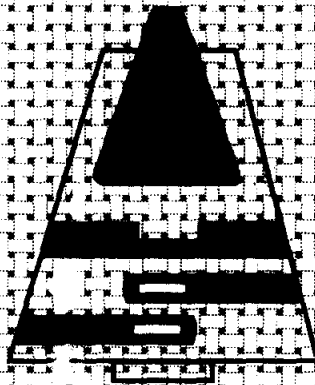


# yarn syndicate limited.

Govt. Recognised Trading House



**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31ST MARCH**

# **YARN SYNDICATE LIMITED**

## **BOARD OF DIRECTORS**

SHRI MADANLAL PATODIA, Chairman & Managing Director

SHRI KRISHNA PRASAD BAGARIA

SHRI SITA RAM SARAF

SHRI SURESH S. TODI

SHRI KAILASH CHANDRA SIOTIA

SHRI VIKASH SINGHAL

SHRI RAJENDRA KUMAR PATODIA, Managing Director

## **BANKERS**

CANARA BANK

Overseas Branch

2/1, Russel Street, Kolkata - 700 071

## **AUDITORS**

LODHA & CO.

Chartered Accountants

14, Government Place East, Kolkata - 700 069

## **REGISTERED OFFICE**

7, Sambhu Nath Mullick Lane, Kolkata - 700 007

# YARN SYNDICATE LIMITED

## NOTICE OF THE 55TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the fifty fifth Annual General Meeting of the Members of the Company will be held at Patodia House, 23, Circus Avenue, Kolkata - 700 017 on Friday the 14th day of September, 2001 at 10.00 A.M. to transact the following business :

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit & Loss Account for the year ended on that date together with the Auditor's and the Directors' Reports thereon.
2. To appoint a Director in place of Shri Sita Ram Saraf who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Vikash Singhal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors including for Branches to held office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provision of Section 163 of the Companies Act, 1956, approval be and is hereby accorded to the keeping of the Register of Members, Index of Members and copies of all annual Returns together with the copies of certificates and documents required to be annexed thereto with the Company's Transfer Agents, M/s. AMI Computers (I) Limited, 60A & B Chowringhee Road, Kolkata - 700 020."

Registered Office :  
7, Sambhu Nath Mullick Lane,  
Kolkata - 700 007  
Dated : the 19th day of June, 2001.

By order of the Board  
For YARN SYNDICATE LIMITED

M. L. PATODIA  
Chairman & Managing Director

### NOTES :

1. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and such proxy need not be a member of the Company, Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books shall remain closed from 1st September, 2001 to 14th September, 2001 (both days inclusive).
3. Pursuant to Section 205A(5) of the Companies Act, 1956 as amended, any money transferred to the Unpaid Dividend Account of the Company which remains Unpaid or Unclaimed for a period of 7 (Seven) years from the date of such transfer to the Unpaid Dividend account shall be transferred by the Company to the Investor Education and Protection Fund to be established by the Central Government and the Shareholders shall not be able to claim any Unpaid Dividend from the said fund or from the Company thereafter.  
Members who have not encashed the dividend warrant(s) for the Financial Year 1994-95 and any subsequent Dividend payment(s) are requested to make their claims to the Company.
4. As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the Company's share on either of the Depositories as aforesaid.

### REQUEST TO THE MEMBERS :

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write

# YARN SYNDICATE LIMITED

to the Company atleast 7 (seven) days in advance, so as to enable the Company to keep the information ready.

2. All communications relating to shares are to be addressed to the Company's Share Transfer Agents, M/s. AMI Computers (I) Limited, 60A & B Chowringhee Road, Kolkata - 700 020."

## GENERAL SHARE HOLDER INFORMATION

### (A) Listing of Equity Shares on Stock Exchanges :

1. The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata - 700 001.
2. The Mumbai Stock Exchange, Phiroz Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001.
3. Madras Stock Exchange Limited, Exchange Building, Post Box No. 183, 11, Second Line Beach, Chennai - 600 001.
4. The Stock Exchange Ahmedabad, Kamdhenu Complex, Opp. Sahajanand College, Panjara Pole, Ahmedabad - 380 015.
5. Coimbatore Stock Exchange Limited, CSX Towers, 683-686, Trichy Road, Singanallur, Coimbatore - 641 005.

(Annual Listing fees for the year 2001-02 have been duly paid to all the above Stock Exchange).

### (B) Demat ISIN Number in :

NSDL & CDSL : Equity Shares                      INE 564C01013

## ANNEXURE TO NOTICE

### Explanatory Statement Pursuant To Section 173(2) of the Companies Act, 1956.

#### Item No. 5 :

Under the provisions of the Companies Act, 1956 the Register and Index of Members and copies of all Annual Returns together with the copies of certificates and documents required to be annexed thereto are required to be kept at the Registered Office of the Company or with the approval of the Members at any other place within the city, town or village in which the Registered Office is situated. The Company has appointed M/s. AMI Computers (I) Limited, 60A & B Chowringhee Road, Kolkata-700 020 as the Share Transfer Agents of the Company. Since the records will be kept at the Office of the Share Transfer Agents, the Board recommends the said resolution for your approval.

None of the Director of the Company is concerned or interested in the resolution.

Registered Office :  
7, Sambhu Nath Mullick Lane,  
Kolkata - 700 007  
Dated : the 19th day of June, 2001.

By order of the Board  
For YARN SYNDICATE LIMITED

M. L. PATODIA  
Chairman & Managing Director

# YARN SYNDICATE LIMITED

## REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

Your Directors have pleasure in submitting the 55th Annual Report of the Company together with the Audited Accounts for the Year ended on 31st March, 2001.

### FINANCIAL RESULTS :

	<b>2000-2001</b>	<b>1999-2000</b>
	<b>Rs. In Lacs</b>	<b>Rs. in Lacs</b>
Sales Exports	2,430.03	4,279.66
Domestic	232.51	130.78
	<b>2,662.54</b>	<b>4,410.44</b>
Profit before Interest & Depreciation	77.07	187.66
Less : Interest	29.39	98.98
Depreciation	34.41	39.13
	<b>63.80</b>	<b>138.11</b>
Profit before Tax	13.27	49.55
Less : Provision for Taxation	0.00	1.00
Profit after Tax	13.27	48.55
Less : Provision for Income Tax for earlier years	5.69	10.26
	<b>7.58</b>	<b>38.29</b>
Add : Balance brought forward from last years	169.90	151.61
Profit available for Appropriation	<b>177.48</b>	<b>189.90</b>
<b>Appropriations :</b>		
Transfer to General Reserve	-	20.00
Balance carried forward to next year	177.48	169.90
	<b>177.48</b>	<b>189.90</b>

### DIVIDEND :

Due to inadequacy of Profits, your Directors do not recommend dividend on Equity Shares for the Financial Year Ended 31st March, 2001.

