

## *From the Desk of the Managing Director*



Dear Shareholders,

I extend a very warm welcome to all of you at this 108<sup>th</sup> Annual General Meeting of your company.

It has been a year with many rewarding moments, as well as some challenges. I am delighted to state that your company has come out on top in all the three of its business verticals: Clean Energy, Textiles, and Real Estate. We have made good progress on many fronts, including building out strategic platforms and establishing exciting new ones.

On the Clean Energy Front, our flagship project to set up LNG regasification services using a Floating Storage & Re-gasification Unit (FSRU), which is the first of its kind in the country, has made considerable progress on various aspects, and is steadily moving towards project implementation. Having received all the necessary clearances and approvals, and obtaining a 100% capacity booking on a long term commitment basis from IOC, BPCL, ONGC and GSPC, the project is now at the stage of financial closure. EPC tender contracts have been prepared, floated and received and the evaluation process of the tenders is now rounding to a close. The activities of this past year have set up a strong base that will help propel your company to new heights in the near future.

During the 2015-2016 tenure, the textile division outshone its previous year's performance. With a completely revamped management structure, the unit in Ahmedabad contributed Rs.316.45crores to our total revenue, compared to Rs.300.21crores in the previous year. A couple of noteworthy achievements: 1. The total exports were up, to 8 lakh meters for the year. 2. The R&D team successfully developed a specialty finish in lycra based bottom wear that was well accepted by the garment industry. These factors give us reason to believe that we are all participating in the creation of valuable textiles, that compete with the best globally.

On the real estate front, I am pleased to announce the completion of the Hyderabad property. Further, two residential projects in Bangalore, accounting for 4.5 lakh sq. feet, will be launched in the quarter ending December, 2016. I foresee the real estate division, contributing to the growth and profitability of your company, resulting in a positive impact on its performance.

I would like to restate the tremendous potential of your company. The next chapter of the Swan journey has already begun. I would like to extend my gratitude to all our stakeholders including shareholders, customers, lenders and our loyal, hardworking and committed employees for their continued support and faith in the company.

As you read this report, I hope it will remind you of our recent success and energize you for the future. Looking forward to a stellar 2016-17.

Warm Regards

**Nikhil V. Merchant**



# SWAN ENERGY LIMITED

CIN : L17100MH1909PLC000294

## BOARD OF DIRECTORS

### CHAIRMAN

Mr. NAVINBHAI C. DAVE

### DIRECTORS

Mr. RAJKUMAR SUKHDEVSINHJI

Mr. PITAMBER S. TECKCHANDANI

Mr. SHOBHAN I. DIWANJI

Mr. NAGARDAS H. PANCHAL

Mr. RAJAT KUMAR DAS GUPTA

Mrs. SUREKHA N. OAK

Mr. PADMANABHAN SUGAVANAM, *Whole time Director*

Mr. VILAS A. GANGAN, *Whole time Director*

Mr. PARESH V. MERCHANT, *Executive Director*

Mr. NIKHIL V. MERCHANT, *Managing Director*

## 108<sup>th</sup> ANNUAL GENERAL MEETING

*On Wednesday,*

*the 21<sup>st</sup> September, 2016  
at 11.30 AM*

At Walchand Hirachand Hall,  
Indian Merchant Chamber Building,  
4th Floor, IMC Marg, Churchgate,  
Mumbai - 400 020

## CHIEF FINANCIAL OFFICER

Mr. CHETAN K. SELARKA

## COMPANY SECRETARY

Mr. ARUN S. AGARWAL

## AUDITORS

M/s V. R. RENUKA & CO.

## REGISTERED OFFICE

6, Feltham House, 2nd Floor,

10, J.N. Heredia Marg,

Ballard Estate, Mumbai – 400 001.

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## NOTICE

Notice is hereby given that the 108th (One Hundred and Eight) Annual General Meeting of the Company will be held on Wednesday, 21st September, 2016 at 11.30 A.M. at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai - 400 020 to transact the following business:

### ORDINARY BUSINESS :

#### Adoption of Annual Accounts (standalone & consolidated):

1. To receive, consider and adopt:
  - a. the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
  - b. the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Report of the Auditors thereon.

#### Declaration of dividend

2. To declare a dividend for the financial year ended 31st March, 2016 on the Equity Shares.

#### Re-appointment of Directors retiring by rotation

3. To appoint a Director in place of Mr. Nikhil V. Merchant (DIN: 00614790), who retires by rotation and being eligible, offers himself for re-appointment.

#### Ratification of Statutory Auditor's appointment

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, members of the Company hereby ratifies the appointment of M/s. V. R. Renuka & Company, Chartered Accountants, (Firm's Registration No. 108826W) as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration, as shall be fixed by the Board of Directors of the Company."

### SPECIAL BUSINESS:

#### Ratification of Cost Auditor's Remuneration:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, Members of the Company hereby ratifies the remuneration of Rs. 55,000 (Rupees Fifty five thousand only) plus applicable taxes payable to M/s V. H. Shah, Cost Accountants (Firm Registration No. 100257), appointed as Cost Auditors of the Company for the Financial Year 2016-17.

#### Raising of Capital

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of all the Resolutions passed earlier in this regard and pursuant to the provisions of section 62 and other applicable provisions of the Companies Act, 2013, (including any statutory modifications or re-enactments thereof for the time being in force) and subject to:

- a) the provisions of the memorandum and Articles of Association of the Company;
- b) the requirements of the Listing Agreement(s) entered into by the Company with the Stock Exchanges on which the Company's Shares are presently listed;



- c) the provisions of the Foreign Exchange Management Act, 1999 (FEMA), as amended, and all applicable regulations framed and notifications issued thereunder;
- d) the Securities and Exchange Board Of India (Issue of Capital And Disclosure Requirements) Regulations, 2009, as amended as applicable; including the regulations for Qualified Institutions Placement prescribed in Chapter VIII thereof;
- e) all other applicable rules, regulations, circulars, notifications, guidelines issued by Ministry of Finance, the reserve bank of India (RBI), the Securities and Exchange board of India (SEBI) and all other governmental or regulatory bodies in India;
- f) obtaining and complying with all necessary approvals, consents, permissions and / or sanctions, as applicable for Foreign Direct Investment of the Government of India (GOI), the Foreign Investment

Promotion Board (FIPB), RBI, SEBI, relevant Stock Exchanges, whether in India or overseas, all other appropriate regulatory and governmental authorities, whether in India or overseas, any institutions, lenders and any other third parties and subject to such conditions and modifications as may be prescribed by any of them whilst granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee(s) constituted or to be constituted for the purpose of any offering(s) to be made by the company in pursuance of this Resolution); consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches:

- (i) in the course of one or more domestic offering(s), and / or
- (ii) in the course of one or more international offering(s), in one or more foreign markets,

such number of Equity shares, with or without green shoe option, in the course of domestic and/or international offerings and/or Qualified Institutions Placements ("QIP"), secured or unsecured debentures, bonds or any other securities whether convertible into equity share or not, including, but not limited to, Foreign Currency Convertible Bonds ("FCCBs"), Optionally Convertible Debentures ("OCD"), Bonds with share warrants attached, Global Depository Receipts ("GDRs"), American Depository Receipts (ADRs"), or any other equity related instrument of the Company or a combination of the foregoing including but not limited to a combination of equity shares with bonds and/or any other securities whether convertible into equity shares or not (hereinafter referred to as "Securities") whether rupee denominated or denominated in Foreign Currency, to any eligible person, including to Domestic / Foreign Investors / Institutional Investors/ Foreign Institutional Investors, Non- Resident Indians, Indian Public, Individuals, Companies/ Corporate Bodies (Whether incorporated in India or Abroad), Mutual Funds, Banks, Insurance Companies, Pension Funds, Venture Capital Funds, Financial Institutions, Trusts, Qualified Institutional Buyers within the meaning of Chapter VIII of the SEBI ICDR Regulations, Stabilizing agents or other persons or entities, whether shareholders of the Company or not through a public issue and/or on a private placement basis and/or qualified institutions placement within the meaning of Chapter VIII of the SEBI ICDR Regulations and/or other kind of public issue and/or private placement or through a combination of the foregoing as may be permitted under applicable law from time to time, for an aggregate amount not exceeding 1200 Crores (Rupees One Thousand Two Hundred Crores only), whether to be listed on any stock exchange in India or any international stock exchanges outside India, through an offer document and/or prospectus and/or offer letter, and/or Placement Document and/or offering circular, and/or on public and/or private placement basis, at such price or prices and on such terms and conditions including security, rate of interests etc, as may be decided by and deemed appropriate by the board as per applicable law, including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made, considering, the prevailing market conditions and other relevant factors wherever necessary in consultation with its advisors, as the board in its absolute discretion may deem fit and appropriate.

**RESOLVED FURTHER THAT** the Board is entitled to appoint, enter into and execute all such agreements with any Advisor(s), Lead Manager(s), Underwriter(s), Guarantor(s), Depository(ies), Trustee(s), Custodian(s), Legal Counsel(s) and all such other relevant agencies as may be involved



or concerned with such offerings of securities and to remunerate all such agencies including by payment of commissions, brokerage, fee or the like.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and the things, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the board be and is hereby authorized to form a committee or delegate all or any of its power to any Director(s) or committee of Directors/ Company Secretary/ Other person authorized by the board to give effect to the aforesaid resolutions.

**RESOLVED FURTHER THAT** without prejudice to the generality of the foregoing, issue of the securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of securities of this nature.”

**By Order of the Board of Directors  
For Swan Energy Limited**

**Arun S. Agarwal**  
Company Secretary

**Mumbai, 12th August, 2016**

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## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out all the material facts relating to item No. 5 to 6 of the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable. Proxy shall not vote except on a poll.
3. Pursuant to provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 15th September, 2016 to Wednesday, 21st September, 2016 (both days inclusive).
4. The dividend on equity shares, if approved at the meeting, will be paid to those members whose names are on the Company's Register of Members on Wednesday, 14th September, 2016. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on Wednesday, 14th September, 2016 as per the details furnished by the Depositories for this purpose.
5. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., Purva Sharegistry (India) Pvt. Ltd., Unit: Swan Energy Limited, 9, Shiv Shakti Ind Estate, J. R. Boricha Marg, Lower Parel, Mumbai – 400 011, changes, if any, in their Bank details, registered address, etc. along with their Pin Code. Members holding shares in electronic form are requested to update such details with their respective Depository Participants.



6. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, Members are requested to note that dividend not encashed/claimed within seven years from the date of transfer to unpaid Dividend Account of the Company will be transferred to the Investor Education and Protection Fund (IEPF).

7. Re-appointment / Appointment of Directors:

The information required to be provided under Regulation 36(3) of the SEBI (LODR), Regulations 2015 in respect of Directors being appointed / re-appointed is given herein below:

<b>Name of the Director</b>	<b>Brief Resume, experience and nature of expertise in functional area</b>	<b>Directorship held in other Public Companies</b>	<b>Committee position held in other Public Companies</b>	<b>No. of Shares held in Swan Energy Limited</b>
Mr. Nikhil V. Merchant	B. S. (Tex. Eng.) USA, DMTC MEP (IIM). 30 years experience in all functional areas related to the Textile, Real Estate	Swan International Limited	Nil	4000

8. **Voting through electronic means:**

Pursuant to section 108 of the Companies act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer facility of remote e-voting (to cast their vote electronically from a place other than the venue of the AGM), through e-voting services provided by CDSL on all resolutions set forth in this Notice.

The instructions for e-voting are as under:-

**(A) In case of Shareholders receiving e-mail or physical copy**

- i. The voting period begins on 17th September, 2016 at 9.00 a.m. and ends on 20th September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 20th September, 2016 (05.00 p.m.).
- ii. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- iii. Now click on "Shareholders" tab.
- iv. Now enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Enter the image verification as displayed and click on login.
- vi. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



- vii. If you are a first time user, follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system..



- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**(B) Other Instructions:**

- i. M/s. Jignesh M. Pandya, Practicing Company Secretary (CP No. 7346) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- ii. The Scrutinizer shall within 3 working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- iii. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again at the Meeting.
- iv. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.swan.co.in](http://www.swan.co.in) and CDSL's website [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of the results by the Chairman of AGM or a person authorised by him in writing. The results and the report shall also be immediately forwarded to BSE and NSE, where shares of the Company are listed.

**By Order of the Board of Directors**

**For Swan Energy Limited**

**Arun S. Agarwal**

Company Secretary

Mumbai, 12th August, 2016

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:-****Item No. 5:**

The Board of Directors of the Company has, on the recommendation by the Audit Committee, appointed Mr. Vinod H. Shah, Cost Accountants (firm registration number: 100257) as the Cost Auditors for the financial year 2016-17 at a remuneration of Rs. 55,000/- (Rupees Fifty thousand only) plus applicable taxes.

As per Section 148 of the Companies Act, 2013 ("ACT") and applicable Rules thereunder, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

The Board considers the remuneration payable to the Cost Auditors as fair and reasonable.

None of the Directors, Key Managerial Personnel (KMPs) or their relatives are interested or concerned in the said Resolution.

The Board recommends the Ordinary Resolution as set out at Item number 5 of the accompanying Notice for approval of the members.

**Item No. 6:**

At 107th AGM of the Company held on 11th September, 2015, the Members had accorded their approval for raising capital upto an amount not exceeding Rs. 1200 crores (Rupees Twelve Hundred crores only). The proceeds of the offerings were to be utilized to capitalize the Company adequately besides meeting the working requirements of the Company.

According to SEBI (ICDR) provisions, such resolution is valid for a period of 12 months from the date of its passing.

The intention of the Company to raise capital still holds good and hence, an enabling Resolution is being proposed to give necessary authority to the Board of Directors to decide and finalise the timing and the terms of the issue, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals.

The said Special Resolution, if passed, shall also have effect of allowing the Board, on behalf of the Company, to offer, issue and allot the Securities otherwise than on pro-rata basis to the existing Shareholders.

None of the Directors, Key Managerial Personnel (KMPs) or their relatives are interested or concerned in the said Resolution except to the extent to which they hold securities and / or may subscribe to the Securities, if any, as the case may be.

The Board recommends the Special Resolution as set out at Item number 6 of the accompanying Notice for approval of the members.

**By Order of the Board of  
Directors**

**For Swan Energy Limited**

**Arun S. Agarwal**  
Company Secretary

**Mumbai, 12th August, 2016**

**DIRECTORS' REPORT**

1) Your Directors are pleased to present the One Hundred Eight (108th) Annual Report together with the Audited Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2016.

**2) Financial Results**

<b>Particulars</b>	<b>For the year ended on 31.3.2016 (₹ in lacs)</b>	<b>For the year ended on 31.3.2015 (₹ in lacs)</b>
Profit before interest & depreciation	1914.38	3163.14
Less: Interest	1318.13	1916.46
: Depreciation	504.94	543.96
Profit before Tax	91.31	702.72
Less: Provision for Taxation	32.62	223.70
<b>Net Profit for the year</b>	<b>58.69</b>	<b>479.02</b>
Add: Amount of Profit & Loss Account brought forward	12547.55	12467.85
Amount available for Appropriation	12606.24	12946.87
Less: Appropriations:		
Transfer to General Reserve	-	-
Provision for Proposed Dividend (including tax)	133.11	399.32
Balance of Profit & Loss Account transferred to Balance sheet	12473.13	12547.55

**3) Review of Operations**

The possession of 'Tower D' at the Kurla commercial project 'Peninsula Techno-park' is expected to be handed over to the buyer in the financial year 2016-17.

The subsidiary companies of the Company have procured all regulatory clearances for the two properties in the south and its development is likely to start soon.

During the current financial year, the Process House of the Company at Ahmedabad has posted profit before tax of Rs. 1045.64 lacs (Previous year Rs. 882.97 lacs).

Subsequent to receipt of major permissions, including environmental clearance, for the FSRU project at Jafrabad, Gujarat, Terminal user agreements have been signed with the users of the Terminal initially for 4.5 MMTPA. The Project is expected to be commissioned during the year 2019-20.

On standalone basis, revenue from operations for the financial year 2015-16 was Rs. 31,725.84 lacs as compared to Rs. 30,021.10 lacs in the previous year. Earning before interest, tax, depreciation and amortization (EBITDA) for the year was Rs. 1914.38 lacs as compared to Rs. 3163.14 lacs in the previous year. Profit after Tax (PAT) for the year was Rs. 58.69 lacs as compared to Rs. 479.03 lacs in the previous year.

On consolidation basis, revenue from operations for the financial year 2015-16 was Rs. 33,174.41 lacs as compared to Rs. 31,440.46 lacs in the previous year. Earning before interest, tax, depreciation and amortization (EBITDA) for the year was Rs. 3526.13 lacs as compared to Rs. 4509.32 lacs in the previous year. Profit after Tax (PAT) for the year was Rs. (18.52) lacs as compared to Rs. 301.63 lacs in the previous year.

