



SWADESHI INDUSTRIES AND LEASING LTD.



**21 ST
ANNUAL REPORT
2004 - 2005**



SWADESHI INDUSTRIES AND LEASING LIMITED

BOARD OF DIRECTORS

Shri. J. U. Patel	-	Chairman
Shri. S. C. Gautam	-	Vice Chairman and Managing Director
Shri. S. K. Agarwal	-	Director
Shri. R. N. Shah	-	Director

AUDITORS

M/s. Motilal & Associates	-	Chartered Accountants
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BANKERS

State Bank of India
Oriental Bank of Commerce

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 TWENTYFIRST ANNUAL GENERAL MEETING OF SWADESHI INDUSTRIES AND LEASING LIMITED will be held on Monday the 26th September, 2005 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, 2005 and Profit & Loss Account for the year ended on that date and Auditors' Report thereon.
2. To appoint a Director in place of Shri. S. K. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors in place of the retiring one and to decide their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass the following resolution as a special Resolution with or without modification -

"RESOLVED THAT the company be and is hereby authorises to Voluntary Delisting of its shares from Delhi & Ahmedabad stock exchanges, Subject to the various compliance of stock exchanges and within the purview of clause 5.2 of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003 and various rules made and framed thereunder."

"RESOLVED FURTHER THAT Mr. S.C. Gautam, Managing Director of the Company be and is hereby authorised to carry out necessary procedures under the SEBI (Delisting of Securities) Guidelines 2003 for the voluntary delisting of the shares of the Company from Delhi & Ahmedabad stock exchange."

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 12th September, 2005 to 26th September, 2005 (both days inclusive)
3. Members are requested to notify immediately about their changes of address to the company's Registered Office.
4. Explanatory Statement pursuant to section 173(2) of The Companies Act, 1956 annexed to the notice in respect of item no.4 of Special Business set out in the Notice.

Company's shares are listed on three Stock Exchange Mumbai Delhi & Ahmedabad and as there are a very few transactions, one or two during the year, on Delhi & Ahmedabad stock exchanges. Company is paying listing fees and other expenses and the same are considerable expenses for the loss making organisation and to cut the cost and reduce administrative work Board of Directors is of the view to voluntary de-list the company shares from Delhi & Ahmedabad stock exchanges respectively.

None of the Directors of the company are interested in the resolution except in their capacity as a director of the company.

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 : 23rd July 2005.



DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the TWENTYFIRST ANNUAL REPORT together with Audited Accounts of the Company for the year ended 31st March, 2005.

FINANCIAL RESULTS

	2005 Rs. Lakhs	2004 Rs. Lakhs
Total Income	100.94	55.04
Gross Profit/ Loss	0.10	(11.92)
Less : Depreciation	4.44	4.38
Provision for Taxation	NIL	NIL
Previous Year Adjustment (Taxation)	NIL	1.36
Profit/Loss after Taxation	(4.34)	(17.66)
Add : Loss Brought forward from previous year	(81.63)	(63.97)
Profit & Loss Appropriation Account	(85.97)	(81.63)
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DIVIDEND :

The Directors regret their inability to recommend dividend for the year 2004-2005 due to inadequacy of profits.

OPERATIONS :

The Company's operating results for the year are showing Net loss of Rs.4.34 Lacs against Rs.17.66 Lacs for the last year. During the year under review our sales have picked up from 54.19 Lacs to Rs.98.90 Lacs a increase of 82%. We hope during the year 2005-06 we will be able to make reasonable profits.

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. S.K. Agarwal Director of the company retires by rotation and being eligible offers himself for re-appointment.

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AUDITORS :

M/s Motilal & Associates, Chartered Accountants, Mumbai retire with the conclusion of the TWENTYFIRST Annual General Meeting and are eligible to offer themselves for reappointment.

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/-.

VOLUNTARY DELISTING OF SHARES

Company's shares are listed on three Stock Exchange Mumbai Delhi & Ahmedabad and as there are a very few transactions, one or two during the year, on Delhi & Ahmedabad stock exchanges. Company is paying listing fees and other expenses and the same are considerable expenses for the loss making organisation and to cut the cost and reduce administrative work Board of Directors is of the view to voluntary de-list the company shares from Delhi & Ahmedabad stock exchanges respectively.

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.

By Order of the Board
For SWADESHI INDUSTRIES & LEASING LIMITED

Place : Mumbai.

Dated : 23rd July, 2005

(J. U. PATEL)
Chairman



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, 2005.

(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) Electricity :		
a) Purchased Unit (KWH)	2,72,692	2,14,127
Total Amount (Rs.)	7,19,175	5,65,964
Rate per Unit (Rs.)	2.637	2.642
b) Own Generation		
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.)	121.432	77.599
Electricity (KWH/MT.)	2245.635	2759.404
Furnace Oil	N. A.	N. A.
Coal	N. A.	N. A.
Others :		
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 outgoings.

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

Place : Mumbai.

(J. U. PATEL)

Dated : 23rd July, 2005.

Chairman

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**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 31st March 2005 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 **Motilal & Associates,**
Chartered Accountants,

M.L. JAIN
(Prop.)

Place : Mumbai

Date : 23rd July, 2005.