### PERFORMANCE REVIEW :

During the Financial Year under review the turnover and Profit of the Company has drastically reduced in comparison to the previous year. In spite of intense efforts, the Management could not show any improvement, in view of continuation of worldwide recessionary trends particularly in the international market.

However, the Management trying at its best to improve the situations in future.

### PARTICULARS OF EMPLOYEES :

Particulars of Employees as required under Section (2A) of Section 217 of the Companies Act, 1956 and the rules made thereunder are not applicable for the year under review.

### SUBSIDIARY COMPANY :

YS Exports Limited is the Subsidiary Company of your Company.

As required U/S. 212 of the Companies Act, 1956, the necessary particulars as to the Subsidiary are attached.

# YARN SYNDICATE LIMITED

## **DIRECTORS :**

Shri Sita Ram Saraf and Sri Vikash Singhal, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

## **DIRECTORS' RESPONSIBILITY STATEMENT :**

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2001, the applicable accounting standards had been followed;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the accounts for the financial year ended 31st March, 2001 on a 'going concern' basis.

## **CORPORATE GOVERNANCE :**

The Company is taking necessary steps for full implementation of the Corporate Governance in terms of listing agreement, which is required to be complied by March, 2003.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO :**

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 issued under Section 217(1)(e) of the Companies Act, 1956, the information in respect of Energy Conservation, Technology Absorption and Foreign Exchange earning and outgo is given in Annexure I forming part of this report.

## **AUDITORS :**

M/s. Lodha & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

M/s. Subbaraman Shankar & Co., Chartered Accountants, the Auditors of the Company's Surat Branch, retire at the ensuing Annual Meeting and being eligible, offer themselves for re-appointment.

## **ACKNOWLEDGEMENTS :**

The Board is grateful to the Company's Bankers, Canara Bank for their continued co-operation and financial assistance. The Board is thankful to the Management, Officers and Staff of Canara Bank for the prompt and timely assistance rendered by them as and when required. The Board is grateful to Reserve Bank of India, State Bank of India & United Bank of India, Burrbazar Branch, The Cotton Textiles Export Promotion Council, Textile Committee, Export Credit Guarantee Corporation of India Limited, Collector of Central Excise, Director General of Foreign Trade, New Delhi, Joint Director General of Foreign Trade, Kolkata, Registrar of Companies and other institutions for their kind co-operation in day to day activities of the Company. Your Directors are thankful to all the Executives and Staff Members of the Company for their whole hearted co-operation.

Registered Office  
7, Sambhu Nath Mullick Lane,  
Kolkata - 700 007  
Dated : the 19th June, 2001

For and on behalf of the Board  
**M. L. PATODIA**  
Chairman & Managing Director

# YARN SYNDICATE LIMITED

## ANNEXURE I TO THE REPORT OF THE BOARD OF DIRECTOR

- A. The Company is making all-round efforts for the conservation of energy by optimum withdrawal of power.

Total energy consumption and energy consumption per unit of production as prescribed in Form "A".

**A. Power Consumption**

	<u>2000-2001</u>	<u>1999-2000</u>
1. Electricity :		
a) Purchased - Units	11,320.00	30,068.00
Total Amount	42,175.00	1,11,730.00
Rate / Unit	3.73	3.70
b) Own Generation :		
From D. G. Sets Units	-	-
Units/ltr. Of Diesel	-	-
Cost / Unit	-	-
2. Coal	-	-
3. Furnace Oil	-	-
4. Other internal generation	-	-

**B. Consumption per unit of Production :**

a) Electricity :		
Total Production Cloth (Kgs.)	5,758.00	27,359.62
Consumption per 100 Kgs. (Unit)	196.60	109.90
b) Coal and Furnance Oil	-	-

**B. Technology absorption :**

**Efforts made in Technology Absorption as per Form "B"**

Indigenous technology alone is used. In view of size of the Knitting Unit of the Company, the scope for Research and Development is not affordable.

**C. Foreign Exchange earning & Outgo :**

- a) Activities relating to export, initiative taken to increase exports, development of new export market for products and services and export plans :

The Company is presently exporting yarn and textiles. Endeavors are being made to explore untapped markets.

- b) Total Foreign Exchange earned and used excluding capital goods, components and spares :

Earned : Rs. 2344.50 Lacs (Previous Year Rs. 4095.80 Lacs)

Used : Rs. 34.92 Lacs (Previous Year Rs. 90.02 Lacs)

Registered Office  
7, Sambhu Nath Mullick Lane,  
Kolkata - 700 007  
Dated : the 19th June, 2001

For and on behalf of the Board  
**M. L. PATODIA**  
Chairman & Managine Director

# YARN SYNDICATE LIMITED

## AUDITORS' REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of YARN SYNDICATE LIMITED as at 31st March, 2001 and also the Profit & Loss Account of the Company for the year ended on the date.

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Sec. 227(4A) of the Companies Act, 1956 and according to the information and explanation given to us and on the basis of such checks as we considered appropriate, we report that :

- i) The Company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets. As informed to us, the management has at regular intervals conducted physical verification of fixed assets and no material discrepancies were noticed on such verification.
- ii) None of the fixed assets of the Company have been revalued during the year.
- iii) The stock of goods traded in by the Company except stock in transit and stock with third parties have been physically verified by the management during the year at reasonable intervals. However, confirmations have been received in respect of stock lying with third parties as at the year-end.
- iv) In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- v) As explained no discrepancies were noticed on physical verification of stocks as compared to book records to the extent stocks were verified.
- vi) In our opinion and on the basis of our examination, the valuation of stock of goods traded in by the Company is fair and proper is in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
- vii) The rate of interest and other terms and conditions pertaining to loans taken from the parties listed in the register maintained under Section 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the Company. As informed there is no Company under the same management as defined under Section (1-B) of Section 370 (not applicable) of the Companies Act, 1956.
- viii) The Company has granted unsecured loans to companies listed in the register maintained under Section 301 of the Companies Act, 1956 and to its subsidiary companies. The rate of interest and other terms and conditions of these loans are prima-facie not prejudicial to the interest of the Company. As informed, there is no company under the same management as defined under Sub section (1-B) of Section 370 (not applicable) of the Companies Act, 1956.
- ix) In respect of loans and advances in the nature of loans given by the Company to its employees and other parties are being repaid as per stipulation, wherever such stipulation exist. However, Rs. 28.65 Lakhs (including interest Rs. 3.65 Lakhs) have become overdue from a body corporate as referred to in Note No. 8 of Schedule 14.
- x) In our opinion and according to the explanations given to us and having regard to the nature of business and the practice followed, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of goods, equipment and other assets and with regard to sale of goods.
- xi) Transactions of purchase of goods aggregating during the year Rs. 50,000 or more in respect of each party in pursuance to contracts or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at the prices which are reasonable having regard to explanations given that some of the items purchased are of special nature / or quotations, etc. are available for such goods, the prices at which transactions for similar goods have been made with other parties. As explained there are no transactions of sale of goods, materials or services with such parties.
- xii) As explained to us, the Company has a regular procedure for determination of unserviceable and / or damaged stores, raw materials and finished goods. Necessary adjustments for the losses as and when determined are made in the accounts.
- xiii) As informed to us, the Company has not accepted any deposits from the public within the purview of Section 58A of the Companies Act, 1956 and rules framed thereunder.
- xiv) As explained, reasonable records are being maintained by the Company for sale and disposal of scrap. The Company has no by-products.
- xv) In our opinion, The company's internal audit system is commensurate with its size and nature of its business.