**4) Dividend and Reserve**

In spite of lower profitability, Directors have recommended payment of dividend @ Rs. 0.05 per Equity Share (5%) on 22,11,80,000 Equity Shares of Rs. 1/- each for the year ended 31st March, 2016, subject to approval of the members. The amount of dividend and the tax thereon will be Rs. 1,10,59,000/- and Rs. 22,51,612/- (tax rate being @ 20.36%) respectively

The company has not transferred any amount to the General Reserve during the year

**5) Fixed Deposits**

The Company has not accepted any fixed deposits from public during the year under review.

**6) Finance**

Your Company has been regular in meeting its obligation towards payment of Principal/Interest to the Banks and other institutions.

During the year under review, the Company has neither issued shares with differential voting rights nor has granted stock options/sweat equity. The paid up Equity share capital as on 31st March, 2016 was Rs. 2211.80 lacs.

**7) Statutory Disclosures****7.1 Management Discussion and Analysis:**

As required under Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, a Management Discussion and Analysis is annexed to this Report – Annexure – A.

**7.2 Corporate Governance**

As required under Regulation 17(7) of the SEBI (LODR) Regulations, 2015, a report on the 'Corporate Governance', together with a certificate of statutory auditors confirming compliance of the conditions of the Corporate Governance, is annexed to this report – Annexure B.

Further, in compliance of Regulation 17(5) of the SEBI (LODR) Regulations, 2015, your Company has adopted a 'Code of Conduct and Ethics' for its Directors and Senior Executives.

**7.3 Extract of Annual Return:**

An extract of the Annual Return in Form MGT – 9 is annexed to this Report - Annexure - C.

**7.4 Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

Information under Section 134 (3) (m) of the Companies Act, 2013 ('the Act'), read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this Report - Annexure D.

**7.5 Corporate Social Responsibility (CSR) Policy:**

The Report on CSR is annexed to this Report - Annexure - E.

**7.6 Particulars of Employees:**

Pursuant to provisions of Section 136 (1) of the Act and as advised, the information required under Section 197 (12) of Act, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors and employees of the Company is available for inspection at the registered office of the Company and will be made available to a shareholder on request.



7.7 Number of Board Meetings and composition of Audit Committee:

During the year under review, 9 (Nine) Board Meetings were convened and held. The required details are given in the Corporate Governance Report forming part of this report.

7.8 Directors Responsibility Statement:

Pursuant to Section 134 (3) (c) of the Act, the Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) appropriate accounting policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company as on 31st March, 2016 and of the profit of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Annual accounts have been prepared on a going concern basis;
- (e) internal financial controls have been laid down and followed by the company and that such controls are adequate and are operating effectively;
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

7.9 Statement on declaration given by independent Directors:

The Independent Directors of the Company have submitted their Declaration of Independence, as required under the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence as provided in section 149(6) of the Act.

7.10 Disclosure regarding Company's policies under Companies Act, 2013:

i- Remuneration and Nomination Policy

The Board of Directors has framed a policy which lays down criteria for selection/ appointment and framework in relation to remuneration of Directors, Key Managerial Personnel (KMPs) and Senior Management of the Company.

ii- Whistle Blower Policy

The Company has a Whistle Blower policy to deal with instances of fraud and mismanagement, which is posted on the website of the Company.

iii- Risk Management Policy

The Company has a structured Risk Management policy. The Risk Management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are integrated with the management process such that they receive the necessary consideration during decision making.

7.11 Particulars of loans, Guarantees or investments by Company:

Details required to be disclosed pursuant to the provisions of Section 186 of the Act are disclosed in the notes to Financial Statements.



#### 7.12 Related Party Transactions:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions during the year, which may have potential conflict with the interest of the company at large. The details of the transactions with the related parties are disclosed in the Accounts.

#### 7.13 Subsidiary Company:

A statement in Form AOC – 1 pursuant to Section 129(3) of the Act, relating to subsidiary companies is attached to the Accounts. The financial statements and related documents of the Subsidiary companies shall be kept open for inspection at the registered office of the Company.

#### 7.14 Significant and material orders passed by the Regulators or courts:

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review which would impact the going concern status of the Company and its future operations.

#### 7.15 Directors:

At the ensuing Annual General Meeting, Mr. Nikhil V. Merchant, retires by rotation and being eligible, offers himself for re-appointment.

#### 7.16 Performance evaluation of the Board:

Pursuant to the Section 134 of the Act and SEBI (LODR) Regulations 2015, the Board has carried out an annual performance evaluation of its own, the Directors individually and all the Committees of the Board.

#### 7.17 Prevention of Sexual Harassment of Women at workplace:

The Company has a constituted committee in compliance of the provisions of "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013". No case was reported to the Committee during the year under review.

### 8) Auditors:

#### 8.1 Statutory Audit

M/s. V. R. Renuka & Co., Chartered Accountants, Mumbai (Registration No. 108826W) were appointed as Statutory auditors of the Company at the 106th AGM held on September 29, 2014 for a term of three consecutive years. However, such appointment is subject to annual ratification at each AGM and accordingly, resolution for approval of members is placed in the Notice.

#### 8.2 Cost Audit

The Board has appointed M/s V. H. Shah, Cost Accountants (Registration No. 100257) as the Cost Auditor for the year ended 31st March, 2017, pursuant to Section 148 of the Act, read with applicable Rules, at a remuneration of Rs. Rs. 55000/- (Rupees Fifty Five thousand only) plus applicable taxes, which is required to be ratified by the shareholders at the ensuing AGM.

#### 8.3 Secretarial Audit

The Company has appointed M/s Jignesh M. Pandya & Co. (CP No. 7318), a practicing Company Secretary, to undertake the Secretarial Audit of the Company and their report is annexed to this Report - Annexure – F.

**9) Auditors' Report:**

Report of the auditors, read with the notes to the financial statements, is self-explanatory and need no elaboration.

**10) Industrial relations:**

The relationship with all the concerned continued to remain harmonious and cordial throughout the year under review.

**11) Appreciation:**

The Directors place on record their appreciation for support and timely assistance from Financial Institutions, Banks, Government Authorities and above all, its Shareholders, who have extended their valuable support to the Company.

The Directors also wish to appreciate sincere and dedicated efforts and services by all the employees/staff.

For and on behalf of the Board of Directors

**Navinbhai C. Dave**  
Chairman

Mumbai, 30th May, 2016

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**Annexure to Directors Report****Annexure 'A'****Management Discussion and Analysis****(i) Industry Structure and Developments:**

Your Company is a diversified player with a presence in Textile, Real Estate and Energy Sectors.

**Textile:**

During the year, the 'Revenue from Operations' is from the Textile sector with plant capacity utilization of about 85-90%. The textile sector is expected to have decent growth in the coming years. Your company intends to operate its plant located at Ahmedabad at maximum feasible capacity. The Company is also exploring Asian export markets. These steps are likely to yield improved results in the years to come.

**Real Estate:**

The progress of the Real estate projects in the South through 100% subsidiary companies remained slow during the year because of various factors. However, during the year 2016-17, Company expects to launch at least two projects.

**Energy:**

After receipt of Environmental clearance for the Floating Storage cum Re-gasification Unit (FSRU) Project at Jafrabad, Re-gasification agreements have been signed with the PSU's for use of the Terminal. The Terminal will have an initial capacity of 5 MMTPA with a plan to expand the same to 10 MMTPA for which environmental approval exists. The Project is expected to be commissioned during 2019-20.

**(ii) Opportunities, Threats, Risks and Concerns:**

Opportunities in all the three sectors are enormous.

Textile business, with expansion in domestic market and exploration of the export market, is expected to add to the revenues of the company.

Real estate sector shall contribute handsomely in the years to come, with growth of IT and other sectors in southern India.

Gas demand is increasing in India and in this light, the LNG Re-gasification Projects assume greater significance. With national Gas Pipelines Grid connectivity to this Project with the demand centre of western and Northern India, it is likely that the Project can double its capacity in the near future.



However, each of the three sectors of the company has inherent threats, risks and concerns, peculiar and applicable to each sector, like, changes and uncertainty of regulations, rising inflation, international factors, demand supply fluctuations, input cost fluctuations etc. Your company is well placed to face all of these threats, risks and concerns.

**(iii) Segment wise product wise performance:**

During the year, 100% of the revenue from operations has been contributed by the Textile sector.

**(iv) Outlook:**

The Indian economy is driven by the government with its 'Make in India' slogan and bold initiatives for overall socio-economic development towards continued growth prospectus. Your company is well poised to reap the benefits in all the three sectors. The outlook of the management in all the three sectors is positive in spite of variety of adversity of factors.

**(v) Internal Control systems and their adequacy:**

Your Company has adequate and appropriate internal control systems. The Senior Management periodically reviews factors and issues that influence the Company's Business and takes appropriate decisions to ensure that the Company's interest and that of the stakeholders is protected. The Company has an inbuilt system of internal checks and controls.

The Audit Committee of the Board reviews the adequacy and effectiveness of the internal controls and checks and suggests desired improvements from time to time

**(vi) Financial and Operational Performance:**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Sales	31,725.84	30,021.10
Other Income	206.17	1,210.77
Profit before Depreciation and Tax	596.25	1,246.68
Depreciation	504.94	543.96
Taxes	32.62	223.70
Profit/ (Loss) after depreciation and taxes	58.69	479.02

**(vii) Material developments in human Resources/ Industry relations front, including number of people employed:**

The Company continues to give utmost importance to Human Resources Development and keeps relations normal. As on 31st March, 2016, there are 167 employees, including 4 whole time directors.

Industrial relations continue to be harmonious and normal.

**(viii) Precautionary Statement:**

This report contains forward looking statements that address expectations and projections about the future, based on certain assumptions of future events. Company's actual results, performance or achievements may, thus, differ materially from those projected in any such forward looking statements.

For and on behalf of the Board of Directors

Mumbai, 30th May, 2016

**Navinbhai C. Dave**  
Chairman



## REPORT ON CORPORATE GOVERNANCE

### 1 A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is the system by which Companies are directed and controlled by the management in the best interest of the Shareholders and others, thereby ensuring greater transparency, better and timely financial reporting, generating long term economic value for its Shareholders.

The Company has incorporated the sound Corporate Governance practices by laying emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders.

### 2 BOARD OF DIRECTORS:

As on 31st March, 2016, the Company's Board comprises Eleven members, consisting of Six Non-Executive/Independent Directors. The composition of the Board meets with the requirements of Regulation 17 of SEBI (LODR) Regulations 2015.

Your Company held Nine Board meetings during the year on 29th May, 2015, 29th June, 2015, 14th August, 2015, 29th October, 2015, 10th November, 2015, 1st January, 2016, 8th January, 2016, 12th February, 2016 and 23rd March, 2016.

The required details of the Board of Directors as on 31st March, 2016 are as under:-

Name of the Director	Category	No. of meetings held	No. of meetings attended	Whether attended last AGM	Number of outside directorships held (*)	Membership in Committees (**)	Chairmanship in Committees (**)
Mr. Navinbhai C. Dave (DIN: 01787259)	Non-Executive Chairman	9	9	Yes	--	--	--
Mr. Nikhil V. Merchant (DIN: 00614790)	Managing Director	9	9	Yes	1	--	--
Mr. Paresh V. Merchant (DIN: 00660027)	Executive Director	9	9	Yes	2	2	1
Mr. Padmanabhan Sugavanam (DIN: 03229120)	Whole time Director	9	9	Yes	1	--	--
Mr. Vilas Anant Gangan (DIN: 00281984)	Whole Time Director	9	9	Yes	1	1	--
Mr. Rajkumar Sukhdevsinhji (DIN: 00372612)	Non-Executive/Independent	9	6	Yes	1	--	--
Mr. Pitamber S. Teckchandani (DIN: 00319820)	Non-Executive/Independent	9	7	Yes	--	1	--



Mr. Nagardas H. Panchal (DIN: 01787226)	Non-Executive/ Independent	9	5	No	1	4	3
Mr. Shobhan I. Diwanji (DIN: 01667803)	Non-Executive/ Independent	9	7	No	--	2	--
Mr. Rajat kumar Das Gupta(DIN: 01725758)	Non-Executive/ Independent	9	7	No	1	--	--
Mrs. Surekha N. Oak (DIN: 07122776)	Additional Director	9	9	No	--	2	--

\* (Excluding alternate Directorship and Directorship in private limited companies, foreign companies and section 25 companies)

\*\* Committees considered are Audit Committee, Stakeholders relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

### 3 BOARD - LEVEL COMMITTEES:

The Company has four Board level Committees, namely;

- Audit Committee.
- Stakeholders Relationship Committee.
- Nomination & Remuneration Committee.
- Corporate Social Responsibility Committee.

#### a) Audit Committee:

The Audit Committee of the Company consists of three (3) Independent Directors, namely, Mr. Nagardas H. Panchal, (Chairman), Mr. Shobhan I. Diwanji and Mrs. Surekha Oak. The terms of reference of the Committee are as per Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee met Four times during the year under review on 29th May 2015, 14th August, 2015, 10th November, 2015 and 12th February, 2016, wherein all the members were present. The Audit Committee held discussions with the Statutory Auditors on the "Limited Review" of the quarterly, half-yearly & final accounts and matters relating to compliance of accounting standards, their observations arising from the annual audit of the accounts of the Company and its subsidiary companies and other related matters.

#### b) Stakeholders Relationship Committee:

The Shareholders/Investors' Relationship Committee, comprising Mr. Nagardas H. Panchal (Chairman & Independent Director), Mr. Paresh V. Merchant, and Mrs. Surekha Oak, has been constituted for redressing shareholders and investors' complaints. The Committee met Four times during the year 2015-16 on 29th May 2015, 14th August, 2015, 10th November, 2015 and 12th February, 2016, wherein all the members were present.

During the year, Company has received 1 complaint from the shareholder, which was duly resolved/ replied.

The Company has designated the following exclusive E-mail ID for the convenience of investors: [invgrv@swan.co.in](mailto:invgrv@swan.co.in)

The Company's website [www.swan.co.in](http://www.swan.co.in) is updated with the Quarterly information conveyed to the Stock Exchange and other relevant information.

**c) Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee comprises of three (3) Independent Directors, namely, Mr. Nagardas H. Panchal (Chairman), Mr. Shobhan I. Diwanji and Mr. Pitamber S. Teckchandani. The terms of reference of Committee, inter-alia, consists of recommendation for appointment/ re-appointment of Managing Director, Executive/ whole time Director/s and senior executives and review of terms of appointment. The Committee met once during the year 2015-16 on 14th August, 2015 wherein all the members were present.

**d) Corporate Social Responsibility (CSR) Committee:**

The CSR committee, comprising Mr. Paresh V. Merchant, Mr. Vilas A. Gangan and Mr. Nagardas H. Panchal, has been constituted for formulating CSR policies, recommending the activities to be undertaken and the amount to be spent on such activities. The Committee met once during the year 2015-16 on 1st February, 2016.

**e) Independent Directors' Meeting:**

During the year under review, the Independent Directors met on 12th February, 2016, inter alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**4 GENERAL BODY MEETING**

Date, Time and venue for the last three Annual General Meetings are given below:

Financial Year ended	Date	Time	Venue
31 March, 2015	11.09.2015	11.30 A.M.	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020.
31 March, 2014	29.09.2014	04.00 P.M.	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020.
31 March, 2013	19.09.2013	11.30 A.M.	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020.

**DETAILS OF GENERAL MEETINGS AND SPECIAL RESOLUTIONS PASSED:****AGM held during the past 3 years and the Special Resolutions passed therein:**

Date	Time	Special Resolution Passed
11.09.2015	11.30 A.M.	1. Raising of Capital through QIP/ GDR/ ADR/ FCCB upto an amount not exceeding Rs. 1200 crores 2. Appointment of Mr. Padmanabhan Sugavanam as Whole Time Director of the Company
29.09.2014	4.00 PM	1. Appointment of Mr. Vilas A. Gangan as Whole Time Director of the Company 2. Appointment of Mr. Nikhil Merchant as Managing Director of the Company 3. Appointment of Mr. Paresh Merchant as Executive Director of the Company
19.09.2013	11.30 AM	1. Raising of Capital through QIP/ GDR/ ADR/ FCCB upto an amount not exceeding Rs. 1200 crores



## 5 DISCLOSURES

- (i) All related party transactions were on an arm's length basis and have been entered into in the ordinary course of business after approval of the Audit Committee. There were no material individual transactions with related parties which may have potential conflict with the interest of the company at large. The details of the transactions with the related parties are disclosed in the Financial Statements.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (iii) The Company has established a vigil mechanism/Whistle Blower Policy and takes cognizance of complaints and suggestions by employees and others.
- (iv) Web-links
  - 1. Related Party Transaction Policy  
<http://www.swan.co.in/pdf/Policy%20on%20Related%20Party%20transactions.pdf>
  - 2. Policy for determining Material Subsidiaries  
<http://www.swan.co.in/pdf/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>
  - 3. Whistle Blower Policy  
[http://www.swan.co.in/pdf/Whistle%20blower%20policy\\_SWAN.pdf](http://www.swan.co.in/pdf/Whistle%20blower%20policy_SWAN.pdf)
- (v) All Accounting Standards mandatorily required have been followed in preparation of the financial statements.
- (vi) There were no material, financial and commercial transactions by senior Management, as defined in Regulation 26 of the Listing Regulations, where they have any personal interest that may have a potential conflict with the interests of the Company at large, requiring disclosures by them to the Board of Directors of the Company.

