances to the managing Director.

( B ) Minimum Remuneration

In the event of inadequacy or absence of profits in any year, he will be paid revised salary and perquisites as minimum remuneration.

*Registered Office :*  
45, Mittal Court, "A" Wing,  
Nariman Point,  
Mumbai - 400 021.

By Order of the Board  
For SWADESHI INDUSTRIES & LEASING LIMITED

**(J. U. PATEL)**  
*Chairman*

Dated : 21st July 2003.



**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 08th September 2003 to 22nd September, 2003 (both days inclusive).
3. Members are requested to notify immediately about their changes of address to the company's Registered Office.

*Registered Office:*  
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Mumbai-400 021.

By Order of the Board  
For Swadeshi Industries & Leasing Limited

**(J. U. PATEL)**  
Chairman

Dated : 21st July 2003.

**ANNEXURE TO THE NOTICE**

**Explanatory Statement** pursuant to section 173 of The Companies Act, 1956 in respect of item No. 4 of Special Business set out in the Notice.

Item No. 4

In view of the increased duties and responsibilities that Mr S.C.Gautam has been entrusted with, the Board of Directors has decided to recommend to the Company that the remuneration payable to him will remain the same as per the last agreement.

In pursuance of Section 302 of the Companies Act, 1956 the above Resolution may be considered as an abstract of the terms and conditions of the remuneration before the members of the company for approval in the Annual General Meeting. Mr. S.C.Gautam, Managing Director is interested in the Resolution to the extent of remuneration to be paid to him. No other Director is interested in this Resolution.

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Nariman Point,  
Mumbai-400 021.

By Order of the Board  
For Swadeshi Industries & Leasing Limited

**(J. U. PATEL)**  
Chairman

Dated : 21st July 2003.

## Annual Report 2002-2003

**DIRECTOR'S REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the NINETEENTH ANNUAL REPORT together with Audited Accounts of the Company for the year ended 31st March, 2003.

**FINANCIAL RESULTS**

	<b>2003</b> <b>Rs. Lakhs</b>	<b>2002</b> <b>Rs. Lakhs</b>
Total Income	159.31	139.23
Gross Profit/ Loss	19.39	6.13
Less : Depreciation	4.34	4.03
Provision for Taxation	NIL	NIL
Previous Year Adjustment (Taxation)	0.03	0.43
Profit/Loss after Taxation	15.02	1.67
Add : Loss Brought forward from previous year	(78.99)	(80.66)
Profit & Loss Appropriation Account	(63.97)	(78.99)
	=====	=====

**DIVIDEND :**

The Directors regret their inability to recommend dividend for the year 2002-2003 due to inadequacy of profits.

**OPERATIONS :**

The Company's operating results for the year are showing Net Profit of Rs.15.02 Lacs compared to the previous year's profit of Rs.1.67 Lacs. The Company's operating results for the year are showing satisfactory profit for the first time in last many years.

The manufacturing unit at Daman has been in full production during the last year. However, during the current year, there has been transport strike during the month of April 03, and strike in Haryana against VAT in the month of May 03. Besides, there has been some strike in Haryana for Advance Tax Deduction at Source at the time of sale @ 10%. As a result of this, the supply to our major customer, who has been buying 90% of our total production is under suspension since last three months. This will affect our profitability in the coming year.

In the meantime, we have started procuring orders from other customers, instead of depending upon the existing customer, which will take some time to pick up for full production.

**FIXED DEPOSITS :**

The Company has not accepted any Fixed Deposits under section 58A of the Companies Act 1956 during the year and Note No (xiii) in the annexure to the Auditors Report is self explanatory.

**DIRECTORS :**

In accordance with the provision of the Companies Act, 1956 and the Company's Articles of Association, Shri. R. N. Shah retires by rotation and being eligible offers himself for re-appointment.

**AUDITORS :**

M/s. S. J. Agarwal & Associates, Chartered Accountants, Mumbai retire with the conclusion of the NINETEENTH Annual General Meeting and are eligible for re-appointment.

**PARTICULARS OF EMPLOYEES :**

Information pursuant to Section 217 (2A) of the Companies (Particulars of Employment) Rules, 1975 as amended by the Companies Amendment Act, 1988 not applicable to company as no employee was drawing salary more than 1,00,000/- p. m. if employed for the part of the year or annual salary of Rs. 12,00,000/-.

**APPRECIATION :**

Your Directors wish to place on record their appreciation for the support and co-operation extended by the Bankers, Executives and Staff of the Company.

For and on behalf of the Board  
For SWADESHI INDUSTRIES & LEASING LIMITED.

Place :Mumbai.  
Dated : 21st July,2003.

( J. U. PATEL )  
Chairman

## Annual Report 2002-2003

**ANNEXURE "A" TO THE DIRECTORS REPORT**

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in report of Board of Directors) Rules 1988 and forming part of the Directors Report for the year ended 31st March, 2003.

**(A) CONSERVATION OF ENERGY**

The Energy Consumption and energy consumption per unit of production is given in the prescribed form.

**FORM —A**

Form for disclosure of particulars with respect to Conservation of energy.

**(a) POWER & FUEL CONSUMPTION**

	Current Year	Previous Year
1) <b>Electricity :</b>		
a) Purchased Unit (KWH)	3,30,128	3,25,926
Total Amount (Rs.)	8,14,795	7,69,751
Rate per Unit (Rs.)	2.468	2.36
b) <b>Own Generation</b>		
i) Through Diesel Generator	NIL	NIL
ii) Through Steam Generator	NIL	NIL
2) Coal	N. A.	N. A.
3) Furnace Oil	N. A.	N. A.
4) Others		
a) H. S. D.	N. A.	N. A.
b) L. P. G.	N. A.	N. A.
c) Kerosene	N. A.	N. A.

**(b) CONSUMPTION PER UNIT OF PRODUCTION****Product : PET PREFORMS**

Unit : Preforms (MT.)	232.210	202.355
Electricity (KWH/MT.)	1421.680	1610.713
Furnace Oil	N. A.	N. A.
Coal	N. A.	N. A.
<b>Others :</b>		
a) H.S. D. (KL)	N. A.	N. A.
b) L.P.G. (KL)	N. A.	N. A.

**(B) TECHNOLOGY ABSORPTION**

- i) **Research & Development :** No Research & Development work has been carried out by the Company and, therefore, there is no expenditure under this head, nor any benefit derived from it.
- ii) Your Company has not imported any technology from anywhere.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

Your company has not exported its product/other items during the period under review. Hence, there is no foreign exchange earning and there is no foreign exchange out goings.

For and on behalf of the Board  
For Swadeshi Industries and Leasing Ltd.

Place: Mumbai,

Date : 21st July, 2003.

(J. U. PATEL)  
Chairman



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING  
AGREEMENTS**

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

1. We have reviewed the implementation of Corporate Governance procedures by Swadeshi Industries & Leasing Limited during the year ended 31<sup>st</sup> March 2003 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. On the basis of our review and According to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreements with the Stock Exchanges have been complied with in all material respect by the company.
4. As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that there are no investors' grievances pending for a period exceeding one month against the Company as per the records maintained by the Company.

for **S.J. Agarwal & Associates,**  
Chartered Accountants,

**S.J. AGARWAL**

Place : Mumbai

Date : 21.07.2003