## YARN SYNDICATE LIMITED

- xvi) The Central Government has not prescribed maintenance of Cost records under Section 209 (1) (d) of the Companies Act, 1956 for the product of the Company.
- xvii) According to the records of the Company, Provident Fund dues and Employees State Insurance dues have been deposited regularly with the appropriate authorities.
- xviii) There are no undisputed amounts of Income tax, Wealth tax, Sales Tax, Customs Duty and Excise Duty, outstanding as on 31st March, 2001 for a period of more than six months from the date these became payable.
- xix) During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses other than those payable under contractual obligation and / or generally accepted business practices, which have been charged to Profit and Loss Account, nor have we been informed of any such case by the management.
- xx) The Company is not a sick industrial company within the meaning of Clause 'O' of Section 3 (1) of the Sick Industrial Companies (Special Provisions) Act, 1985.
- xxi) In respect of the trading activity of the Company, as informed there are no damaged goods in possession of the company which are likely to have material impact on the year end stocks.
2. Attention is invited to the following notes of Schedule 14 regarding :
- Certain old debts from Overseas Buyers amounting to Rs. 42.70 Lakhs, the extent of amount recoverable and provision there against if any is presently not ascertainable (Note No.3).
  - Confirmations and reconciliation in respect of Sundry Debtors, Sundry Creditors and Loans and Advances are not available (Note No. 4).
  - Certain Advances amounting to Rs. 15.64 Lacs, pending outcome of persuasive steps, the extent of amount realisable and consequential provisions of any required are presently not ascertainable (Note No. 6).
  - Advances amounting to Rs. 1088.76 Lacs, the extent of realisability of claim lodged against a supplier consequential provisions required if any are presently not ascertainable (Note No. 5).
  - Investments in Equity Shares of certain body corporate valuing Rs. 73.99 Lacs, the amount of provision for diminution in value is not ascertainable (Note No. 7 (a)).
  - Loans given to body corporate and other amounting to Rs. 25.00 Lacs, pending legal proceedings the extent of amount recoverable is presently not ascertainable (Note No. 8).
  - Non provision of the year-end shortfall pertaining to book balances of certain investments as given in Note 7 (b)).
3. We further report that, in respect of the Notes mentioned in Paragraph 2 above the impact thereof can not be ascertained and therefore, can not be commented upon by us.
4. Further to above, we report that :
- We have 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 appears from our examination of the books of accounts;
  - The report on the audit of branches forwarded by branch auditors have been duly considered in preparing the report;
  - The Balance Sheet and Profit and Loss Account detail with by this report are in agreement with the books of accounts;
  - Except as given in Note No. 7 of Schedule 14 regarding non provision for diminution in value of certain investments, in our opinion, the Profit and Loss Account and Balance Sheet comply with the mandatory accounting standards referred to in Sub-Section (3c) of Section 211 of the Companies Act, 1956;
  - On the basis of the written representations received from the directors, and taken on record by the Board of Directors none of the directors is disqualified as on 31st March, 2001 from being appointed as a director in terms of clause(g) of sub-section (1) of Section 274 of the Companies Act, 1956; and

## **YARN SYNDICATE LIMITED**

- g. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and subject to paragraph 2 above, whereby impact as mentioned in paragraph 3 above is not ascertainable and read together with the other notes thereon, give a true and fair view.
- i. In case of the Balance Sheet, of the state of affairs of Company as at 31st March, 2001;
  - ii. In case of Profit and Loss Account, of the profit for the year ended on the date.

14, Government Place East,  
Kolkata - 700 069.  
Dated : 19th day of June, 2001.

**For LODHA & CO**  
Chartered Accountants

**P. L. VADERA**  
Partner

# YARN SYNDICATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2001

	SCHEDULE	31.03.2001 Rs. in lacs	31.03.2000 Rs. in lacs
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	375.00	375.00
Reserves & Surplus	2	<u>1,454.98</u>	<u>1,447.40</u>
		<u>1,829.98</u>	<u>1,822.40</u>
<b>Loan Funds :</b>			
Secured Loans	3	179.58	777.67
Unsecured Loans	4	<u>69.81</u>	<u>2.27</u>
		<u>249.39</u>	<u>779.94</u>
TOTAL		<u>2,079.37</u>	<u>2,602.34</u>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
Gross Block	5	428.90	432.26
Less : Depreciation		192.72	162.42
Net Block		236.18	269.84
Capital Work in Progress		0.00	0.48
<b>Intestments :</b>	6	123.78	119.77
<b>Current Assets, Loans &amp; Advance :</b>			
Inventories	7	171.77	382.52
Sundry Debtors		131.68	261.57
Cash & Bank Balance		49.62	138.33
Loans & Advances		1,425.00	1,606.42
		1,778.07	2,388.84
Less : Current Liabilities & Provisions :	8		
Current Liabilities		86.13	205.00
Provision		16.00	38.00
		<u>102.13</u>	<u>243.00</u>
Net Current Assets :		1,675.94	2,145.84
Miscellaneous Expenditure :			
To the extent not adjusted or written of			
Share Issue Expenses		23.12	30.42
Quota Expenses		20.35	35.99
TOTAL		<u>2,079.37</u>	<u>2,602.34</u>
NOTE	14		

As per our report of even date  
**For LODHA & CO.**  
Chartered Accountants  
**P. L. VADERA**  
Partner

For and on behalf of the Board  
**M. L. PATODIA**, Managing Director  
**R. K. PATODIA**, Managing Director  
**S. R. SARAF**, Director

Place : Kolkata  
Dated : the 19th day of June, 2001.