## 6 CEO/CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of Listing Regulations, the Managing Director and the Chief Financial Officer of the Company has certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and matters related to internal controls etc. in the prescribed format for the year ended 31st March, 2016.

## 7 MEANS OF COMMUNICATION

The quarterly results are published in the newspapers. It is also available on the website of the company under the name 'www.swan.co.in'. Official news releases are sent to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

## 8 SHAREHOLDER INFORMATION

- a) Annual General Meeting
  - Date : 21st September, 2016
  - Time : 11.30 A.M.
  - Venue : Walchand Hirachand Hall, 4th Floor, IMC Building, Churchgate, Mumbai – 400 020.
- b) Financial Calendar
  - Financial reporting for
    - Quarter ending Sept 30, 2016 : Upto 14th November, 2016
    - Quarter ending Dec 31, 2016 : Upto 14th February, 2017
    - Quarter ending March 31, 2017 : Upto 30th May, 2017
  - Annual General Meeting for
    - the year ended March 31, 2017 : Upto end of September, 2017



- c) Dates of Book closure : September 15, 2016 to  
September 21, 2016 (both days inclusive)
- d) Dividend payment date : On or after September 21, 2016
- e) Listing on Stock Exchange at : Bombay Stock Exchange Limited  
National Stock Exchange of India Limited  
The Calcutta Stock Exchange Asso. Ltd.
- f) Demat ISIN Number : INE665A01038
- g) Stock Market Data : Scrip Code  
BSE: 503310 & NSE: SWANENERGY

Month	Volume (No. of Shares)	Price (₹)	
		High	Low
April, 2015	1,16,70,952	63.75	57.40
May, 2015	87,57,194	72.95	58.10
June, 2015	75,72,541	69.20	58.90
July, 2015	74,83,065	65.70	60.05
August, 2015	53,20,283	62.50	59.50
September, 2015	54,24,505	75.15	60.00
October, 2015	50,18,696	79.00	70.45
November, 2015	49,36,774	75.60	65.55
December, 2015	72,89,963	75.80	69.00
January, 2016	58,28,600	69.75	65.00
February, 2016	54,08,689	66.35	63.00
March, 2016	48,44,866	69.85	60.00

- Source: Website of Bombay Stock Exchange Limited ([www.bseindia.com](http://www.bseindia.com))

Month	Volume (No. of Shares)	Price (₹)	
		High	Low
April, 2015	94,32,400	64.10	57.50
May, 2015	97,62,678	67.15	57.85
June, 2015	87,74,401	70.00	57.05
July, 2015	91,70,219	68.65	60.00
August, 2015	62,09,638	62.70	59.55
September, 2015	59,23,677	75.00	60.00
October, 2015	55,53,813	76.65	69.70
November, 2015	51,45,926	75.90	66.00
December, 2015	73,48,232	75.70	68.95
January, 2016	66,39,765	69.65	65.00
February, 2016	56,53,537	70.70	62.55
March, 2016	56,26,337	65.70	59.80

- Source: Website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com))

**9 Registrar and Share Transfer Agent**

Purva Sharegistry (India) Private Limited, Gala No. 9, J.R. Boricha Marg, Shivshakti Industrial Estate, Lower Parel, Mumbai – 400 011. Tel.: 23016761/23018261. Fax: 2301 2517.

Email: basicomp@vsnl.com

**10 Share Transfer Systems**

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The power to approve transfer of securities has been delegated by the Board of Directors to the Shareholders' / Investor Grievance and Share Transfer Committee.

**11 Distribution of Shareholding (as on 31.03.2016)**

Category	Number of Shareholders	% of Shareholders	No. of Shares held	% of shareholding
1-5,000	6018	96.97	28,94,162	1.31
5,001-10,000	86	1.39	6,14,628	0.28
10,001-20,000	40	0.64	5,92,962	0.27
20,001-30,000	15	0.24	3,71,723	0.17
30,001-40,000	2	0.03	71,540	0.03
40,001-50,000	3	0.05	1,23,500	0.05
50,001– 1,00,000	10	0.16	8,13,053	0.37
1,00,001 and above	32	0.52	21,56,98,432	97.52
<b>Total</b>	<b>6206</b>	<b>100.00</b>	<b>22,11,80,000</b>	<b>100.00</b>

**12 Categories of Shareholders (as on 31.03.2016)**

Category	Number of Shares held	% of Shareholdings
Resident Individuals	55,63,029	2.52
L.I.C.	56,12,790	2.54
Other Insurance Companies	300	0.00
Financial Institutions	13,19,736	0.60
Corporate Promoter	15,84,13,500	71.62
Bodies Corporate	2,81,78,759	12.74
Clearing members	2,93,108	0.13
Directors	4,000	0.00
Directors Relatives	82,500	0.04
Private Sector Banks	6,200	0.00
Nationalised Banks	99,000	0.04
Indian Mutual Funds	916	0.00
FII ( Mauritius based)	2,13,92,274	9.67
N.R.I. (Non Repat)	13,550	0.01
N.R.I. (Repat)	7,392	0.00
Trust	2,500	0.00
Hindu Undivided Family	1,90,446	0.09
<b>Total</b>	<b>22,11,80,000</b>	<b>100.00</b>

**13 Dematerialization of Shares and liquidity**

The Company's shares are traded compulsorily in dematerialized form at Bombay Stock Exchange and National Stock Exchange. 99.20% of the Equity shares of your Company have been dematerialized upto 31st March, 2016.

**14 Address of the correspondence**

Swan Energy Limited: 6, Feltham House, 2nd Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001. Phone: 022-40587350. Fax: +91-22-40587360. Email: swan@swan.co.in

**For and on behalf of Board of Directors**

**Nikhil V. Merchant**  
Managing Director

**Mumbai, 30th May, 2016**

**CEO/CFO CERTIFICATION**

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To

The Board of Directors,

**Swan Energy Limited**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial officer of the Company, to the best of my knowledge and belief certify that;

- (a) We have reviewed the Financial Statements for the Financial Year ended 31st March, 2016 and based on our knowledge and belief state that :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (ii) these statements together presents a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are 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 are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of 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, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee :
- (i) significant changes, if any, in the internal control over the Financial Reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over Financial Reporting.

**For and on behalf of Board of Directors**  
**For Swan Energy Limited**

**Mumbai, May 30, 2016**

**(Nikhil V. Merchant)**  
Managing Director

**(Chetan K. Selarka)**  
Chief Financial Officer

**DECLARATION BY THE MANAGING DIRECTOR**

(Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015)

In accordance with SEBI (LODR) Regulations, 2015 we hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2016.

**For and on behalf of Board of Directors  
For Swan Energy Limited**

**(Nikhil V. Merchant)**  
Managing Director

**Mumbai, May 30, 2016**

**Auditor's Certificate on Corporate Governance**

To the members of Swan Energy Limited,

We have examined the compliance of the conditions of corporate governance by the Swan Energy Limited ("The Company") for the year ended 31st March, 2016, as stipulated in clause 49 of the Listing agreement of the Company with relevant stock exchanges for the period April 1, 2015 to November 30, 2015 and as per Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the SEBI (LODR) Regulations 2015 for the period December 1, 2015 to March 31, 2016.

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 the Corporate Governance. 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 the representations made by the management, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement and Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the SEBI (LODR) Regulations 2015, as applicable.

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

**For V.R.Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V. R. Renuka**  
Proprietor  
M. No. 32263

**Mumbai, May 30, 2016**



**FORM NO. MGT.9**  
**EXTRACT OF ANNUAL RETURN**  
**for the financial year ended 31.03.2015**  
**[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1)**  
**of The Company (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS**

i	CIN	L17100MH1909PLC000294
ii	Registration Date	22/02/1909
iii	Name of the Company	Swan Energy Limited
iv	Category/Sub-category of the Company	Public
v	Address of the Registered office & contact details	6, Feltham House, 2nd Floor, 10 J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Private Limited. No.9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai - 400 011. Tel.: 23016761 Email Id: busicomp@gmail.com

**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 products / services	% to total turnover of the Company
1	Textile	9961	99.61

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Cardinal Energy & Infrastructure Private Limited (6, Feltham House, 2nd Floor, 10 J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.)	U40102MH2008PTC184568	Subsidiary	100	2(87)
2	Pegasus Ventures Private Limited (6, Feltham House, 2nd Floor, 10 J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.)	U70102MH2012PTC229686	Subsidiary	100	2(87)
3	Swan LNG Private Limited (9th Avenue, Ground Floor, Behind Rajpat Club, Nemnagar, Bodakdev, Ahmedabad - 380059)	U40108GJ2013PTC073539	Subsidiary	100	2(87)
4	CEAU Limited (Isle of Man)	008009V	Subsidiary	100	2(87)



**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

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. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	158,413,500		158,413,500	71.62	158,413,500	-	158,413,500	71.62	0.00
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	86,500	-	86,500	0.04	86,500	-	86,500	0.04	-
<b>SUB TOTAL:(A) (1)</b>	<b>158,500,000</b>	<b>-</b>	<b>158,500,000</b>	<b>71.66</b>	<b>158,500,000</b>	<b>-</b>	<b>158,500,000</b>	<b>71.66</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	<b>158,500,000</b>	<b>-</b>	<b>158,500,000</b>	<b>71.66</b>	<b>158,500,000</b>	<b>-</b>	<b>158,500,000</b>	<b>71.66</b>	<b>0.00</b>

<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	948	-	948	-	916	-	916	-	-
b) Banks/FI	13,199	94,900	108,099	0.05	1,330,036	94,900	1,424,936	0.64	0.59
c) Cenntral govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	5,612,790	300	5,613,090	2.54	5,612,790	300	5,613,090	2.54	-
g) FIIS	22,318,450	-	22,318,450	10.09	21,392,274	-	21,392,274	9.67	(0.42)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>27,945,387</b>	<b>95,200</b>	<b>28,040,587</b>	<b>12.68</b>	<b>28,336,016</b>	<b>95,200</b>	<b>28,431,216</b>	<b>12.85</b>	<b>0.17</b>



<b>(2) Non Institutions</b>										
a) Bodies corporates	28,248,387	77,300	28,325,687	12.81	28,101,459	77,300	28,178,759	12.74	(0.07)	
i) Indian	-	-	-	-	-	-	-	-	-	
ii) Overseas	-	-	-	-	-	-	-	-	-	
b) Individuals	-	-	-	-	-	-	-	-	-	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	3,023,562	1,632,000	4,655,562	2.10	2,863,177	1,593,000	4,456,177	2.01	(0.09)	
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,388,684	-	1,388,684	0.63	1,106,852	-	1,106,852	0.50	(0.13)	
c) Others (specify)	268,280	1,200	269,480	0.12	505,796	1,200	506,996	0.23	0.11	
<b>SUB TOTAL (B)(2):</b>	<b>32,928,913</b>	<b>1,710,500</b>	<b>34,639,413</b>	<b>15.66</b>	<b>32,577,284</b>	<b>1,671,500</b>	<b>34,248,784</b>	<b>15.48</b>	<b>(0.18)</b>	
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>60,874,300</b>	<b>1,805,700</b>	<b>62,680,000</b>	<b>28.34</b>	<b>60,913,300</b>	<b>1,766,700</b>	<b>62,680,000</b>	<b>28.34</b>	<b>0.00</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	
<b>Grand Total (A+B+C)</b>	<b>219,374,300</b>	<b>1,805,700</b>	<b>221,180,000</b>	<b>100.00</b>	<b>219,413,300</b>	<b>1,766,700</b>	<b>221,180,000</b>	<b>100.00</b>	<b>0.00</b>	

**(ii) SHARE HOLDING OF PROMOTERS**

SI No.	Shareholders 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	Dave Impex Private Limited	46030400	20.81	30.13	46030400	20.81	52.78	-
2	Swan Realtors Private Limited	41589000	18.80	37.34	41589000	18.80	37.34	-
3	Swan Engitech Works Private Limited	38402858	17.36	-	38402858	17.36	-	-
4	Dave Leasing and Holdings Private Limited	7440800	3.36	-	7440800	3.36	-	-
5	Sahajanand Soaps and Chemicals Private Limited	6610000	2.99	-	6610000	2.99	-	-
6	Forceful Vincom Private Limited	4000000	1.81	-	4000000	1.81	-	-



7	Inderlok Dealcomm Private Limited	4000000	1.81	-	4000000	1.81	-	-
8	Banshidhar Trades Private Limited	4000000	1.81	-	4000000	1.81	-	-
9	Dhankalash Tradecomm Private Limited	4000000	1.81	-	4000000	1.81	-	-
10	Swan International Limited	2340442	1.06	-	2340442	1.06	-	-
11	Vinita Nikhil Merchant	41500	0.02	-	41500	0.02	-	-
12	Bhavik Nikhil Merchant	41000	0.02	-	41000	0.02	-	-
13	Nikhil Vasantlal Merchant	4000	0.00	-	4000	0.00	-	-
	<b>Total</b>	<b>158500000</b>	<b>71.66</b>	<b>18.55</b>	<b>158500000</b>	<b>71.66</b>	<b>25.12</b>	<b>-</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING**

During the year, there is no change in the promoters' shareholding.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Reasons for Change	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No of shares	% of total shares of the company
1	Ares Diversified	8283696	3.75	Purchase	8758696	3.96
2	Tirupati Agency Private Limited	7695000	3.48	-	7695000	3.48
3	Kasturi Vintrade Private Limited	5985362	2.71	Purchase	7431309	3.36
4	Albula Investments Fund LTD	5735800	2.59	-	5735800	2.59
5	Life Insurance Corporation Of India	5612790	2.54	-	5612790	2.54
6	Suryakanchan Vnimay Private Limited	5060000	2.29	-	5060000	2.29
7	Needful Dealcomm Private limited	5060000	2.29	-	5060000	2.29
8	Hypnos Fund Limited	3805778	1.72	-	3805778	1.72
9	EOS Multi Strategy Fund Ltd	3042000	1.38	Purchase	3092000	1.40
10	Smithblock Financial Services Private Limited	1944770	0.88	Sale	90000	0.04
11	General Insurance Corporation of India	-	-	Purchase	1318747	0.59



## (v) Shareholding of Directors &amp; KMP

Sl. No.	Name of Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Mr. Nikhil V. Merchant</b>				
	At the beginning of the year	4000	0.00	4000	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	4000	0.00	4000	0
<b>2</b>	<b>Mrs. Surekha Oak</b>				
	At the beginning of the year	200	0.00	2500	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	200	0.00	2500	0
<b>3</b>	<b>KMP</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No of shares</b>	<b>% of total shares of the company</b>
	NIL	NIL	NIL	NIL	NIL

## 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>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	11,069.29	4,508.59	-	15,577.88
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>11,069.29</b>	<b>4,508.59</b>	<b>-</b>	<b>15,577.88</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	30,011.96	275.70	-	30,287.66
Reduction	28,677.44	4,100.44	-	32,777.89
<b>Net Change</b>	<b>1,334.52</b>	<b>(3,824.74)</b>	<b>-</b>	<b>(2,490.22)</b>



Indebtedness at the end of the financial year				
i) Principal Amount	12,403.81	683.85	-	13,087.66
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11.92	-	-	-
<b>Total (i+ii+iii)</b>	<b>12,415.73</b>	<b>683.85</b>	<b>-</b>	<b>13,087.66</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Total Amount (₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager				
		Mr. Nikhil Merchant	Mr. Paresh Merchant	Mr. Padamanabhan sugavanam	Mr. Vilas A. Gangan	Total
1	<b>Gross salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	114.4	114.4	29.04	49.89	307.73
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others (specify)	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>114.4</b>	<b>114.4</b>	<b>29.04</b>	<b>49.89</b>	<b>307.73</b>

### B. Remuneration to other directors:

During the year, no remuneration has been paid to other Directors.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	24.1	40.67	64.77
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	24.1	40.67	64.77

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

During the year, there has been no penalties/punishment/compounding of offences against the Company, Directors or other officers.

For and on behalf of the Board of Directors

Mumbai, May 30, 2016

**Navinbhai C. Dave**  
Chairman



## Annexure 'D'

Information pursuant to Section 134 (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014:

## A) CONSERVATION OF ENERGY

## a) Energy conservation measures taken at Process House, Ahmedabad:

It has been the Company's endeavour to ensure that it is engaged in continuous process of energy conservation through improved operational and maintenance practices. Accordingly, and in line with the company's commitment to conserve natural resources, the Process House at Ahmedabad continued with its endeavour to make more efficient use of energy by continuous up-gradation and installation of latest technology, machineries and energy saving equipments.

## b) Additional investments and proposals, if any, being implemented for reduction of conservation of energy:

The Company is continuously striving and making all possible efforts to reduce energy consumption in all its energy intensive equipments.

## c) Impact of the measure (a) &amp; (b) above for reduction of Energy Consumption and consequent impact on cost of production of goods:

The above measures initiated have resulted in energy saving and reduced consumption of electricity and fuel oils. Total energy consumption & energy consumption per unit of production are as per Form 'A' below:

## FORM A - PARTICULARS WITH RESPECT TO ENERGY CONSERVATION

Particulars	Units	2015-16	2014-15
<b>A. Power and fuel consumption</b>			
<b>1. Electricity</b>			
<b>(a) Purchased</b>			
i) Connected Load	KWH	1175	1400
ii) Purchase of Units	Units	55,54,730	51,23,390
iii) Total Amount	Rs.	4,27,99,460	3,71,06,007
iv) Rate per unit (Average)	Rs.	7.71	7.24
<b>(b) Own generation</b>			
i) Through diesel Generator	KWH	2048	2080
	Rs.	44,534	56,672
ii) Through steam turbine/generator		NIL	NIL
<b>2. Coal/Furnace Oil/Others</b>		<b>NIL</b>	<b>NIL</b>
<b>B. Consumption per unit of production</b>			
1. Processed Fabrics	Mtrs	2,44,55,843	2,38,60,227
Electricity/Meter Fabric processed	Unit	0.23	0.21

**B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D)**

1. Specific areas in which R& D carried out by the Company:  
Quality Improvement in Products; Development of new Products and Designs; Cost control measures; Energy Conservation etc.
2. Benefits derived as a result of above R & D:  
Sustained Quality at economized cost.
3. Future Plan of Action:  
Continuous focus on innovations in processing Textile products & development towards Quality enhancement & reduction in operational cost.
4. Expenditure on R&D: NIL
5. Technology absorption, adaptation and innovation:  
For consistent production through State of the Art Machinery and Equipments, our manufacturing facility is equipped with well trained Personnel and high-tech quality control equipments.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO****(₹ In lacs)**

	2015-2016	2014-2015
<b>Earnings - Export</b>	1722.12	699.71
<b>Outgo - Stores &amp; Spares</b>	64.65	25.65
Travelling Expenses	9.59	-

For and on behalf of the Board of Directors

Mumbai, May 30, 2016

**Navinbhai C. Dave**  
Chairman

**Annexure 'E'****Corporate Social Responsibility (CSR) Policy**

- 1) A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.  
The Company has its Corporate Social Responsibility (CSR) Policy, which lays down a gist of the programs that a company can undertake under it. The CSR policy is available on the website of the company.
- 2) The Composition of the CSR Committee:
  - i. Mr. Nagardas H. Panchal (Independent Director)
  - ii. Mr. Paresh V. Merchant (Executive Director)
  - iii. Mr. Vilas A. Gangan (Whole Time Director)
- 3) Average Net Profit of the Company for the last three Financial years  
The average Net Profit for the last three years is Rs. 1589.64 lacs
- 4) Prescribed CSR Expenditure (two percent. of the amount as in item 3 above)  
Amount required to be spent is Rs. 31.79 lacs.



5) Details of CSR spent during the Financial Year:

(a) Total amount to be spent for the financial year; Rs. 31.79 lacs

(b) Amount unspent, if any; Rs. 20.79 lacs

(c) Manner in which the amount spent during the financial year is detailed below.

The Company has spent through implementing agency by giving donation of Rs. 11,00,000/- to 'SSG Sarjivahitavah Trust, at Chharodi, Ahmedabad, Gujarat for the CSR project of establishment of 'holistic health center' for promoting healthcare

6) In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the year under review, the Company has made consistent efforts to identify the projects for its CSR initiatives. One of the reasons for the amount being unspent is non-identification of appropriate project/s. However, it is the endeavor of the company to contribute to the society by ensuring that required amount is spent on the CSR activities and the company will put a comprehensive programme for the same during the FY 2016-17.

7) The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For Swan Energy Limited**

**Paresh V. Merchant**

Mumbai, May 30, 2016

Chairman of CSR Committee

**Annexure 'F'**

## **SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

**FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
Swan Energy Limited  
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Swan Energy Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 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 reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 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-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 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;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Laws applicable to the industry to which the Company belongs, as identified by the Management is given in the enclosed Annexure 2.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE & NSE, (effective upto 30th November, 2015)
- (iii) The Listing Agreement entered into by the Company with BSE & NSE pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (effective from 1st December, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **We 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.



Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We 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.

This Report is to be read with our letter of even date which is annexed as Annexure '1' and forms an integral part of this Report.

**For Jignesh M.Pandya & Co.**

**Jignesh M. Pandya**

**Practicing Company Secretary**

**Proprietor**

**Membership No. 7346 /CP No. 7318**

Mumbai, 30th May, 2016

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**'Annexure 1'**

To the Members Swan Energy Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, Rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, regulations, standards is the responsibility of management. Our 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 the efficacy or effectiveness with which the management has conducted the affairs of the company.

**'Annexure 2'****Laws applicable to the Company:**

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Maharashtra Housing (Regulation and Development) Act, 2012;
4. Information Technology Act, 2000
5. The Indian Electricity Rules 1956
6. The Standard Weight and Measurement Act, 1976
7. The Public Liability Insurance Act, 1991
8. The Hazardous Material Transport Act (HMT) Act, 1975
9. Trade Marks Act, 1999 & Copy Right Act, 1957;
10. The Legal Metrology Act, 2009;
11. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
12. Acts prescribed under prevention and control of pollution;
13. Acts prescribed under Environmental protection;
14. Acts prescribed under Direct Tax and Indirect Tax;
15. Land Revenue laws of respective States;
16. Labour welfare Act of respective States;
17. Acts as prescribed under Shop and Establishment Act of various local authorities.
18. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**For Jignesh M.Pandya & Co.**

**Jignesh M. Pandya**

**Practicing Company Secretary**

**Proprietor**

**Membership No. 7346 /CP No. 7318**

Mumbai, 30th May, 2016



## Independent Auditor's Report

To the Members of  
SWAN ENERGY LIMITED.

### Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of Swan Energy Limited ("the Company"), which comprise the Balance sheet as at March 31, 2016, the Statement of Profit and Loss, 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

2. 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 standalone 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 Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards and pronouncements 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.
6. 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.
7. 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

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order")', and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
- 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;
  - 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;
  - 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;
  - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - On the basis of the written representations received from the Directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in Annexure B.
  - With respect to 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 knowledge and belief and according to the information and explanations given to us:
    - The impact of the pending litigations as on March 31, 2016 is not expected to be material on the standalone financial position of the Company.
    - The Company did not have any long term contracts, including derivative contracts for which there were any material foreseeable losses;
    - There has been no amount due as at 31st March, 2016 which was required to be transferred to the Investor Education and Protection Fund by the Company.

**For V. R. Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V. R. Renuka**  
Proprietor  
M. No. 032263

Mumbai, May 30, 2016

**Annexure A to Independent Auditor's Report:****Referred to in Paragraph 9 of the Independent Auditor's Report of even date to the members of Swan Energy Limited on the standalone financial statements as of and for the year ended March 31, 2016**

- (i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in accordance with a phased programme of verification designed to cover all items over a period of three years, Considering the size and the nature of business, the frequency of verification is reasonable and the discrepancies noticed on such verification which has been properly dealt with in the books of accounts were not material.
- c) The title deeds of immovable properties, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and the discrepancies noticed on such verification which has been properly dealt with in the books of accounts were not material.
- (iii) The Company has granted unsecured loans to four companies covered in the register maintained under section 189 of the Act. There are no firms/LLPs/ other parties covered in the register maintained under section 189 of the Act.
  - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - (b) In respect of aforesaid loans, the schedule of repayment of principal and interest if any has been stipulated, and the parties are repaying the principal amounts, and also regular in payment of interest as if any applicable.
  - (c) In respect of the aforesaid loans, there is no amount which is overdue more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the notified Rules framed there under.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as prescribed under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and books and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Provident Fund, Employee State Insurance Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities.
- b) According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no amounts which are payable in respect of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and Cess which have not been deposited with appropriate authorities on account of any dispute other than those mentioned below:



Name of the statute	Nature of dues	Amount Demanded ₹ in Lakhs	Period to which the amount relates	Forum where dispute is pending	Remark if any
Income Tax Act, 1961	Income Tax	58.72	A.Y 2008-09	ITAT	Department has gone in appeal
Income Tax Act, 1961	Income Tax	1,522.98	A.Y 2009-10	ITAT	Department has gone in appeal
Income Tax Act, 1961	Income Tax	1,233.99	A.Y 2010-11	ITAT	Department has gone in appeal
Income Tax Act, 1961	Income Tax	415.18	A.Y 2011-12	ITAT	Department has gone in appeal

- (viii) In our opinion and according to the informations and explanation given to us, the Company has not defaulted in repayment of its dues to banks, financial institutions, Government and debenture holders during the year.
- (ix) In our opinion, and according to the information and explanations given to us, the Term loans have been applied, for the purposes for which they were obtained. There was no initial public offer or further public offer (including debt instrument).
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted Auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the management.
- (xi) According to the information and explanations given by the management and based on the audit procedure performed, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandate by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provision of clause 3(xii) of the order is not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, in our opinion, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order and Sec. 192 of Companies Act, 2013 are not applicable.
- (xvi) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For V. R. Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V. R. Renuka**  
Proprietor  
M. No. 032263

**Mumbai, May 30, 2016**



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Swan Energy Limited.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**To the Members of Swan Energy Limited**

We have audited the internal financial controls over financial reporting of Swan Energy Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V. R.Renuka & Co.**

Chartered Accountants

Firm Registration No. 108826W

**V. R. Renuka**

Proprietor

M. No. 032263

**Mumbai, May 30, 2016**

**Balance Sheet as at March 31, 2016**

(₹ in lacs)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	2,211.80	2,211.80
Reserves and Surplus	2	41,743.90	41,818.32
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	6,535.15	4,003.50
Deferred Tax Liabilities (Net)	4	687.75	672.53
Other Long Term Liabilities	5	42,194.65	42,190.75
<b>Current Liabilities</b>			
Short-Term Borrowings	6	6,552.52	10,295.77
Trade Payables	7	4,881.45	4,673.93
Other Current Liabilities	8	877.83	3,180.93
Short-Term Provisions	9	3,023.06	3,271.87
<b>TOTAL</b>		<b>108,708.11</b>	<b>112,319.40</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets - Tangible	10	8,760.15	9,097.07
Non-Current Investments	11	2,588.00	2,508.00
Long-Term Loans and Advances	12	22,687.15	28,607.60
<b>Current Assets</b>			
Current Investments	13	143.34	108.73
Inventories	14	58,150.83	55,558.95
Trade Receivables	15	5,846.45	5,729.74
Cash and Cash Equivalents	16	1,453.04	1,643.42
Short-Term Loans and Advances	17	8,068.94	8,097.49
Other Current Assets	18	1,010.21	968.40
<b>TOTAL</b>		<b>108,708.11</b>	<b>112,319.40</b>
Significant Accounting Policies	26		
<b>Notes on Financial Statements</b>	<b>1 to 42</b>		

As per our report of even date

**For V.R.Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V.R. Renuka**  
Proprietor  
M. No. 032263

Mumbai, May 30, 2016

For and on behalf of the Board of Directors

**Navinbhai C. Dave**  
Chairman

**Paresh V. Merchant**  
Executive Director

**Nikhil V. Merchant**  
Managing Director

**Chetan K. Selarka**  
Chief Financial Officer

**Arun S. Agarwal**  
Company Secretary

Mumbai, May 30, 2016

**Statement of Profit and Loss for the Year Ended March 31, 2016**

(₹ in lacs)

Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>Income:</b>			
Revenue from Operations	19	31,725.84	30,021.10
Other Income	20	206.17	1,210.78
<b>Total Revenue</b>		<b>31,932.01</b>	<b>31,231.88</b>
<b>Expenses:</b>			
Cost of Materials Consumed	21	28,508.05	29,667.27
(Increase)/Decrease in Finished Goods and Work-in-Progress	22	(1,745.55)	(4,680.36)
Employee Benefit Expenses	23	940.47	848.91
Finance Costs	24	1,318.13	1,916.46
Depreciation and Amortization Expense	10	504.94	543.96
Other Expenses	25	2,314.66	2,232.91
<b>Total Expenses</b>		<b>31,840.70</b>	<b>30,529.15</b>
<b>Profit before Tax</b>		<b>91.31</b>	<b>702.73</b>
<b>Tax Expense:</b>			
(1) Current tax		17.40	195.00
(2) Deferred Tax		15.22	28.70
<b>Profit for the Year</b>		<b>58.69</b>	<b>479.03</b>
<b>Earnings Per Equity Share</b>			
Basic and diluted ( in ₹ )		0.03	0.22
Significant Accounting Policies	26		
<b>Notes on Financial Statements</b>	<b>1 to 42</b>		

As per our report of even date

**For V.R.Renuka & Co.**Chartered Accountants  
Firm Registration No. 108826W**V.R. Renuka**Proprietor  
M. No. 032263**Mumbai, May 30, 2016****For and on behalf of the Board of Directors****Navinbhai C. Dave**

Chairman

**Paresh V. Merchant**

Executive Director

**Nikhil V. Merchant**

Managing Director

**Chetan K. Selarka**

Chief Financial Officer

**Arun S. Agarwal**

Company Secretary

**Mumbai, May 30, 2016**

**Cash Flow Statement for the Year Ended March 31, 2016**

(₹ in lacs)

	Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Profit before tax	91.31	702.73
	<b>Adjustments for :</b>		
	Depreciation	504.94	543.96
	(Profit)/Loss on sale of assets	3.52	-
	<b>Considered Separately:</b>		
	Interest Income	(137.44)	(172.85)
	Finance Cost	1,318.13	1,916.46
	<b>Operating Profit before Working Capital Changes</b>	<b>1,780.46</b>	<b>2,990.30</b>
	<b>Adjustments for :</b>		
	Trade & Other Receivables	5,879.88	8,702.02
	Inventories	(2,591.88)	(5,815.88)
	Trade Payables and Other Liabilities	(1,079.29)	(1,317.83)
	<b>Cash generated from operations</b>	<b>3,989.17</b>	<b>4,558.61</b>
	Direct Taxes (Paid)/Received	(89.40)	(156.07)
	<b>Net Cash from Operating Activities ( A )</b>	<b>3,899.77</b>	<b>4,402.54</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of Fixed Assets	(172.42)	(15.90)
	Proceeds from Sale of Fixed Assets	1.01	-
	Sale of Other Investments	5,233.98	11,882.58
	Purchase of Other Investments	(5,348.71)	(11,858.73)
	Interest Income	137.44	172.85
	<b>Net Cash from Investing Activities ( B )</b>	<b>(148.70)</b>	<b>180.80</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Long Term & Short Term Funds Borrowed/(Repaid)	(2,490.21)	(2,061.83)
	Finance Cost	(1,318.13)	(1,916.46)
	Dividend Paid	(110.59)	(331.77)
	Tax on Dividend	(22.52)	(67.55)
	<b>Net Cash from Financing Activities ( C )</b>	<b>(3,941.45)</b>	<b>(4,377.61)</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(190.38)</b>	<b>205.73</b>
	<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>1,643.42</b>	<b>1,437.69</b>
	<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>1,453.04</b>	<b>1,643.42</b>

As per our report of even date

For and on behalf of the Board of Directors

**For V.R.Renuka & Co.**

Chartered Accountants

Firm Registration No. 108826W

**V.R. Renuka**

Proprietor

M. No. 032263

**Mumbai, May 30, 2016****Navinbhai C. Dave**

Chairman

**Paresh V. Merchant**

Executive Director

**Nikhil V. Merchant**

Managing Director

**Chetan K. Selarka**

Chief Financial Officer

**Arun S. Agarwal**

Company Secretary

**Mumbai, May 30, 2016**



## Notes to the Financial Statement for year ended March 31, 2016

### 1 Share Capital

#### (a) Authorised Share Capital:

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
15,000 (2014-2015 : 15,000) 11% Cumulative Redeemable Preference Shares of ₹ 100/- each	15.00	15.00
10,000 (2014-2015 : 10,000) 11% Cumulative Preference Shares of ₹ 100/- each	10.00	10.00
1,00,00,00,000 (2014-2015 : 1,00,00,00,000 of ₹ 1/- each) Equity Shares of ₹ 1/- each	10,000.00	10,000.00
<b>Total</b>	<b>10,025.00</b>	<b>10,025.00</b>