# YARN SYNDICATE LIMITED

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	SCHEDULE	2000-2001 Rs. in lacs	1999-2000 Rs. in lacs
<b>INCOME :</b>			
Sales	9	2,662.54	4,410.44
Other Income	10	163.15	142.91
Increase / (Decrease) in Stock	11	(180.18)	(433.81)
		<u>2,645.51</u>	<u>4,119.54</u>
<b>EXPENDITURE :</b>			
Purchases		2,282.77	3,414.15
Interest (Net)	12	29.39	98.98
Depreciation		34.41	39.13
Manufacturing Administrative, Selling & Other Expenses	13	278.37	510.43
Share Issue Expenses Written Off		7.30	7.30
		<u>2,632.24</u>	<u>4,069.99</u>
Profit before Tax		13.27	49.55
Provision for Taxation		-	1.00
		13.27	48.55
Provision for Income Tax for earlier years		5.69	10.26
Profit and Loss Account balance brought forward		<u>169.90</u>	<u>151.61</u>
		<u>177.48</u>	<u>189.90</u>
<b>APPROPRIATIONS :</b>			
General Reserve		-	20.00
Balance carried to Balance Sheet		<u>177.48</u>	<u>169.90</u>
		<u>177.48</u>	<u>189.90</u>
<b>NOTES :</b>	14		

As per our report of even date  
**For LODHA & CO.**  
Chartered Accountants  
**P. L. VADERA**  
Partner

For and on behalf of the Board  
**M. L. PATODIA**, Managing Director  
**R. K. PATODIA**, Managing Director  
**S. R. SARAF**, Director

Place : Kolkata  
Dated : the 19th day of June, 2001.

# YARN SYNDICATE LIMITED

## SCHEDULES TO THE ACCOUNTS

SCHEDULE	2000-2001 Rs. in lacs	1999-2000 Rs. in lacs
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised :</b>		
50,00,000 Equity Shares of Rs. 10/- each	<u>500.00</u>	<u>500.00</u>
<b>Issued, Subscribed &amp; Paid Up :</b>		
37,50,000 Equity Shares of Rs. 10/- each	<u>375.00</u>	<u>375.00</u>
	<u>375.00</u>	<u>375.00</u>
<b>SCHEDULE 2 : RESERVES &amp; SURPLUS</b>		
Share Premium	437.50	437.50
<b>General Reserve :</b>		
As per last Balance Sheet	840.00	820.00
Add : Transferred from Profit & Loss Account	-	20.00
	<u>840.00</u>	<u>840.00</u>
<b>Profit &amp; Loss Account :</b>		
Balance Carried Forward	177.48	169.90
	<u>1,454.98</u>	<u>1,447.40</u>
<b>SCHEDULE 3 : SECURED LOANS</b>		
Cash Credit, Packing Credit from Bank (Secured by Hypothecation of Stock-in-Trade including goods-in-transit and Export Goods lying with manufactures. Guaranteed by Personal Guarantee of Managing Director of the Company)	179.58	777.67
	<u>179.58</u>	<u>777.67</u>
<b>SCHEDULE 4 : UNSECURED LOANS</b>		
<b>Short Term Loan from :</b>		
Director	2.27	2.27
Life Insurance Corporation of India (Refer Note 13 of Schedule 14)	67.54	-
	<u>69.81</u>	<u>2.27</u>

## YARN SYNDICATE LIMITED

### SCHEDULES TO THE ACCOUNTS

#### SCHEDULE 5 : FIXED ASSETS

(Rs. in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-00	Additions	Sales/ Adjustment	As at 31.03.01	Upto 31.03.00	For the year	Deductions for sales/ Adjustments	Total As at 31-03-01	As at 31.03.01	As at 31.03.00
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
FREEHOLD LAND	24.28	-	-	24.28	-	-	-	-	24.28	24.28
BUILDINGS	187.40*	-	-	187.40	27.07	15.37	-	42.44	144.96	160.33
PLANT & MACHINERY	120.72	-	-	120.72	62.48	11.58	-	74.06	46.66	58.24
OFFICE APPLIANCES & OTHERS EQUIPMENTS	35.38	1.25	1.83	34.80	31.21	2.10	1.60	31.71	3.09	4.17
FURNITURE & FITTINGS	20.14	-	-	20.14	15.05	0.88	-	15.93	4.21	5.09
VEHICLES	31.43	-	2.78	28.65	17.95	3.43	2.51	18.87	9.78	13.48
AIR-CONDITIONER, REFRIGERATOR COOLER & GENERATOR	12.91	-	-	12.91	8.66	1.05	-	9.71	3.20	4.25
<b>TOTAL :</b>	432.26	1.25	4.61	428.90	162.42	34.41	4.11	192.72	236.18	269.84
<b>PREVIOUS YEAR :</b>	301.36	176.44	45.54	432.26	153.87	39.13	30.58	162.42	269.84	147.49

\* Includes 20 shares (Previous year 20 shares) of Rs. 50/- each (Total face value Rs. 1000/- fully paid up.)

\* Include Godown (at Bhiwandi) of Rs. 3,85,000.00 to be transferred in the name of the company.

# YARN SYNDICATE LIMITED

## SCHEDULES TO THE ACCOUNTS

		2000-2001 Rs. in lacs	1999-2000 Rs. in lacs
<b>SCHEDULE 6 : INVESTMENTS</b>			
<b>TRADE INVESTMENTS</b>			
<b>UNQUOTED : (Long term; equity shares of Rs. 10/- each fully paid up)</b>			
739930	YS Spinners Ltd.	73.99	73.99
1500	Mona Textiles Ltd.	0.15	0.15
117750	Aarkay Credit Ltd.	11.77	11.77
118250	Prachi Credit Ltd.	11.83	11.83
5000	Patriot Automation Project (P) Ltd.	15.00	0.00
<b>Subsidiary :</b>			
108100	YS Exports Ltd.	10.81	10.81
<b>QUOTED : (Current; Fully Paid Equity Shares of Rs. 10/- each)</b>			
42	Mahavir Spinning Mills Ltd.	0.02	0.02
1300	Jaipur Polyspin Ltd.	0.14	0.14
75	Essar Steel Limited	0.01	0.01
4,500	Patspin Limited	0.33	0.33
(1200)	Shree Ramamulti Tech Ltd.	-	1.44
(250)	Geometric Soft. Solution Ltd.	-	0.75
(200)	Satyam Computer Limited	-	10.32
(100)	Integrated Hitech Ltd.	-	0.05
		124.05	121.61
Less : Provision for Diminution in Investment		0.27	1.84
		123.78	119.77
<b>AGGREGATE VALUE OF INVESTMENTS :</b>			
Book Value :			
Quoted		0.50	13.06
Unquoted		123.55	108.55
		124.05	121.61
Quoted		0.23	12.48

Figures in bracket indicate previous year figures

**PURCHASE AND SALE OF CURRENT INVESTMENTS DURING THE YEAR :**

Name of the Companies	No. of Shares
Zee Telefilm Ltd.	15,000
ITI Ltd.	100
Globel Telesystem Ltd.	1,500
Roita India Ltd.	2,000
Mascot System Ltd.	2,100
Reliance Petroleum Ltd.	5,000
Himachal Futuristic Comm. Ltd.	1,250
Cipla Ltd.	7,500
DSQ Software Ltd.	2,500
ACC Ltd.	5,000