#### (b) Issued, subscribed and paid up:

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
22,11,80,000 (2014-2015 : 22,11,80,000 of ₹ 1/- each) Equity Shares of ₹ 1/- each fully paid up.	2,211.80	2,211.80
<b>Total</b>	<b>2,211.80</b>	<b>2,211.80</b>

#### (c) A reconciliation of the number of shares outstanding is set out below:

Particulars	March 31, 2016		March 31, 2015	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Outstanding At the beginning of the year (Face Value ₹ 1/- per share)	221,180,000	2,211.80	221,180,000	2,211.80
Outstanding At the end of the year (Face Value ₹ 1/- per share)	221,180,000	2,211.80	221,180,000	2,211.80

#### (d) Details of shareholders, holding more than 5% shares in the company:

Name of the Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Dave Impex Private Limited	46,030,400	20.81	46,030,400	20.81
Swan Engitech Works Private Limited	38,402,858	17.36	38,402,858	17.36
Swan Realtors Private Limited	41,589,000	18.80	41,589,000	18.80



## Notes to the Financial Statement for year ended March 31, 2016

### 2 Reserves and Surplus

Particulars	March 31, 2016		March 31, 2015	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
<b>Capital Reserve</b>				
At the beginning of the year	5,811.32		5,811.32	
Add: Transferred from Securities Premium A/c	-		-	
Add: Transferred from Workmen's Welfare Reserve	-		-	
At the end of the year		5,811.32		5,811.32
<b>Capital Redemption Reserve</b>		14.25		14.25
<b>Securities Premium Reserve</b>				
At the beginning of the year	23,073.20		23,073.20	
Add: On shares issued during the year	-		-	
Less:- Transferred to Capital Reserve	-		-	
At the end of the year		23,073.20		23,073.20
<b>General Reserve</b>				
At the beginning of the year	372.00		372.00	
Add: Transferred from Profit & Loss Appropriation Account	-		-	
At the end of the year		372.00		372.00
<b>Other Reserves</b>				
<b>Surplus i.e. balance in Statement of Profit &amp; Loss</b>				
At the beginning of the year	12,547.55		12,467.85	
Add: Profit during the year	58.69		479.03	
<b>Less: Appropriation</b>				
Proposed dividend on equity shares	(110.59)		(331.77)	
Tax on proposed equity dividend	(22.52)		(67.55)	
At the end of the year		12,473.13		12,547.55
<b>Total</b>		<b>41,743.90</b>		<b>41,818.32</b>

### 3 Long Term Borrowings

Particulars		March 31, 2016	March 31, 2015
		₹ in Lacs	₹ in Lacs
<b>(a)</b>	<b>Term loans</b>		
	From Banks / FI / NBFC (Secured)	6,500.00	4,000.00
	Vehicle Loan	35.15	3.50
	<b>Total</b>	<b>6,535.15</b>	<b>4,003.50</b>



## Notes to the Financial Statement for year ended March 31, 2016

### Term loan from banks include:

- i) JM Financial Products Ltd. : ₹ 6500 Lacs (2014-2015: ₹ 4000). Secured by mortgage of flat at Ashok Garden located at Parel, Mumbai
- ii) Vehicle loan: Secured by hypothecation of Vehicles.

### 4 Deferred Tax Liabilities (Net)

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	687.75	672.53
<b>Total</b>	<b>687.75</b>	<b>672.53</b>

### 5 Other Long Term Liabilities

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
(a) Trade payables	-	-
(b) Others		
Project Advances	42,148.06	42,148.06
Rental Deposits	46.59	42.69
<b>Total</b>	<b>42,194.65</b>	<b>42,190.75</b>

### 6 Short-term borrowings

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>Working Capital and Other Short Term Loans</b>		
From Banks/FI/NBFC (Secured)	5,868.67	5,787.19
From other parties (Unsecured)	683.85	4,508.58
<b>Total</b>	<b>6,552.52</b>	<b>10,295.77</b>

### Working Capital and Other Short Term Loans Loan from banks/Financial Institutes and Others include:

- i) Union Bank of India and Oriental Bank of Commerce ₹ 4861.10 lacs (2014-2015: ₹ 4896.31 lacs), which is secured against 1st pari passu charge on hypothecation of Inventories and Book debts of the textiles division.
- ii) Dena Bank ₹ 604.70 Lacs (2014-2015: ₹ 525.20 lacs ), which is secured against 1st pari passu charge on hypothecation of Inventories and Book debts of the textile division.
- iii) The Mehsana urban Co-op Ltd ₹ 402.87 Lacs (2014-2015: ₹ 365.68 Lacs ), which is secured against 1st pari passu charge on hypothecation of Inventories and Book debts of the textile division

**Notes to the Financial Statement for year ended March 31, 2016****7 Trade Payables**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Micro, Small & Medium Enterprises	-	-
Others	4,881.45	4,673.93
<b>Total</b>	<b>4,881.45</b>	<b>4,673.93</b>

**8 Other current liabilities**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>(a) Current maturities of long-term debt</b>		
From Banks/FI/NBFC (Secured)	-	1,278.60
Vehicle loan	11.92	-
<b>(b) Other payables</b>		
Advance received from Customer	19.57	607.69
Outstanding Expenses	32.05	74.85
Salary Payable	33.28	29.37
Bonus Payable	31.34	13.19
Duties & Taxes	38.60	78.80
Retention Money	532.80	826.38
Unpaid Dividend	8.87	6.00
Creditors for Capital Expenditure	36.39	74.94
Creditors for Revenue Expenditure	133.01	191.11
<b>Total</b>	<b>877.83</b>	<b>3,180.93</b>

**Current maturities of long-term debt includes:**

- i) Union Bank of India and Oriental Bank of Commerce : ₹ NIL (2014-2015: ₹ 278.60 lacs) Secured by mortgage of property at Ahmedabad for Textile project.
- ii) Sicom loan: ₹ NIL (2014-2015: ₹ 1,000 lacs). Secured by pledge of Equity Shares of Swan Energy Limited held by the promoters/group company(s).
- iii) Vehicle loan: Secured by hypothecation of Vehicles.



## Notes to the Financial Statement for year ended March 31, 2016

### 9 Short-term provisions

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Proposed Dividend on Equity Shares	110.59	331.77
Tax Payable on Proposed Dividend	22.52	67.55
Provision for taxation	2,889.95	2,872.55
<b>Total</b>	<b>3,023.06</b>	<b>3,271.87</b>

### 10 Fixed Assets - Tangible

(₹ in Lacs)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2015	Additions for the Year	Deductions for the Year	As at 31/03/2016	As at 01/04/2015	For the Period	Adjustments for the Period	As at 31/03/2016	As at 31/03/2016	As at 31/03/2015
Land	3,202.19	-	-	3,202.19	-	-	-	-	3,202.19	3,202.19
Buildings	1,233.18	-	-	1,233.18	166.45	36.52	-	202.97	1,030.21	1,066.73
Plant & Machinery	5,605.01	62.22	-	5,667.23	1,384.07	344.28	-	1,728.35	3,938.88	4,220.94
Computers	66.58	1.91	0.60	67.89	59.21	1.40	0.61	60.00	7.89	7.37
Furniture, fixtures & Equipments	492.54	6.07	-	498.61	182.12	64.00	-	246.12	252.49	310.42
Motor Vehicles	619.66	102.22	9.98	711.90	330.24	58.74	5.57	383.41	328.49	289.42
<b>Total</b>	<b>11,219.16</b>	<b>172.42</b>	<b>10.58</b>	<b>11,381.00</b>	<b>2,122.09</b>	<b>504.94</b>	<b>6.18</b>	<b>2,620.85</b>	<b>8,760.15</b>	<b>9,097.07</b>
Previous year	11,203.26	15.90	-	11,219.16	1,578.13	543.96	-	2,122.09	9,097.07	9,625.13

### 11 Non-current Investments

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>Investment in Equity Instruments</b>		
<b>Subsidiary Company - Unquoted</b>		
1,50,10,000 (2014-2015: 1,50,10,000) Equity Shares of ₹ 10/- each in Cardinal Energy And Infrastructure Pvt. Ltd. - 100% holding (2014-2015: 100% holding)	1,501.00	1,501.00
1,00,10,000 (2014-2015: 1,00,10,000) Equity Shares of ₹ 10/- each in Pegasus Ventures Pvt. Ltd. - 100% holding (2014-2015: 100% holding)	1,001.00	1,001.00
50,000 (2014-2015: 50,000) Equity Shares of ₹ 10/- each in Swan LNG Pvt. Ltd. - 100% holding (2014-2015: 100% holding)	5.00	5.00
<b>Other Company - Unquoted</b>	81.00	1.00
<b>Total</b>	<b>2,588.00</b>	<b>2,508.00</b>

**Notes to the Financial Statement for year ended March 31, 2016****12 Long-term Loans and Advances**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
(a) Capital Advances	2,212.17	2,350.06
(b) Security Deposits	162.73	155.25
(c) Loans and advances to related parties		
Cardinal Energy & Infrastructure Pvt. Ltd - Subsidiary	5,486.32	9,752.46
Pegasus Ventures Private Limited - Subsidiary	12,840.82	13,907.41
Swan LNG Private Limited - Subsidiary	0.20	0.10
(d) Other loans and advances (Unsecured, considered good)	1,984.91	2,442.32
<b>Total</b>	<b>22,687.15</b>	<b>28,607.60</b>

**13 Current Investments**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>(a) Investments in Mutual Funds</b>		
ICICI Pru Money Mkt Fund Cash Optio-Growth- 1571	135.34	100.73
<b>(b) Fixed Deposit with bank</b>	8.00	8.00
<b>Total</b>	<b>143.34</b>	<b>108.73</b>

**14 Inventories**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Work-in-progress and Advances	46,374.04	44,084.49
Construction Finished Goods	2,365.12	2,365.12
<b>Textiles</b>		
(a) Raw materials	2,354.34	2,963.20
(b) Work-in-process	3,183.46	2,962.79
(c) Finished goods	3,737.60	3,079.60
(d) Stores and spares	136.27	103.75
<b>Total</b>	<b>58,150.83</b>	<b>55,558.95</b>

**Notes to the Financial Statement for year ended March 31, 2016****15 Trade Receivables**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>Unsecured, Considered good</b>		
Debts due for more than 6 months	696.63	669.78
Less: Provision for Doubtful Debts	-	-
Other Debts	5,149.82	5,059.96
<b>Total</b>	<b>5,846.45</b>	<b>5,729.74</b>

**16 Cash and Cash equivalents**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>(a) Balances with banks</b>		
In Current Accounts	207.12	492.83
In Deposit Accounts	1,218.95	1,122.30
<b>(b) Cash on hand</b>	<b>18.10</b>	<b>22.29</b>
<b>(c) Others</b>		
Earmarked balance for Unpaid dividend	8.87	6.00
<b>Total</b>	<b>1,453.04</b>	<b>1,643.42</b>

**17 Short-term Loans and Advances**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>Other Loans &amp; Advances</b>		
Advance paid to suppliers	42.81	163.87
Advance Income Tax	7,310.40	7,221.00
Loans & Advances to staff	32.73	26.06
Prepaid Expenses	7.97	6.72
Cenvat Credit	61.72	64.40
Other Advances	613.31	615.44
<b>Total</b>	<b>8,068.94</b>	<b>8,097.49</b>

**18 Other Current Assets**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Interest accrued on Fixed Deposits	107.95	67.59
TUF Subsidy Receivable	888.53	888.53
Security Deposit	13.73	12.28
<b>Total</b>	<b>1,010.21</b>	<b>968.40</b>

**Notes to the Financial Statement for year ended March 31, 2016****19 Revenue from Operations**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
<b>Sale of products;</b>		
- Textile Goods	31,603.15	30,021.10
- Construction and Other Activities	122.69	-
<b>Total</b>	<b>31,725.84</b>	<b>30,021.10</b>

**20 Other Income**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
Interest Income	137.44	172.85
Net gain on sale of Shares and Mutual funds	68.58	67.54
Net gain on foreign exchange transaction/translation	-	16.61
Net gain/(loss) on sale of Fixed Assets	(3.52)	-
Other Income	3.67	953.78
<b>Total</b>	<b>206.17</b>	<b>1,210.78</b>

**21 Cost of Materials Consumed**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
<b>Material used in Construction Activities</b>	<b>592.49</b>	<b>1,491.58</b>
<b>Textile</b>		
Greige	24,720.19	24,772.35
Stores & Spares	1,179.44	1,041.71
Dyes, Chemicals and others	2,015.93	2,361.63
<b>Total for Textiles</b>	<b>27,915.56</b>	<b>28,175.69</b>
<b>Total</b>	<b>28,508.05</b>	<b>29,667.27</b>

**22 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
<b>Finished Goods</b>		
Opening Stock	5,444.72	3,729.57
Closing Stock	6,102.72	5,444.72
<b>Changes in Inventory of Finished Goods</b>	<b>(658.00)</b>	<b>(1,715.15)</b>
<b>Work in Progress</b>		
Opening Stock	39,823.04	36,857.83
Closing Stock	40,910.59	39,823.04
<b>Changes in Inventory Work in Progress</b>	<b>(1,087.55)</b>	<b>(2,965.21)</b>
<b>Total</b>	<b>(1,745.55)</b>	<b>(4,680.36)</b>

**Notes to the Financial Statement for year ended March 31, 2016****23 Employee Benefit Expenses**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
Salaries Wages and bonus	893.09	817.39
Company's Contribution to Provident fund	11.53	0.52
Company's Contribution to ESIC	3.17	3.10
Leave Travel Allowance	22.70	20.07
Staff Welfare Expenses	9.98	7.83
<b>Total</b>	<b>940.47</b>	<b>848.91</b>

**24 Finance Costs**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
Interest expense	980.69	1,650.10
Other Borrowing cost	337.44	266.36
<b>Total</b>	<b>1,318.13</b>	<b>1,916.46</b>

**25 Other Expenses**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
<b>Towards Construction Activities</b>		
Architect fees	-	4.49
Rates & Taxes	99.72	51.40
Security Charges	51.53	62.20
Power & Fuel	31.60	36.01
Other Development Expenses	91.54	233.09
	<b>274.39</b>	<b>387.19</b>
Advertisement Expenses	4.62	4.06
Audit Fees	3.25	3.25
Brokerage & Commission	7.80	2.03
Business Development Expenses	110.39	94.31
Communication cost	17.95	15.64
Donation	13.50	0.11
Freight Charges	245.56	217.54
Insurance	13.89	18.32
Labour Charges	464.01	424.00
Legal & Professional fees	122.22	184.98
Listing and related expenses	4.79	3.28
Membership & Subscription	5.16	25.29
Power & Fuel	446.42	381.05
Printing & Stationery	5.70	10.23
Rates & Taxes	15.48	10.73
Rent	7.40	9.40
Repair & Maintenance - Building	11.95	6.40
Repair & Maintenance - Machinery	104.14	70.64
Repair & Maintenance - Others	40.82	49.07
Security Charges	15.90	15.38
Vehicle Expenses	38.30	36.60
Miscellaneous Expenses	341.02	263.41
<b>Total</b>	<b>2,314.66</b>	<b>2,232.91</b>



## Notes to the Financial Statement for year ended March 31, 2016

### 26 SIGNIFICANT ACCOUNTING POLICIES

#### A Basis of Preparation of Financial Statements

The financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provision of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company. The financial Statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

#### B Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

#### C Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and all attributable cost of bringing the asset to its working condition for its intended use. Financing and other cost relating to acquisition of fixed assets are also included to the extent they relate to the period till such time as the assets are ready for commercial operation.

#### D Depreciation and Amortisation

Effective 1st April, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Companies Act 2013, as against the earlier practice of depreciating at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

#### E Investments

Investments are classified into Non-Current and Current Investments.

- a) Non-Current Investments are carried at cost. Provision for diminution, if any, in the value of each Non-Current Investments is made to recognise a decline, other than of a temporary nature.
- b) Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

#### F Inventories

Inventory representing project work-in-progress is valued at cost, which includes expenditure incurred for development, other related cost and cost of land. Other inventories in the nature of unsold flats and textile goods are valued at Cost.

#### G Revenue Recognition

- a) Sales are net of cancellation of sale and amount payable to the developer and taxes, if any.
- b) The Company is engaged in the Business of textiles and development of property. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies). Revenue from textiles is recognised when it is earned and no significant uncertainty exists as to its realization or collection.



## Notes to the Financial Statement for year ended March 31, 2016

- c) All expenses incurred, including interest and selling & distribution expenses, on project is shown under Work-in-progress and amount received from Customer towards booking of the area is shown in Project Advances in respect of properties under construction.
- d) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.

### H Foreign Currency Transactions

Transactions in Foreign Exchange are accounted at the exchange rate prevailing on the date the transaction has taken place.