# YARN SYNDICATE LIMITED

## SCHEDULES TO THE ACCOUNTS

	2000-2001 Rs. in lacs	1999-2000 Rs. in lacs
<b>SCHEDULE 7 : SHARE CAPITAL</b>		
<b>CURRENT ASSETS :</b>		
Inventories including goods in transit (As taken valued and certified by the Management)	171.77	382.52
Trading Goods	171.77	382.52
Sundry Debtors (Unsecured, considered good by the Management) :		
Debts due for a period exceeding six months	44.43	122.87
Other Debts	87.25	138.70
	131.68	261.57
Cash and Bank Balances :		
Cash Balance	2.26	12.69
Balance with Scheduled Banks :		
In Current Account	3.63	81.28
In Fixed Deposit (Under Lien)	40.05	40.05
In Dividend Account	2.46	2.52
In Share Application Refund Account	1.18	1.01
In E.E.F.C. Account	0.04	0.78
	49.62	138.33
<b>LOANS &amp; ADVANCES :</b>		
Loans/Inter Corporate Deposits	144.65	310.93
Advance recoverable in Cash or in kind or for value to be received :		
Unsecured :		
Advances and loans to Subsidiaries	84.58	79.80
Advance to staff	0.22	0.91
Advance to Others	1,128.93	1,133.56
Advance Payment of Income Tax	5.00	29.62
Income Tax refundable	-	0.83
Sundry Deposits	7.72	7.90
Tax Deducted at Source	52.83	41.60
Interest Receivable	1.07	1.27
	1,425.00	1,606.42
	1,778.07	2,388.84



# YARN SYNDICATE LIMITED

## SCHEDULES TO THE ACCOUNTS

	2000-2001 Rs. in lacs	1999-2000 Rs. in lacs
<b>SCHEDULE 8 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors :		
For Goods Supplied	39.12	37.05
For Expenses	20.40	44.95
For Others	20.45	119.54
	79.97	201.54
Share Application Money Refundable	0.94	0.94
Bank Overdraft (due to Reconciliation)	2.76	-
Dividend Payable (Un-encashed Warrants)	2.46	2.52
	86.13	205.00
<b>PROVISIONS :</b>		
For Taxation	16.00	38.00
	102.13	243.00
<b>SCHEDULE 9 : SALES</b>		
Export (On C.I.F. Value)	2,430.03	4,279.66
Domestic	232.51	130.78
	2,662.54	4,410.44
<b>SCHEDULE 10 : OTHERS INCOME</b>		
Exports Incentives	97.08	44.54
Commission (Net)	10.31	-
Miscellaneous Receipts	1.78	0.21
Differance In Foreign Exchange (Net)	22.39	22.97
Rent Received	2.54	4.88
Dividend	0.08	1.43
Profit on Sale of Fixed Assets (Net)	0.07	6.60
Profit on Sale of Current Investments (Net)	16.41	62.28
Sundry Balance written back (Net)	12.49	-
	163.15	142.91
<b>SCHEDULE 11 : INCREASE / (DECREASE) IN STOCK</b>		
Stock at Closing		
Finished Goods	-	-
Trading Goods	171.77	351.95
	171.77	351.95
Stock at Opening		
Finished Goods	-	13.82
Trading Goods	351.95	771.94
	351.95	785.76
	(180.18)	(433.81)

# YARN SYNDICATE LIMITED

## SCHEDULES TO THE ACCOUNTS

	2000-2001 Rs. in lacs	1999-2000 Rs. in lacs
<b>SCHEDULE 12 : INTEREST (Net)</b>		
On Loan from Managing Directors	0.30	0.30
To Banks and others	<u>71.93</u>	<u>177.47</u>
	<b>72.23</b>	<b>177.77</b>
Less received on Loans/Inter		
Corporate Deposits & from Banks	42.84	78.79
(Gross : TDS 13.15 lacs Previous Year 17.05 lacs)		
	<u>29.39</u>	<u>98.98</u>
<b>SCHEDULE 13 : MANUFACTURING, ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES</b>		
Raw Material Consumed	-	8.84
Power	0.42	1.12
Stores Consumption	0.01	1.70
Salaries, Wages, Bonus & Gratuity	19.76	30.13
Contribution to Provident & Other Funds nds	2.04	2.20
Staff Welfare Expenses	0.78	1.18
Directors' Fees	0.04	0.08
Insurance	25.23	25.41
Rent	0.26	1.64
Rates & Taxes (Including Licence Fee)	5.82	1.41
House Rent Allowance	-	0.04
Repairs :		
Building	1.38	0.89
Machinery	0.09	0.03
Others	2.47	5.74
	3.94	6.66
Shipping Expenses	115.44	212.99
Commission (Net)	-	38.74
Brokerage	0.30	0.33
Discount / Claims / Samples	20.10	31.83
Packing Materials	-	0.04
Payment to Auditors :		
Audit Fee	0.48	0.48
Tax Audit Fee	0.04	0.04
Certificate etc.	0.04	0.04
Re-imburement of out of Pocket Expenses	0.07	0.01
	0.63	0.57
Bank Charges	15.89	31.02
Charity & Donation	0.01	0.77
Quota Expenses	19.12	28.57
Sundry Balance w/off (net)	-	1.16
Diminution in Investment	0.16	1.84
Miscellaneous Expenses	<u>48.42</u>	<u>82.16</u>
	<b><u>278.37</u></b>	<b><u>510.43</u></b>

# YARN SYNDICATE LIMITED

## SCHEDULES TO THE ACCOUNTS

### SCHEDULE 14 :

#### Notes forming part of the Accounts for the year ended 31st March, 2001.

1. Contingent Liability not Provided for :
  - a) Outstanding Bills Purchased/Discounted for Rs. 490.77 Lacs (Previous Year Rs. 511.62 Lacs).
  - b) Income Tax demand not acknowledged and under appeal Rs. NIL (Previous Year Rs. 6.07 Lacs).
  - c) Sales Tax demands under appeal Rs. 0.17 Lacs (Previous Year Rs. 0.17 Lac) and Sales Tax payable if any, amount not ascertainable.
  - d) Claims against the Company not acknowledged as debts Rs. 1.53 Lacs (Previous Year Rs. 1.53 Lacs).
2. Sundry Debtors include an amount of Rs. 87.58 Lacs (Previous Year Rs. 88.43 Lacs) for the goods shipped pending negotiations of documents as on the date of Balance Sheet and have been expressed in Rupees at the Year end rate.
3. Sundry Debtors includes Rs. 42.70 Lacs (Previous Year Rs. 133.16 Lacs) outstanding from certain overseas buyers beyond the due dates. Such balances have not been realigned at the year end rate. In the opinion of the management, these will be recovered in due course and as such no provision is considered necessary in this respect.
4. Balance of Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation and consequential adjustment, if any with respect to individual details etc.
5. Advances considered good include Rs. 1088.76 Lacs (Previous Year Rs. 1078.73 Lacs) (excluding interest and other compensations) given to M/s. The Coimbatore Pioneer Mills Ltd. (CPML) against supply of yarn. The said party has not supplied the materials and in certain cases where supplies were made materials were not found to be of required specification. Accordingly, the Company had filed a suit before Hon'ble High Court at Calcutta for the recovery of the said sum and Interest etc. The Court vide its order dated 7th May, 2001 has dismissed the suit, since CPML has been referred to the Board for Industrial and Financial Reconstruction (BIFR) in June, 1998. The Company is in the process of finalising future course of action for recovery of the above balance. Pending finalisation of necessary recovery steps by the Company, the said amount has been considered good and recoverable.
6. Advances considered good include Rs. 15.64 lacs (Previous Year Rs. 15.64 lacs) given to certain parties with whom persuasive steps have been taken for recovery. Pending final outcome, of such steps taken, no provision has been considered necessary by the management.
7.
  - a) The Company has an investment of Rs. 73.99 Lacs in Equity Shares of Y. S. Spinners Ltd. (YSPL) The net worth of the YSPL is in negative. The agreement between YSPL and Shri Ambica Mills Ltd. with respect to acquisition of Fixed Assets of Unit No. 2 was held to be void. YSPL has lodged a claim on Shri Ambica Mills Ltd. in respect of its Investment in Fixed and other Assets. Pending outcome, no provision has been considered necessary by the management for the investment in shares of YSPL.
  - b) Revenue recognition with respect to diminution in value of long term investments amounting to Rs. 49.41 lacs have not been made in these accounts since these are considered long term strategic investments and such diminution does not represent inherent loss in values thereof.
8. Loans/Intercorporate deposits include Rs. 28.65 Lacs (including interest of Rs. 3.65 lacs) from a body corporate which is overdue. The company has filed suit for recovery of the loan together with interest on this loan. As a matter of abundant precaution, interest on the said loan amounting to Rs. 9 lacs (including Rs. 4.50 lacs for the year) has not been accounted for. Pending outcome of the legal suit, in the opinion of management, no provision is considered necessary, as the same is considered good and receivable.

## YARN SYNDICATE LIMITED

9. In view of exemptions/deductions available under the Income Tax Act, 1961, no provision for income tax has been considered necessary for the year.
10. Expenses and Income pertaining to earlier years Rs. 17305 (Previous Year Rs. 6332) and Rs. NIL (Previous Year Rs. 180172) respectively remain adjusted under respective heads of account.
11. There are no dues to small scale and ancillary industrial under taking (SSI) to the extent ascertained from the information available from suppliers regarding their status as SSI Unit.
12. Difference in Foreign Exchange include Rs. 20,49,691 (Previous Year Rs. 12,95,507) being gain on account of cancellation of forward exchange Contract.
13. The loan of Rs. 67.54 lacs from Life Insurance Corporation of India is secured against the surrender value of the Keymen Insurance Policies, maturity date of which is 01.04.2005.

14. **A. Directors' remuneration :**

**Rupees in Lacs**

	<u>2000-2001</u>	<u>1999-2000</u>
	<u>Rs.</u>	<u>Rs.</u>
Salary	-	6.85
Contribution to Employees Provident Fund & Other Fund *	-	0.70
Other Perquisites	-	0.50
	<u>-</u>	<u>8.05</u>

\* (Contribution to Employees Gratuity Fund which are based on actuarial valuation done on an overall Company basis are excluded above)

- B. Commission to Managing Directors has been waived by him and hence no calculation of Managing Directors' Commission has been given. Moreover remuneration payable to Managing Directors and Executive Director has not been provided in view of the waiver by them w.e.f. 1.2.2000.

15. **Additional information pursuant to the provisions of Part II Schedule VI to the Companies Act, 1956 :**

**A. QUANTITATIVE INFORMATION**

Unit	<u>Quantity</u>		<u>Amount Rs. in Lacs</u>		
	<u>2000-2001</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>1999-2000</u>	
<b>a) Opening Stock :</b>					
Yarn	Package	4913	14026	382.52	780.78
Cloth	Package	-	601	-	13.82
Commodity	Bags	-	-	-	-
<b>b) Purchases :</b>					
Yarn	Package	27636	37405	2252.18	3359.89
Cloth	Package	-	-	-	-
Commodity	Bags	-	7600	-	54.26
<b>c) Production :</b>					
Cloth	Kg. (Packages)	-	8259.13* (402)	-	-
* Excluding Job work done 19773.21 Kgs for others.					
<b>d) Sales :</b>					
Yarn	Packages	29979	46518	2662.54	4339.87
Cloth	Packages	-	1003	-	18.43
Commodity	Bags	-	7600	-	52.14

# YARN SYNDICATE LIMITED

Unit	<u>Quantity</u>		<u>Amount Rs. in Lacs</u>	
	<u>2000-2001</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>1999-2000</u>
<b>e) Closing Stock :</b>				
Yarn Packages	2570	4913	171.77	382.52
Cloth Packages		-		-
Commodity Bags	-	-	-	-
<b>f) Raw Material consumed :</b>				
(Yarn)				
Opening Stock	-	8504.44 (419)	-	8.84
Purchase Kg. (Packages)	-	30574.00 (729)	-	30.57
Less Closing Stock	-	30574.00 (729)	-	30.57
Consumption Kg. (Packages)	-	8504.44 (419)	-	8.84
<b>g) Licensed Capacity :</b>				
Cloth Kg.	Not Applicable		Not Applicable	
<b>h) Installed Capacity :</b>				
Cloth Kg. (Per annum)	-	485000	-	
<b>i) Purchase and Sales on Consignment :</b>				
Yarn Packages	-	4369	-	205.13

## B. EXPENDITURE IN FOREIGN CURRENCY

	<u>Rupees in Lacs</u>	
	<u>2000-2001</u>	<u>1999-2000</u>
	<u>Rs.</u>	<u>Rs.</u>
Travelling	6.35	10.60
Commission (Including outstanding)	14.50	47.26
Claims paid to Overseas Buyers	14.07	32.34

## C EARNING IN FOREIGN CURRENCY

F.O.B. Value of goods Exported	2344.50	4095.80
--------------------------------	---------	---------

16. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

#### 1. Registration Details :

Registration No.	21-13842
State Code	21
Balance Sheet Date	31.03.2001

# YARN SYNDICATE LIMITED

<b>2. Capital Raised During the Year : (Rs. in Lacs)</b>	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
<b>3. Position of Mobilisation and Deployment of Funds : (Rs. in 000)</b>	
Total Liabilities	207937
Total Assets	207937
Sources of Funds :	
Paid up Capital	37500
Reserves & Surplus	145498
Secured Loans	17958
Unsecured Loans	6981
Application of Funds	
Net Fixed Assets	23618
Investment	12378
Net Current Assets	167594
Miscellaneous Expenditure	4347
Accumulated Losses	NIL
<b>4. Performance of Company : (Rs. in 000)</b>	
Turnover (including other Income)	282569
Total Expenditure	281272
Profit/(Loss) before Tax	1327
Profit/(Loss) after Tax	758
Earning per Share (Rs.)	0.202
Dividend Rate	NIL
<b>5. Generic Names of Principal Products, Services of the Company :</b>	
Item Code No.	52.05
Product Description	Cotton Yarn
<b>17. Raw Materials and Stores &amp; Spare Parts consumed :</b>	
Indigenous	100%
18. Figures are given in Lacs and rounded to nearest Thousand.	
19. Previous Year figures have been regrouped/rearranged wherever considered necessary.	
<b>20. ACCOUNTING POLICIES :</b>	
<b>A) General :</b>	
These Accounts have been prepared on the historical cost basis and on the accounting principles of a going concern.	
According policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.	
<b>B) Revenue Recognition :</b>	
i) All expenses and Income are accounted on accrual basis except where there is uncertainty about the receipt thereof in view of the claims/dispute.	

## YARN SYNDICATE LIMITED

- ii) Income from Export Incentives is recognised on the basis of certainties as to its utilisation and related realisation.
- iii) Purchase and Sales are net of returns, rebates, discounts and rate difference in respect of Sales of Previous Year.

**C) Retirement Benefits :**

- i) Gratuity Liability is determined on the basis of actuarial valuation and funded with Employees' Gratuity Fund.
- ii) Accrued Liability in respect of leave encashment is provided / paid during the year.

**D) Fixed Assets :**

Fixed Assets are stated at Cost.

**E) Depreciation :**

- a) In respect of Fixed Assets of Knitting Unit, depreciation has been provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
- b) In respect of Fixed Assets other than those of Knitting Unit :
  - i) Depreciation on Fixed Assets has been provided on written down value basis at the rates as prescribed under the Income Tax Rules 1962, except in the case of assets mentioned at serial. Nos. (b), and (f) herein below whereon it has been provided at the rates as prescribed under Schedule XIV to the Companies Act, 1956.

	Rates as per Schedule XIV to the Companies Rules, Act 1956 (%)	Rates as per Income Tax (%)
a) <b>Building :</b>		
Office	5	10
Residential (Area less than 80 sq. Meters)	5	20
b) Furniture & Fixture	18.10	10
c) Office Equipments	13.91	25
d) Air Conditioning Machine	13.91	25
e) Refrigerator	13.91	25
f) Motor Car	25.89	20
g) Computer	40	60
ii) Depreciation on additions to assets during the year valuing up to Rs. 5,000/- has been provided at the rate of 95%.		
iii) Depreciation on additions to assets has been provided for the full year. No depreciation is being provided on assets sold during the year.		

**F) Exchange Fluctuation :**

a) **Assets & Liabilities :**

Transactions in foreign currencies related to current assets and liabilities are accounted for on the basis of the exchange rates prevailing at the time the transactions take place and are realigned at the applicable exchange rate at the year end and variations are adjusted to the respective revenue or capital head.

b) **Export Sales :**

At the rates as on the date of negotiation or collection or at forward contract rates, wherever applicable.

**G) Borrowing Cost :**

Borrowing cost incurred in relation to the acquisitions or construction of assets are capitalised / allocated as part of the cost of such assets. Other borrowing cost are charged as an expense in the year in which these are incurred.

## YARN SYNDICATE LIMITED

**H) Inventories :**

- i) Stock of Trading Goods is stated at lower of the cost and estimated net realisable value.
- ii) Stock of Finished Goods (Knitted Fabrics) is stated at the lower of cost or estimated net realisable value.
- iii) Stores and Spare parts is stated at lower of the cost and net realisable value.

**I) Investments :**

Long Term Investments are stated at cost less provision for diminution in value other than temporary, if any. Current Investments are valued at cost or below cost as the case may be.

**J) Share Issue Expenses :**

Share Issue Expenses are being amortised proportionately over a period of ten years.

**K) Quota Expenses :**

Quoted Expenses are written off over the period during which benefits therefrom are expected to be derived.

**L) Contingent Liabilities :**

Contingent Liabilities are not provided but disclosed by way of Note.

As per our report of even date

**For LODHA & CO.**

Chartered Accountants

**P. L. VADERA**

Partner

For and on behalf of the Board

**M. L. PATODIA**, Managing Director

**R. K. PATODIA**, Managing Director

**S. R. SARAF**, Director

Place : Kolkata

Dated : the 19th day of June, 2001.



# YARN SYNDICATE LIMITED

## CASH FLOW STATEMENT OF YARN SYNDICATE LIMITED AS PER LISTING AGREEMENT

CASH FLOW STATEMENT	Year ended 31st March, 2001 Rs. in Lacs	Year ended 31st March, 2000 Rs. in Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxes	13.27	49.55
Depreciation	34.41	39.13
Interest paid	72.23	177.77
Share Issue expenses	7.30	7.30
Quota Expenses	19.12	28.57
Loss on Diminution in Investment	0.16	1.84
Profit on Sale of Investment	(16.41)	(62.28)
Profit on Sale of Fixed Assets	(0.07)	(6.60)
Interest Received	(42.84)	(78.79)
Dividend Received	(0.08)	(1.43)
Miscellaneous Expenditure	(3.48)	(13.75)
Exchange Fluctuation (Loss)/gain (to the extent not paid/realised)	(2.76)	(2.28)
Sundry balances written off/(back) (Net)	<u>(12.49)</u>	<u>1.16</u>
Operating Profit before Working Capital Changes	<u>55.09</u>	<u>90.64</u>
Adjustment for :		
Inventories	210.75	413.42
Trade & Other Receivable	130.08	(88.73)
Advances	9.82	(995.60)
Trade Payable	<u>(104.29)</u>	<u>17.14</u>
	<u>246.36</u>	<u>(653.77)</u>
Cash generated from Operations	<u>314.72</u>	<u>(513.58)</u>
Direct Taxes paid (including dividend Tax)	<u>(13.47)</u>	<u>(1.00)</u>
Net Cash from Operating Activities (A)	<u>301.25</u>	<u>(514.58)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of Fixed Assets	(1.25)	(90.04)
Sale of Fixed Assets	0.57	21.56
Sale of Investment	305.20	425.01
Purchases of Investment	(292.96)	(297.60)
Loans & Inter-corporate Deposits	152.52	125.71
Interest Received	52.02	74.26
Dividend Received	<u>0.08</u>	<u>1.43</u>
Net Cash used in Investing activities (B)	<u>216.18</u>	<u>260.33</u>

# YARN SYNDICATE LIMITED

## CASH FLOW STATEMENT (Contd.)

	Year ended 31st March, 2001 Rs. in Lacs	Year ended 31st March, 2000 Rs. in Lacs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Increase / (Decrease) in Secured Borrowing	(598.09)	222.66
Net Increase / (Decrease) in Unsecured Borrowing	67.54	
Dividend Paid	(0.06)	(36.91)
Interest Paid	(76.55)	(175.61)
Net Cash from Financing Activities (C)	<u>(607.16)</u>	<u>10.14</u>
Net Increase in Cash & Cash equivalents (A+B+C)	(89.73)	(244.11)
Cash & Cash equivalents as at opening	139.33	383.44
Cash & Cash equivalents as at closing*	49.60	139.33

\* Net of adjustment on account of Exchange Fluctuation gain amounting to Rs. 0.02 Lac (Previous year Rs. 1.00 Lacs loss)

For and on behalf of the Board  
M. L. PATODIA, Managing Director  
R. K. PATODIA, Managing Director  
S. R. SARAF, Director

Place : Kolkata

Dated : the 19th day of June, 2001.