### I Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

#### a) Current Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

#### b) Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that the assets can be realised in future.

### J Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

### K Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### L Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

### M Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of depreciable assets by way of a reduced depreciation charge while grants related to expenses are treated as other income in the income statement.



## Notes to the Financial Statement for year ended March 31, 2016

### N Segment Reporting

The company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

### O Construction Activities

- Construction cost incurred in respect of Project under construction at Kurla is considered as W.I.P and shown as Current Assets under Inventories.
- Unsold flats at Sewri is considered as Construction Finished Goods and is shown as Current Assets under Inventories.
- The amount received (net) towards sale of Kurla is considered as Project Advances and shown under Other Long term Liabilities.

### P Cash & Cash Equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

## 27 Earning Per Share

Particulars		Apr'15-Mar'16	Apr'14-Mar'15
i)	Net profit after tax as per Statements of Profit & Loss attributable to Equity Shareholders ( ₹ In Lacs)	58.69	479.03
ii)	Weighted average number of shares used as denomination for calculating Basic and Diluted earning per share	221,180,000	221,180,000
iii)	Face value of shares ( ₹ Per Share)	1.00	1.00
iv)	Basic/Diluted earning per share ( in ₹)	0.03	0.22

## 28 Contingent Liabilities

i)	Income Tax ( ₹ In Lacs )	3,230.87	3,230.87
ii)	Corporate guarantee ( ₹ In Lacs )	39,500.00	33,910.00

## 29 Payment to Auditors (Excluding Service Tax)

i)	Statutory Audit Fees ( ₹ In Lacs)	2.50	2.50
ii)	Tax Audit Fees ( ₹ In Lacs)	0.50	0.50
iii)	Other Capacity	0.43	0.25

## 30 Raw Material Consumed

i)	<b>Greige Material</b>		
	Quantity (Meter in Lacs)	233.11	236.91
	Value ( ₹ In Lacs)	24,720.19	24,772.35
ii)	Stores & Consumables - Value ( ₹ In Lacs )	1,179.44	1,041.71
iii)	Dyes, Chemicals and others - Value ( ₹ In Lacs )	2,015.94	2,361.63

**Notes to the Financial Statement for year ended March 31, 2016****31 Sales of Products**

	Particulars	Apr'15-Mar'16	Apr'14-Mar'15
i)	<b>Sales - Own</b>		
	Quantity (Meter in Lacs)	229.74	229.79
	Value ( ₹ In Lacs)	31,446.71	29,949.62
ii)	<b>Job Work</b>		
	Quantity (Meter in Lacs)	7.88	2.44
	Value ( ₹ In Lacs)	156.44	70.16

**32 Purchase/Manufacture of Products**

i)	<b>Greige Material</b>		
	Quantity (Meter in Lacs)	232.09	242.15
	Value ( ₹ In Lacs)	24,111.33	25,507.05
ii)	Stores & Consumables - Value ( ₹ In Lacs )	491.70	313.71
iii)	Dyes, Chemicals and others - Value ( ₹ In Lacs ) - Indigeneous	2,736.22	2,872.63

**33 Stock in Trade and Construction WIP****A Textiles:**

	Particulars	Apr'15-Mar'16	Apr'14-Mar'15
i)	<b>Greige Material</b>		
	Quantity (Meter in Lacs)	22.95	23.97
	Value ( ₹ In Lacs)	2,354.34	2,963.20
ii)	<b>Work In Progress</b>		
	Quantity (Meter in Lacs)	25.67	21.91
	Value ( ₹ In Lacs)	3,183.46	2,962.79
iii)	<b>Finished Goods</b>		
	Quantity (Meter in Lacs)	27.57	20.63
	Value ( ₹ In Lacs)	3,737.60	3,079.60
iv)	Stores & Consumables - Value ( ₹ In Lacs )	3.41	2.59
v)	Dyes, Chemicals and others - Value ( ₹ In Lacs )	132.86	101.15

**B Real Estate and Others**

i)	<b>Work-in-progress and Advances</b>		
	Value ( ₹ In Lacs)	46,374.04	44,084.49
ii)	<b>Construction Finished Goods</b>		
	Value ( ₹ In Lacs)	2,365.12	2,365.12

**Notes to the Financial Statement for year ended March 31, 2016****34 Value of Imports on CIF Basis**

	Particulars	Apr'15-Mar'16	Apr'14-Mar'15
i)	Stores & Spares ( ₹ In Lacs )	64.65	25.65

**35 Expenditure in Foreign currency**

i)	Travelling Expenses	9.59	-
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**36 Earning in Foreign Currency**

FOB value of exports			
	Quantity (Meter in Lacs)	13.32	5.32
	Value (₹ In Lacs)	1,722.12	699.71

**37 Related Party Disclosures, as required by AS-18 are given below:****A List of Related Parties**

Sr No.	Name of the Parties	Relationship
i)	Cardinal Energy And Infrastructure Private Limited	Subsidiary
ii)	Pegasus Venture Private Limited	
iii)	Swan LNG Private Limited	
iv)	Mr. Nikhil V. Merchant	Key Management Personnel
v)	Mr. Paresh V. Merchant	
vi)	Mr. Padmanabhan Sugavanam	
vii)	Mr. Vilas A. Gangan	
viii)	Ms. Vinita N. Merchant	Relative of Key Management Personnel
ix)	Mr. Bhavik N. Merchant	
x)	Mr. Vivek P. Merchant	
xi)	Good Earth Commodities (India) Private Limited	Enterprise over which Key Management Personnel is able to exercise significant influence
xii)	Feltham Trading Pvt Ltd	
xiii)	Ami Tech (india) Private Limited	
xiv)	Dave Impex India Pvt. Ltd	
xv)	Dave Leasing & Holdings Private Limited	
xvi)	Sahajanand Soaps and Chemicals Pvt Ltd.	
xvii)	Swan International Limited	

**Notes to the Financial Statement for year ended March 31, 2016****B Transaction during the year with related parties**

(₹ In Lacs)

Sr No.	Name of the Company	Opening Balance Dr	Opening Balance Cr	Remuneration Paid	Sales	Purchase	Rent Paid	Advance Given	Advance received back	Advance taken	Advance paid back	Closing Balance Dr	Closing Balance Cr
i)	Cardinal Energy & Infrastructure Private Limited	9,752.46	-	-	-	-	-	3,359.50	7,625.64	-	-	5,486.32	-
ii)	Pegasus Venture Private Limited	13,907.41	-	-	-	-	-	1,093.41	2,160.00	-	-	12,840.82	-
iii)	Swan LNG Private Limited	0.10	-	-	-	-	-	0.10	-	-	-	0.20	-
iv)	Mr. Nikhil Merchant	-	368.00	114.40	-	-	-	-	-	31.72	399.72	-	-
v)	Mr. Paresh Merchant	-	826.50	114.40	-	-	3.00	-	-	73.96	900.46	-	-
vi)	Mr. Padmanabhan Sugavanam	-	-	28.50	-	-	-	-	-	-	-	-	-
vii)	Mr. Vilas A. Gangan	-	-	45.32	-	-	-	-	-	-	-	-	-
viii)	Ms. Vinita N. Merchant	-	-	9.04	-	-	-	-	-	-	-	-	-
ix)	Mr. Bhavik Merchant	-	-	6.44	-	-	-	-	-	-	-	-	-
x)	Mr. Vivek Merchant	-	-	7.36	-	-	-	-	-	-	-	-	-
xi)	Good Earth Commodities (India) Private Limited	-	442.48	-	5,033.51	706.47	-	75.35	213.95	-	-	1,219.49	-
xii)	Feltham Trading Private Limited	0.64	-	-	-	-	1.80	0.71	1.35	-	-	-	-
xiii)	Ami Tech (India) Private Limited	454.16	-	-	-	-	-	768.96	1,223.12	-	-	-	-
xiv)	Dave Impex India Pvt. Ltd	-	330.00	-	-	-	-	-	-	69.05	399.05	-	-
xv)	Dave Leasing & Holdings Private Limited	-	43.00	-	-	-	-	-	-	11.16	54.16	-	-
xvi)	Sahajanand Soaps and Chemicals Pvt Ltd.	-	49.91	-	-	-	-	-	-	9.91	59.82	-	-
xvii)	Swan International Limited	-	20.50	-	-	-	-	-	-	3.51	24.01	-	-
	<b>Total</b>	<b>24,114.77</b>	<b>2,080.39</b>	<b>325.46</b>	<b>5,033.51</b>	<b>706.47</b>	<b>4.80</b>	<b>5,298.03</b>	<b>11,224.06</b>	<b>199.31</b>	<b>1,837.22</b>	<b>19,546.83</b>	<b>-</b>

**38 Segment Reporting**

The company has identified business segment as primary segments. The reportable business segments are textile and Property development/others

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
<b>Segment Revenue</b>		
Textiles	31,645.08	30,094.28
Property development/Others	286.93	1,137.60
<b>Total</b>	<b>31,932.01</b>	<b>31,231.88</b>

**Notes to the Financial Statement for year ended March 31, 2016**

Particulars	Apr'15-Mar'16 ₹ in Lacs	Apr'14-Mar'15 ₹ in Lacs
<b>Segment Results (Before Interest &amp; Tax)</b>		
Textiles	2,159.93	2,219.45
Property development/Others	(750.49)	399.72
<b>Total</b>	<b>1,409.44</b>	<b>2,619.17</b>

Particulars	Year Ended March 31, 2016 ₹ in Lacs	Year Ended March 31, 2015 ₹ in Lacs
<b>Segment Assets</b>		
Textiles	21,542.88	20,606.88
Property development/*Others	79,854.82	84,491.52
<b>Total</b>	<b>101,397.70</b>	<b>105,098.40</b>
<b>Segment Liabilities</b>		
Textiles	10,902.27	11,309.28
Property development/*Others	50,139.33	53,035.60
<b>Total</b>	<b>61,041.60</b>	<b>64,344.88</b>

**Note:**

- i) \* Others include expenses/ investments made on the projects related to Energy/FSRU.
- ii) All development and Trading activity have been undertaken in India only, hence Geographical segment reporting is not required.

- 39** Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the standards are followed with respect to such results.
- 40** At the Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the fixed assets. No impairment loss is determined.
- 41** The Company had entered into Development Agreement with Peninsula Land Limited (Formerly Piramal Holdings Ltd) to develop and sale properties at Mumbai and as per the said agreement, they are entitled to 22% of the gross receipt. The transactions and effect thereof are already given in these accounts.
- 42** Previous Year's figures are regrouped/rearranged wherever necessary.

As per our report of even date

**For V.R.Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V.R. Renuka**  
Proprietor  
M. No. 032263

Mumbai, May 30, 2016

**For and on behalf of the Board of Directors**

**Navinbhai C. Dave**  
Chairman

**Paresh V. Merchant**  
Executive Director

**Nikhil V. Merchant**  
Managing Director

**Chetan K. Selarka**  
Chief Financial Officer

**Arun S. Agarwal**  
Company Secretary  
Mumbai, May 30, 2016

**FORM AOC - 1**

(Pursuant to first proviso to sub section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries

(₹ In lacs)

Sr. No.	Name of the Subsidiary	Cardinal Energy and Infrastructure Private Limited	Pegasus Ventures Private Limited	Swan LNG Private Limited	Ceau Limited *
1	Reporting Period	31/03/2016	31/03/2016	31/03/2016	31/03/2016
2	Share Capital	1,501.00	1,001.00	5.00	1,461.68
3	Reserves and Surplus	(1,469.62)	(18.83)	(1.07)	435.28
4	Total Assets	60,266.25	31,283.31	4.24	1,947.41
5	Total Liabilities	60,266.25	31,283.31	4.24	1,947.41
6	Investments	-	-	-	-
7	Turnover and Total Income	1,501.52	-	-	469.16
8	Profit/(Loss) before tax	(363.82)	(7.04)	(0.47)	294.14
9	Provision for Taxation	-	-	-	-
10	Profit/(Loss) after Taxation	(363.82)	(7.04)	(0.47)	294.14
11	Proposed Dividend	-	-	-	-
12	% of Shareholding	100%	100%	100%	100%

**Note:**

\* Converted into Indian Rupees as at Exchange rate \$1 = ₹ 66.18. Financial Information is based on Unaudited Results.

**For and on behalf of the Board of Directors**

**Navinbhai C. Dave**  
Chairman

**Nikhil V. Merchant**  
Managing Director

**Paresh V. Merchant**  
Executive Director

**Chetan K. Selarka**  
Chief Financial Officer

**Arun S. Agarwal**  
Company Secretary

**Mumbai, May 30, 2016**



## Independent Auditor's Report on Consolidated Financial Statements

To The Members of  
**Swan Energy Limited**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Swan Energy Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

### Managements Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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 and particularly Accounting Standard 21 Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 consolidated state of affairs of the Group, as at March 31, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

### Auditors' responsibility

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of therefore said consolidation of the financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) 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. The impact of the pending litigations as on March 31, 2016 is not expected to be material on the consolidated financial position of the Company;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.
  - iii. There has been no amount due as at March 31, 2016 which was required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary.

### Other Matter

- (a) The accompanying consolidated financial statements include total assets of ₹ 1901.64 lakhs as at March 31, 2016, and total revenues ₹ 469.16 lakhs and net profit of ₹ 294.14 lakhs for the year ended on that date, in respect of a one foreign subsidiary, of which unaudited financial statements and other unaudited financial information have been certified and furnished to us by the management of Swan Energy Limited. Our opinion,



in so far as it relates amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the financial statements and other financial information certified by the Management.

**For V. R. Renuka & Co.**

Chartered Accountants

Firm Registration No. 108826W

**V. R. Renuka**

Proprietor

M. No. 032263

**Mumbai, May 30, 2016**

**Annexure 1 to the Independent Auditor's Report  
of even date on the consolidated financial statements of**

Swan Energy Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

**To the Members of Swan Energy Limited**

In conjunction with our audit of the consolidated financial statements of Swan Energy Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Swan Energy Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit



to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V. R. Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V. R. Renuka**  
Proprietor  
M. No. 032263

**Mumbai, May 30, 2016**

**Consolidated Balance Sheet as at March 31, 2016**

(₹ in lacs)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	2,211.80	2,211.80
Reserves and Surplus	2	40,777.26	40,825.36
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	32,205.87	35,984.38
Deferred Tax Liabilities (Net)	4	687.75	672.53
Other Long Term Liabilities	5	43,669.80	43,665.91
<b>Current Liabilities</b>			
Short-Term Borrowings	6	37,336.21	32,268.70
Trade Payables	7	5,082.00	5,820.54
Other Current Liabilities	8	13,474.04	4,282.99
Short-Term Provisions	9	3,023.06	3,271.87
<b>TOTAL</b>		<b>178,467.79</b>	<b>169,004.08</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets -	10		
- Tangible		38,357.08	37,284.24
- Capital work in progress		55,113.20	50,923.81
Non-Current Investments	11	81.00	1.00
Long-Term Loans and Advances	12	5,450.38	6,038.20
Other Non-Current Assets	13	1.87	10.80
<b>Current Assets</b>			
Current Investments	14	143.34	108.73
Inventories	15	58,150.83	55,558.95
Trade Receivables	16	5,856.52	5,739.27
Cash and Cash Equivalents	17	3,284.60	1,814.79
Short-Term Loans and Advances	18	11,011.61	10,548.56
Other Current Assets	19	1,017.36	975.73
<b>TOTAL</b>		<b>178,467.79</b>	<b>169,004.08</b>
Significant Accounting Policies	27		
<b>Notes on Financial Statements</b>	1 to 43		

As per our report of even date

**For V.R.Renuka & Co.**

Chartered Accountants

Firm Registration No. 108826W

**V.R. Renuka**

Proprietor

M. No. 032263

**Mumbai, May 30, 2016****For and on behalf of the Board of Directors****Navinbhai C. Dave**

Chairman

**Paresh V. Merchant**

Executive Director

**Nikhil V. Merchant**

Managing Director

**Chetan K. Selarka**

Chief Financial Officer

**Arun S. Agarwal**

Company Secretary

**Mumbai, May 30, 2016**



## Consolidated Statement of Profit and Loss for the Year Ended March 31, 2016

(₹ in lacs)

Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>Income:</b>			
Revenue from Operations	20	33,174.41	31,440.46
Other Income	21	728.28	1,440.67
<b>Total Revenue</b>		<b>33,902.69</b>	<b>32,881.13</b>
<b>Expenses:</b>			
Cost of Materials Consumed	22	28,508.05	29,667.27
(Increase)/Decrease in Finished Goods and Work-in-Progress	23	(1,745.55)	(4,680.36)
Employee Benefit Expenses	24	1,001.72	894.44
Finance Costs	25	2,435.28	2,956.22
Depreciation and Amortization Expense	10	1,076.75	1,027.76
<b>Other Expenses</b>	26	2,612.34	2,490.46
<b>Total Expenses</b>		<b>33,888.59</b>	<b>32,355.79</b>
<b>Profit before Tax</b>		<b>14.10</b>	<b>525.34</b>
<b>Tax Expense:</b>			
(1) Current tax		17.40	195.00
(2) Deferred Tax		15.22	28.70
<b>Profit for the Year</b>		<b>(18.52)</b>	<b>301.64</b>
<b>Earnings Per Equity Share</b>			
Basic and diluted ( in ₹)		<b>(0.01)</b>	0.22
Significant Accounting Policies	27		
<b>Notes on Financial Statements</b>	1 to 43		

As per our report of even date

**For V.R.Renuka & Co.**  
Chartered Accountants  
Firm Registration No. 108826W

**V.R. Renuka**  
Proprietor  
M. No. 032263

Mumbai, May 30, 2016

For and on behalf of the Board of Directors

**Navinbhai C. Dave**  
Chairman

**Paresh V. Merchant**  
Executive Director

**Nikhil V. Merchant**  
Managing Director

**Chetan K. Selarka**  
Chief Financial Officer

**Arun S. Agarwal**  
Company Secretary

Mumbai, May 30, 2016

**Consolidated Cash Flow Statement for the Year Ended March 31, 2016**

(₹ in lacs)

	Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Profit before tax</b>	<b>14.10</b>	<b>525.34</b>
	<b>Adjustments for :</b>		
	Depreciation	1,076.75	1,027.76
	(Profit)/Loss on sale of assets	3.52	-
	<b>Considered Separately:</b>		
	Preliminary Expenses	8.93	9.03
	Interest Income	(154.59)	(183.44)
	Effect of Exchange Rate Difference	103.53	54.04
	Finance Cost	2,435.27	2,956.22
	<b>Operating Profit before Working Capital Changes</b>	<b>3,487.51</b>	<b>4,388.95</b>
	<b>Adjustments for :</b>		
	Trade & Other Receivables	1,767.44	(1,728.33)
	Inventories	(2,591.88)	(5,815.88)
	Trade Payables and Other Liabilities	9,468.80	(7,600.73)
	<b>Cash generated from operations</b>	<b>12,131.87</b>	<b>(10,755.99)</b>
	Direct Taxes (Paid)/Received	(88.65)	(255.13)
	<b>Net Cash from Operating Activities ( A )</b>	<b>12,043.22</b>	<b>(11,011.12)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of Fixed Assets	(6,343.37)	(6,336.55)
	Proceeds from Sale of Fixed Assets	1.01	-
	Sale of Investments	5,233.98	11,882.59
	Purchase of Investments	(5,348.71)	(11,858.73)
	Interest Income	154.59	183.44
	<b>Net Cash from Investing Activities ( B )</b>	<b>(6,302.50)</b>	<b>(6,129.25)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Long Term & Short Term Funds Borrowed/(Repaid)	(1,702.52)	20,673.56
	Finance Cost	(2,435.28)	(2,956.22)
	Dividend Paid	(110.59)	(331.77)
	Tax on Dividend	(22.52)	(67.55)
	<b>Net Cash from Financing Activities ( C )</b>	<b>(4,270.91)</b>	<b>17,318.02</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1,469.81</b>	<b>177.65</b>
	<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>1,814.79</b>	<b>1,637.14</b>
	<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>3,284.60</b>	<b>1,814.79</b>

As per our report of even date

For and on behalf of the Board of Directors

**For V.R.Renuka & Co.**

Chartered Accountants

Firm Registration No. 108826W

**V.R. Renuka**

Proprietor

M. No. 032263

**Navinbhai C. Dave**

Chairman

**Paresh V. Merchant**

Executive Director

**Nikhil V. Merchant**

Managing Director

**Chetan K. Selarka**

Chief Financial Officer

**Arun S. Agarwal**

Company Secretary

Mumbai, May 30, 2016

Mumbai, May 30, 2016

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****1 Share Capital****(a) Authorised Share Capital:**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
15,000 (2014-2015 : 15,000) 11% Cumulative Redeemable Preference Shares of ₹ 100/- each	15.00	15.00
10,000 (2014-2015 : 10,000) 11% Cumulative Preference Shares of ₹ 100/- each	10.00	10.00
1,00,00,00,000 (2014-2015 : 1,00,00,00,000 of ₹ 1/- each) Equity Shares of ₹ 1/- each	10,000.00	10,000.00
<b>Total</b>	<b>10,025.00</b>	<b>10,025.00</b>

**(b) Issued, subscribed and paid up:**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
22,11,80,000 (2014-2015 : 22,11,80,000 of ₹ 1/- each) Equity Shares of ₹ 1/- each fully paid up.	2,211.80	2,211.80
<b>Total</b>	<b>2,211.80</b>	<b>2,211.80</b>

**(c) A reconciliation of the number of shares outstanding is set out below:**

Particulars	March 31, 2016		March 31, 2015	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Outstanding At the beginning of the year (Face Value ₹ 1/- per share)	221,180,000	2,211.80	221,180,000	2,211.80
Outstanding At the end of the year (Face Value ₹ 1/- per share)	221,180,000	2,211.80	221,180,000	2,211.80

**(d) Details of shareholders, holding more than 5% shares in the company:**

Name of the Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Dave Impex Private Limited	46,030,400	20.81	46,030,400	20.81
Swan Engitech Works Private Limited	38,402,858	17.36	38,402,858	17.36
Swan Realtors Private Limited	41,589,000	18.80	41,589,000	18.80

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****2 Reserves and Surplus**

<b>Particulars</b>	<b>March 31, 2016</b>		<b>March 31, 2015</b>	
	<b>₹ in Lacs</b>		<b>₹ in Lacs</b>	
<b>Capital Reserve</b>				
At the beginning of the year	5,811.32		5,811.32	
Add: Transferred from Securities Premium A/c	-		-	
Add: Transferred from Workmen's Welfare Reserve	-		-	
At the end of the year		5,811.32		5,811.32
<b>Capital Redemption Reserve</b>		14.25		14.25
<b>Securities Premium Reserve</b>				
At the beginning of the year	23,073.20		23,073.20	
Add: On shares issued during the year	-		-	
Less:- Transferred to Capital Reserve	-		-	
At the end of the year		23,073.20		23,073.20
<b>General Reserve</b>				
At the beginning of the year	372.00		372.00	
Add: Transferred from Profit & Loss Appropriation Account	-		-	
At the end of the year		372.00		372.00
<b>Other Reserves</b>				
<b>Currency Translation Reserve</b>				
At the beginning of the year	87.60		33.56	
Add: Exchange translation difference on investment in foreign subsidiary	103.53		54.04	
At the end of the year		191.13		87.60
<b>Surplus i.e. balance in Statement of Profit &amp; Loss</b>				
At the beginning of the year	11,466.99		11,564.67	
Add: Profit during the year	(18.52)		301.64	
Less: Appropriation				
Proposed dividend on equity shares	(110.59)		(331.77)	
Tax on proposed equity dividend	(22.52)		(67.55)	
At the end of the year		1,315.36		11,466.99
<b>Total</b>		<b>40,777.26</b>		<b>40,825.36</b>

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****3 Long Term Borrowings**

₹ in Lacs

Particulars		March 31, 2016	March 31, 2015
(a)	<b>Term loans</b>		
	From Banks/FI/NBFC (Secured)	32,170.73	35,980.88
	Vehicle Loan	35.14	3.50
<b>Total</b>		<b>32,205.87</b>	<b>35,984.38</b>

**Term loan from banks in Swan Energy Limited include:**

- i) JM Financial Products Ltd. : ₹ 6500 Lacs (2014-2015: ₹ 4000 Lacs). Secured by mortgage of flat at Ashok Garden located at Parel, Mumbai
- ii) Vehicle loan: Secured by hypothecation of Vehicles.

**Term loan from banks in Cardinal Energy and Infrastructure Private Limited include:**

- iii) PNB Housing Finance Limited loan: ₹ 12160.56 Lacs (2014-2015: ₹ NIL) is secured by the Whitefield property at Bengaluru.
- iv) Vijaya Bank loan: ₹ NIL Lacs (2014-2015: ₹ 8239.07) was secured by the Whitefield property at Bengaluru.
- v) Indian Overseas Bank: ₹ 13510.17 Lacs (2014-2015: ₹ 15741.81) is secured by the property at Hyderabad.

**Term loan from Other Parties in Pegasus Ventures Private Limited Include :**

- vi) ECL Finance Limited Loan of ₹ NIL (2014-2015 : ₹ 8000 lacs) is secured by pledge of unencumbered dematerialized equity shares of Swan Energy Limited.

**4 Deferred Tax Liabilities (Net)**

₹ in Lacs

Particulars		March 31, 2016	March 31, 2015
<b>Deferred Tax Liability</b>			
	Related to Fixed Assets	687.75	672.53
<b>Total</b>		<b>687.75</b>	<b>672.53</b>

**5 Other Long Term Liabilities**

₹ in Lacs

Particulars		March 31, 2016	March 31, 2015
(a)	Trade payables	-	-
(b)	<b>Others</b>		
	Project Advances	42,148.06	42,148.06
	Rental Deposits	1,521.74	1,492.33
	Security Deposit	-	25.51
<b>Total</b>		<b>43,669.80</b>	<b>43,665.90</b>

**6 Short-term Borrowings**

₹ in Lacs

Particulars		March 31, 2016	March 31, 2015
<b>Working Capital and Other Short Term Loans</b>			
	From Banks/FI/NBFC (Secured)	5,868.67	5,787.19
	From other parties (Unsecured)	31,467.54	26,481.51
<b>Total</b>		<b>37,336.21</b>	<b>32,268.70</b>

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****Working Capital and Other Short Term Loans Loan from banks/Financial Institutes and Others in Swan Energy Limited include:**

- i) Union Bank of India and Oriental Bank of Commerce ₹ 4861.10 lacs (2014-2015: ₹ 4896.31 lacs), which is secured against 1st pari passu charge on hypothication of Inventories and Book debts of the textiles division.
- ii) Dena Bank ₹ 604.70 Lacs (2014-2015: ₹ 525.20 lacs ), which is secured against 1st pari passu charge on hypothication of Inventories and Book debts of the textile division.
- iii) The Mehsana urban Co-op Ltd ₹ 402.87 Lacs (2014-2015: ₹ 365.68 Lacs ), which is secured against 1st pari passu charge on hypothication of Inventories and Book debts of the textile division.

**7 Trade Payables**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Micro, Small & Medium Enterprises	-	-
Others	5,082.00	5,820.54
<b>Total</b>	<b>5,082.00</b>	<b>5,820.54</b>

Identification of Micro, Small and Medium Enterprises is not possible due to information not furnished by the suppliers.

**8 Other Current Liabilities**

	Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
<b>(a)</b>	<b>Current maturities of long-term debt</b>		
	From Banks/FI/NBFC (Secured)	12,140.48	2,295.48
	Vehicle loan	11.92	-
<b>(b)</b>	Interest accrued but not due on borrowings	378.38	2.92
<b>(c)</b>	<b>Other payables</b>		
	Advance received from Customer	19.57	607.69
	Outstanding Expenses	32.97	75.76
	Salary Payable	33.28	29.37
	Bonus Payable	31.34	13.19
	Duties & Taxes	92.37	138.06
	Retention Money	532.80	826.38
	Unpaid Dividend	8.87	6.00
	Creditors for Capital Expenditure	36.39	74.94
	Creditors for Revenue Expenditure	155.67	213.20
	<b>Total</b>	<b>13,474.04</b>	<b>4,282.99</b>

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****Current maturities of long-term debt in Swan Energy Limited includes:**

- i) Union Bank of India and Oriental Bank of Commerce : ₹ NIL (2014-2015: ₹ 278.60 lacs) Secured by mortgage of property at Ahmedabad for Textile project.
- ii) Sicom loan: ₹ NIL (2014-2015: ₹ 1,000 lacs). Secured by pledge of Equity Shares of Swan Energy Limited held by the promoters/group company(s).
- iii) Vehicle loan: Secured by hypothecation of Vehicles.

**Current maturities of long-term debt in Cardinal Energy and Infrastructures Private Limited includes:**

- iv) PNB Housing Finance Limited Loan: ₹ 760.48 lacs (2014-2015: ₹ NIL) is secured by the Whitefield property at Bengaluru.
- v) Indian Overseas Bank: ₹ 3380 Lacs (2014-2015: ₹ NIL) is secured by the property at Hyderabad.
- vi) ICICI Bank Loan: ₹ NIL (2014-2015: ₹ 440 Lacs ) was secured by the BTM Layout property at Bengaluru.
- vii) Vijaya Bank loan: ₹ NIL (2014-2015: ₹ 316.57 Lacs) was secured by the Whitefield property at Bengaluru.
- viii) Backett Holding Limited Loan: ₹ NIL (2014-2015: ₹ 260.31 lacs) secured by personal guarantee of Director.

**Current maturities of long-term debt in Pegasus Ventures Private Limited includes:**

- ix) ECL Loan of ₹ 8000.00 Lacs (2014-15 : ₹ NIL) secured by pledge of unencumbered dematerialized equity shares of Swan Energy Limited.

**9 Short-term Provisions**

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Proposed Dividend on Equity Shares	110.59	331.77
Tax Payable on Proposed Dividend	22.52	67.55
Provision for taxation	2,889.95	2,872.55
<b>Total</b>	<b>3,023.06</b>	<b>3,271.87</b>

**10 Fixed Assets - Tangible Assets**

(₹ In lacs)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2015	Additions/ Adjustment for the period	Deductions for the period	As at 31/03/2016	As at 01/04/2015	For the Period	Adjustments for the Period	As at 31/03/2016	As at 31/03/2016	As at 31/03/2015
Land	12,024.73	-	-	12,024.73	-	-	-	-	12,024.73	12,024.73
Buildings	19,055.49	-	-	19,055.49	1,151.10	312.32	-	1,463.42	17,592.07	17,904.39
Plant & Machinery	7,706.91	62.22	-	7,769.13	1,637.03	479.88	-	2,116.91	5,652.22	6,069.88
Computers	69.14	2.60	0.60	71.14	60.81	2.41	0.61	62.61	8.53	8.33
Aircraft	-	1,980.88	-	1,980.88	-	79.23	-	79.23	1,901.65	-
Furniture, fixtures & Equipments	1,302.49	6.07	-	1,308.56	315.00	144.17	-	459.17	849.39	987.49
Motor Vehicles	619.66	102.22	9.98	711.90	330.24	58.74	5.57	383.41	328.49	289.42
<b>Total</b>	<b>40,778.42</b>	<b>2,153.99</b>	<b>10.58</b>	<b>42,921.83</b>	<b>3,494.18</b>	<b>1,076.75</b>	<b>6.18</b>	<b>4,564.75</b>	<b>38,357.08</b>	<b>37,284.24</b>
Previous year - Tangible Assets	40,329.74	455.40	6.72	40,778.42	2,466.42	1,027.76	-	3,494.18	37,284.24	37,863.32
Capital work-in-progress	50,923.81	6,055.31	1,865.92	55,113.20	-	-	-	-	55,113.20	50,923.81
Previous year - CWIP	45,035.94	5,887.87	-	50,923.81	-	-	-	-	50,923.81	-

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****11 Non-current Investments** ₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>Investment in Equity Instruments</b>		
Other Company - Unquoted	81.00	1.00
<b>Total</b>	<b>81.00</b>	<b>1.00</b>

**12 Long-term Loans and Advances** ₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
(a) Capital Advances	2,886.32	3,024.21
(b) Security Deposits	579.15	571.67
(c) Other loans and advances (Unsecured, considered good)	1,984.91	2,442.32
<b>Total</b>	<b>5,450.38</b>	<b>6,038.20</b>

**13 Other Non-current Assets** ₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>Others</b>		
Unamortised Expenses	1.87	10.80
<b>Total</b>	<b>1.87</b>	<b>10.80</b>

**14 Current Investments** ₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>(a) Investments in Mutual Funds</b>		
ICICI Pru Money Mkt Fund Cash Optio-Growth-1571	135.34	100.73
(b) Fixed Deposit with bank	8.00	8.00
<b>Total</b>	<b>143.34</b>	<b>108.73</b>

**15 Inventories** ₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>Work-in-progress and Advances</b>	46,374.04	44,084.49
<b>Construction Finished Goods</b>	2,365.12	2,365.12
<b>Textiles</b>		
(a) Raw materials	2,354.34	2,963.20
(b) Work-in-progress	3,183.46	2,962.79
(c) Finished goods	3,737.60	3,079.60
(d) Stores and spares	136.27	103.75
<b>Total</b>	<b>58,150.83</b>	<b>55,558.95</b>

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****16 Trade Receivables**

₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>Unsecured, Considered good</b>		
Debts due for more than 6 months	696.63	669.78
Less: Provision for Doubtful Debts	-	-
Other Debts	5159.89	5,069.49
<b>Total</b>	<b>5,856.52</b>	<b>5,739.27</b>

**17 Cash and Cash Equivalents**

₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>(a) Balances with banks</b>		
In Current Accounts	351.83	575.94
In Deposit Accounts	2,873.95	1,184.01
<b>(b) Cash on hand</b>	49.95	48.84
<b>(c) Others</b>		
Earmarked balance for Unpaid dividend	8.87	6.00
<b>Total</b>	<b>3,284.60</b>	<b>1,814.79</b>

**18 Short-term Loans and Advances**

₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
<b>Other Loans &amp; Advances</b>		
Advance paid to suppliers	115.73	586.71
Advance Income Tax	7,348.35	7,233.61
Loans & Advances to staff	32.83	26.06
Prepaid Expenses	7.97	6.71
Cenvat Credit	62.08	64.80
Other Advances	3,444.65	2,630.67
<b>Total</b>	<b>11,011.61</b>	<b>10,548.56</b>

**19 Other Current Assets**

₹ in Lacs

Particulars	March 31, 2016	March 31, 2015
Interest accrued on Fixed Deposits	111.70	71.52
TUF Subsidy Receivable	888.53	888.53
Security Deposit	17.13	15.68
<b>Total</b>	<b>1,017.36</b>	<b>975.73</b>

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****20 Revenue from Operations**

₹ in Lacs

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
<b>Sale of products;</b>		
- Textile Goods	31,603.15	30,021.10
- Construction and Other Activities	122.69	-
- Lease Rent Income	1,448.57	1,419.36
<b>Total</b>	<b>33,174.41</b>	<b>31,440.46</b>

**21 Other Income**

₹ in Lacs

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
Interest Income	154.59	183.44
Net gain on sale of Shares and Mutual funds	68.58	67.54
Net gain on foreign exchange transaction/translation	-	19.66
Net gain/(loss) on sale of Fixed Assets	(3.52)	-
Other Income	508.63	1,170.03
<b>Total</b>	<b>728.28</b>	<b>1,440.67</b>

**22 Cost of Materials Consumed**

₹ in Lacs

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
<b>Material used in Construction Activities</b>	592.49	1,491.58
<b>Textile</b>		
Greige	24,720.19	24,772.35
Stores & Spares	1,179.44	1,041.71
Dyes, Chemicals and others	2,015.93	2,361.63
<b>Total for Textiles</b>	<b>27,915.56</b>	<b>28,175.69</b>
<b>Total</b>	<b>28,508.05</b>	<b>29,667.27</b>

**23 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

Particulars	Apr'15 - Mar'16 ₹ in Lacs	Apr'14 - Mar'15 ₹ in Lacs
<b>Finished Goods</b>		
Opening Stock	5,444.72	3,729.57
Closing Stock	6,102.72	5,444.72
<b>Changes in Inventory of Finished Goods</b>	<b>(658.00)</b>	<b>(1,715.15)</b>
<b>Work in Progress</b>		
Opening Stock	39,823.04	36,857.83
Closing Stock	40,910.59	39,823.04
<b>Changes in Inventory Work in Progress</b>	<b>(1,087.55)</b>	<b>(2,965.21)</b>
<b>Total</b>	<b>(1,745.55)</b>	<b>(4,680.36)</b>

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****24 Employee Benefit Expenses**

₹ in Lacs

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
Salaries Wages and bonus	953.67	862.28
Company's Contribution to Provident fund	11.53	0.52
Company's Contribution to ESIC	3.17	3.10
Leave Travel Allowance	22.70	20.07
Staff Welfare Expenses	10.65	8.47
<b>Total</b>	<b>1,001.72</b>	<b>894.44</b>

**25 Finance Costs**

₹ in Lacs

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
Interest expense	1,987.08	2,689.86
Other Borrowing cost	448.20	266.36
<b>Total</b>	<b>2,435.28</b>	<b>2,956.22</b>

**26 Other Expenses**

₹ in Lacs

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
<b>Towards Construction Activities</b>		
Architect fees	-	4.49
Rates & Taxes	99.72	51.40
Security Charges	51.53	62.20
Power & Fuel	31.60	36.01
Other Development Expenses	91.54	233.09
	<b>274.39</b>	<b>387.19</b>
Advertisement Expenses	4.62	4.06
Audit Fees	4.15	4.14
Brokerage & Commision	7.80	2.03
Business Development Expenses	110.39	94.31
Communication cost	21.06	19.72
Donation	13.50	0.11
Freight Charges	245.56	217.54
Insurance	14.44	27.25
Labour Charges	464.01	424.00
Legal & Professional fees	150.39	210.67
Listing and related expenses	4.79	3.28
Membership & Subscription	5.16	25.30
Power & Fuel	450.54	384.69
Preliminary Expenses Written Off	8.93	9.03

**Notes to the Consolidated Financial Statement for year ended March 31, 2016**

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
Printing & Stationery	6.21	10.67
Rates & Taxes	16.88	15.95
Rent	44.23	71.15
Repair & Maintenance - Building	11.95	6.40
Repair & Maintenance - Machinery	104.14	70.64
Repair & Maintenance - Others	109.76	153.65
Security Charges	15.90	15.38
Vehicle Expenses	38.30	36.60
Miscellaneous Expenses	485.24	296.70
<b>Total</b>	<b>2,612.34</b>	<b>2,490.46</b>

**27 A Principles of consolidation**

The consolidated financial statements related to Swan Energy Limited ('The Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the company and its subsidiary companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**B Other Significant Accounting Policies**

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

**28 Earning Per Share**

Particulars	Apr'15 - Mar'16	Apr'14 - Mar'15
i) Net profit/(loss) after tax as per Statements of Profit & Loss attributable to Equity Shareholders (₹ In Lacs)	(18.52)	301.64
ii) Weighted average number of shares used as denomination for calculating Basic and Diluted earning per share	221,180,000	221,180,000
iii) Face value of shares (₹ Per Share)	1.00	1.00
iv) Basic/Diluted earning per share (in ₹)	(0.01)	0.14

**29 Contingent Liabilities**

Particulars	Apr'15-Mar'16	Apr'14-Mar'15
i) Income Tax (₹ In Lacs )	3,230.87	3,230.87
ii) Corporate guarantee (₹ In Lacs )	39,500.00	33,910.00

**Notes to the Consolidated Financial Statement for year ended March 31, 2016****30 Payment to Auditors (Excluding Service Tax)**

i)	Statutory Audit Fees (₹ In Lacs)	3.20	3.24
ii)	Tax Audit Fees (₹ In Lacs)	0.75	0.65
iii)	Other Capacity	0.88	0.25

**31 Raw Material Consumed**

i)	<b>Greige Material</b>		
	Quantity (Meter in Lacs)	233.11	236.91
	Value (₹ In Lacs)	24,720.19	24,772.35
ii)	Stores & Consumables - Value (₹ In Lacs)	1,179.44	1,041.71
iii)	Dyes, Chemicals and others - Value (₹ In Lacs)	2,015.94	2,361.63

**32 Sales of Products**

i)	<b>Sales - Own</b>		
	Quantity (Meter in Lacs)	229.74	229.79
	Value (₹ In Lacs)	31,446.71	29,949.62
ii)	<b>Job Work</b>		
	Quantity (Meter in Lacs)	7.88	2.44
	Value (₹ In Lacs)	156.44	70.16

**33 Purchase/Manufacture of Products**

i)	<b>Greige Material</b>		
	Quantity (Meter in Lacs)	232.09	242.15
	Value (₹ In Lacs)	24,111.33	25,507.05
ii)	Stores & Consumables - Value (₹ In Lacs)	491.70	313.71
iii)	Dyes, Chemicals and others - Value (₹ In Lacs) - Indigeneous	2,736.22	2,872.63

**34 Stock in Trade and Construction WIP**

	Particulars	Apr'15-Mar'16	Apr'14-Mar'15
<b>A</b>	<b>Textiles:</b>		
i)	<b>Greige Material</b>		
	Quantity (Meter in Lacs)	22.95	23.97
	Value (₹ In Lacs)	2,354.34	2,963.20
ii)	<b>Work In Progress</b>		
	Quantity (Meter in Lacs)	25.67	21.91
	Value (₹ In Lacs)	3,183.46	2,962.79
iii)	<b>Finished Goods</b>		
	Quantity (Meter in Lacs)	27.57	20.63
	Value (₹ In Lacs)	3,737.60	3,079.60
iv)	Stores & Consumables - Value (₹ In Lacs)	3.41	2.59
v)	Dyes, Chemicals and others - Value (₹ In Lacs)	132.86	101.15

**Notes to the Consolidated Financial Statement for year ended March 31, 2016**

<b>B</b>	<b>Real Estate and Others</b>		
i)	<b>Work-in-progress and Advances</b>		
	Value ( ₹ In Lacs)	46,374.04	44,084.49
ii)	<b>Construction Finished Goods</b>		
	Value ( ₹ In Lacs)	2,365.12	2,365.12

**35 Value of Imports on CIF Basis**

i)	Stores & Spares ( ₹ In Lacs )	64.65	25.65
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**36 Expenditure in Foreign currency**

i)	Travelling Expenses	9.59	-
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**37 Earning in Foreign Currency**

<b>FOB value of exports</b>		
Quantity (Meter in Lacs)	13.32	5.32
Value ( ₹ In Lacs)	1,722.12	699.71

**38 Related Party Disclosures, as required by AS-18 are given below:****A List of Related Parties**

	<b>Name of the parties</b>	<b>Relationship</b>
i)	Mr. Nikhil V. Merchant	Relative of Key Management Personnel
ii)	Mr. Paresh V. Merchant	Key Management Personnel
iii)	Mr. Padmanabhan Sugavanam	
iv)	Mr. Vilas A. Gangan	
v)	Ms. Vinita N. Merchant	Relative of Key Management Personnel
vi)	Ms. Bhavik N. Merchant	
vii)	Ms. Vivek P. Merchant	
viii)	Good Earth Commodities (India) Private Limited	Enterprise over which Key Management Personnel is able to exercise significant influence
ix)	Feltham Trading Pvt Ltd	
x)	Ami Tech (india) Private Limited	
xi)	Dave Impex India Pvt. Ltd	
xii)	Dave Leasing & Holdings Private Limited	
xiii)	Sahajanand Soaps and Chemicals Pvt Ltd.	
xiv)	Swan International Limited	



## Notes to the Consolidated Financial Statement for year ended March 31, 2016

## B Transaction during the year with related parties

(₹ In Lacs)

Sr No.	Name of the Company	Opening Balance Dr	Opening Balance Cr	Remuneration Paid	Sales	Purchase	Rent Paid	Advance Given	Advance received back	Advance taken	Advance paid back	Closing Balance Dr	Closing Balance Cr
i)	Mr. Nikhil Merchant	-	368.00	114.40	-	-	-	-	-	31.72	399.72	-	-
ii)	Mr. Paresh Merchant	-	826.50	114.40	-	-	3.00	-	-	73.96	900.46	-	-
iii)	Mr. Padmanabhan Sugavanam	-	-	28.50	-	-	-	-	-	-	-	-	-
iv)	Mr. Vilas A. Gangan	-	-	45.32	-	-	-	-	-	-	-	-	-
v)	Ms. Vinita N. Merchant	-	-	9.04	-	-	-	-	-	-	-	-	-
vi)	Mr. Bhavik Merchant	-	-	6.44	-	-	-	-	-	-	-	-	-
vii)	Mr. Vivek Merchant	-	-	7.36	-	-	-	-	-	-	-	-	-
viii)	Good Earth Commodities (India) Private Limited	-	442.48	-	5,033.51	706.47	-	75.35	213.95	-	-	1,219.49	-
ix)	Feltham Trading Private Limited	0.64	-	-	-	-	1.80	0.71	1.35	-	-	-	-
x)	Ami Tech (india) Private Limited	454.16	-	-	-	-	-	768.96	1,223.12	-	-	-	-
xi)	Dave Impex India Pvt. Ltd	-	330.00	-	-	-	-	-	-	69.05	399.05	-	-
xii)	Dave Leasing & Holdings Private Limited	-	43.00	-	-	-	-	-	-	11.16	54.16	-	-
xiii)	Sahajanand Soaps and Chemicals Pvt Ltd.	-	49.91	-	-	-	-	-	-	9.91	59.82	-	-
xiv)	Swan International Limited	-	20.50	-	-	-	-	-	-	3.51	24.01	-	-
	<b>Total</b>	<b>454.80</b>	<b>2,080.39</b>	<b>325.46</b>	<b>5,033.51</b>	<b>706.47</b>	<b>4.80</b>	<b>845.02</b>	<b>1,438.42</b>	<b>199.31</b>	<b>1,837.22</b>	<b>1,219.49</b>	<b>-</b>

## 39 Segment Reporting

The company has identified business segment as primary segments. The reportable business segments are textile and Property development/others

Particulars	Apr'15 - Mar'16 ₹ in Lacs	Apr'14 - Mar'15 ₹ in Lacs
<b>Segment Revenue</b>		
Textiles	31,645.08	30,094.28
Property development/Others	2,257.61	2,786.85
<b>Total</b>	<b>33,902.69</b>	<b>32,881.13</b>
<b>Segment Results (Before Interest &amp; Tax)</b>		
Textiles	2,159.93	2,219.45
Property development/Others	289.45	1,262.10
<b>Total</b>	<b>2,449.38</b>	<b>3,481.55</b>

	Year Ended March 31, 2016 ₹ in Lacs	Year Ended March 31, 2015 ₹ in Lacs
<b>Segment Assets</b>		
Textiles	21,542.88	20,606.88
Property development/*Others	149,576.56	141,163.58
<b>Total</b>	<b>171,119.44</b>	<b>161,770.46</b>
<b>Segment Liabilities</b>		
Textiles	10,902.27	11,309.28
Property development/*Others	120,865.66	110,713.23
<b>Total</b>	<b>131,767.93</b>	<b>122,022.51</b>



## Notes to the Consolidated Financial Statement for year ended March 31, 2016

**Note:**

- i) \* Others include expenses/ investments made on the projects related to Energy/FSRU.
  - ii) All development and Trading activity have been undertaken in India only, hence Geographical segment reporting is not required.
- 40** Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the standards are followed with respect to such results.
- 41** At the Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the fixed assets. No impairment loss is determined.
- 42** The Company had entered into Development Agreement with Peninsula Land Limited (Formerly Piramal Holdings Ltd) to develop and sale properties at Mumbai and as per the said agreement, they are entitled to 22% of the gross receipt. The transactions and effect thereof are already given in these accounts.
- 43** Previous Year's figures are regrouped/rearranged wherever necessary.

As per our report of even date

**For V.R.Renuka & Co.**

Chartered Accountants  
Firm Registration No. 108826W

**V.R. Renuka**

Proprietor  
M. No. 032263

**Mumbai, May 30, 2016**

**For and on behalf of the Board of Directors**

**Navinbhai C. Dave**

Chairman

**Paresh V. Merchant**

Executive Director

**Nikhil V. Merchant**

Managing Director

**Chetan K. Selarka**

Chief Financial Officer

**Arun S. Agarwal**

Company Secretary

**Mumbai, May 30, 2016**



# SWAN ENERGY LIMITED

CIN No. : L17100MH1909PLC000294; website: www.swan.co.in

Registered Office : 6, Feltham House, 2nd Floor, 10, J.N Heredia Marg, Ballard Estate, Mumbai – 400 001.

## Attendance Slip

To be handed over at the entrance of the Meeting venue

Folio No. .... DP ID No. .... Client ID No. ....

Name of the Shareholder/ Proxyholder ..... Signature .....

I record my presence at the 108th Annual General Meeting at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai – 400 020 on 21st, September, 2016 at 11.30 A.M.

Member's/Proxy's Signature



# SWAN ENERGY LIMITED

CIN No. : L17100MH1909PLC000294; website: www.swan.co.in

Registered Office : 6, Feltham House, 2nd Floor, 10, J.N Heredia Marg, Ballard Estate, Mumbai – 400 001.

## PROXY FORM

I/We : .....

of : .....

being a Member/Members of SWAN ENERGY LTD. hereby appoint : .....

.....

Of .....

or failing him : .....

Of : .....

or failing him .....

Of .....

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 108th Annual General Meeting of the Company to be held at Mumbai on Wednesday, 21st September, 2016 at 11.30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	For	Against
1.	Adoption of Annual Accounts (standalone & consolidated)		
2.	Declaration of dividend		
3.	Re-appointment of Mr. Nikhil V. Merchant, Director retiring by rotation		
4.	Ratification of Statutory Auditor's appointment		
5.	Ratification of Cost Auditor's Remuneration		
6.	Raising of Capital		

Signed this ..... day of ..... 2016

Signature of Shareholder .....

Signature of Proxyholder(s) .....

Affix  
₹1  
Revenue  
Stamp

**NOTE:** If a Member is unable to attend the Meeting, he may sign this form and send it to the Company's Registered Office so as to reach not less than 48 hours before the Meeting.