## AUDITORS' REPORT

We have examined the above Cash Flow Statement of YARN SYNDICATE LIMITED for the year ended 31st March, 2001. The Statement has been prepared by the Company in accordance with requirement of listing agreement clause 32 with Stock Exchange and is based on and in agreement with the books and records of the company and also the profit and Loss Account and Balance Sheet of the company covered by our report of even date to the members of the company.

14, Government Place East,  
Kolkata - 700 069.  
Dated : 19th day of June, 2001.

For LODHA & CO  
Chartered Accountants

P. L. VADERA  
Partner

## YARN SYNDICATE LIMITED

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

#### INTEREST OF HOLDING COMPANY IN THE SUBSIDIARY COMPANY

Sl. No.	Name of the Subsidiary Company	Year Ended	No. of Equity Shares	Face Value Rs. in lacs	Extent of Holding %	Net Profit / Loss not dealt with in Holding Company's Accounts Rs. in Lacs			
						Current	Year	Previous	Year
1.	YS Exports Limited	31.03.2001	108100	10.81	52.73	Loss	21.04	Profit	6.69

For and on behalf of the Board

**M. L. PATODIA** Managing Director

**R. K. PATODIA** Managing Director

**S. R. SARAF** Director

---

**ANNUAL REPORTS  
OF  
SUBSIDIARY COMPANY**

---

# YS EXPORTS LIMITED

**BOARD OF DIRECTORS**

SHRI M. L. PATODIA  
SHRI R. K. PATODIA  
SMT. SHEELA PATODIA

**AUDITORS**

S. NARAYAN AGARWAL & CO.  
Chartered Accountants  
42/1, B. B. Ganguly Street  
Kolkata - 700 012

**REGISTERED OFFICE**

7, Sambhu Nath Müllick Lane,  
Kolkata - 700 007

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their Thirteenth Report alongwith Annual Audited Accounts for the Year ended 31st March, 2001 together with Auditors' Report thereon.

### ACCOUNTS :

From the Accounts, you would observe that after accounting for all expenses and income the Company has incurred a net loss of Rs. 21,03,524/- during the year. The final position stands as follows :

Net Loss as per Profit and Loss A/c.	(Rs. 21,03,524)
Less : Short Provision of Income Tax for earlier year	(Rs. 28,488)
Less : Credit Balance brought forward from last year	Rs. 7,65,263
Debit Balance in Profit and Loss A/c carried forward to next year	<u>(Rs. 13,66,749)</u>

### DIVIDEND :

In view of loss during the year, your Directors do not recommend any dividend for the year under review.

### BUSINESS ACTIVITIES :

During the year under report, the Company continued the business. Although the financial results have not been satisfactory, your Directors are hopeful of better results in future.

### DIRECTORS :

Sri R. K. Patodia, Director of the Company retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

### HOLDING COMPANY :

By virtue of holding more than 50% Shares in your Company, M/s. Yarn Syndicate Limited, the Holding Company, continues to be the Holding Company of your Company.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING/OUTGO :

The particulars required in respect of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable for the year under review.

### AUDITORS' NOTES :

Auditors' Notes in their Report referring to Schedule 4 of Fixed Assets and Schedule 10 of Notes on Accounts are self-explanatory and do not require any further clarification.

### AUDITORS :

M/s. S. Narayan Agarwal & Co. Chartered Accountants, the Auditors of the Company retire but being eligible have offered themselves for re-appointment.

M/s. Rungta & Associates, Chartered Accountants, the Branch Auditors of the Company's branch at Mumbai retire but being eligible have offered themselves for re-appointment.

## YS EXPORTS LIMITED

### **DIRECTORS' RESPONSIBILITY STATEMENT U/S 217(2AA) :**

We, the Directors, as per the new Sub-Section (2AA) of Section 217 inserted by the Companies (Amendment) Act, 2000 hereby undertake that :

- a) in preparation of annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures therefrom;
- b) we have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so far as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss for that period;
- c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) we have prepared the annual accounts on a going concern basis.

Registered Office  
7, Sambhu Nath Mullick Lane,  
Kolkata - 700 007

Dated : the 25th May, 2001

For and on behalf of the Board  
**R. K. PATODIA**  
**SHEELA PATODIA**  
Directors

**AUDITORS' REPORT TO THE SHAREHOLDERS**

We have audited the attached Balance Sheet of M/SYS EXPORTS LIMITED of 7, Sambhu Nath Mullick Lane, Kolkata - 700 007 as at 31st March, 2001 and also the annexed Profit & Loss Account of the Company for the year ended on that date and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. the Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Account of the Company;
3. Non-ascertainment/Non-Provision for accrued liability for gratuity which is accounted for on cash basis (Refer Note No. i in Schedule '10').
4. in our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report, subject to what is stated at paragraph 3 above, comply with the mandatory accounting standards referred to in sub section 3(c) of section 211 of the Companies Act, 1956;
5. the audited statements of account together with Auditors' Report thereon received from Mumbai branch have been considered in framing out our report;
6. On the basis of the written representations received from the directors, and taken on record by the Board of Directors none of the directors is disqualified as on 31st March, 2001 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
7. In our opinion, subject to what is stated at paragraph 3 above, proper books of Account as required by law have been kept by the Company so far as appears from our examination of those books and according to explanations given to us, the said accounts subject to Note no.(i) regarding gratuity in Schedule '10' of Notes on Accounts give the information required by the Companies Act, 1956 (hereinafter referred to as the Act) in the manner so required and give a true and fair view :
  - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2001; and
  - ii) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.

As required by the manufacturing and Other companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Act and on the basis of such checks as were considered appropriate, we further report that :

1. The Company has maintained proper records to show full particulars and situation of Fixed Assets. As informed to us, physical verification of the Fixed Assets has been carried out by the management and no material discrepancies were noticed on such verification;
2. none of the fixed assets have been revalued during the year;
3. the stock of goods traded in by the company has been physically verified by the Management during the year at reasonable intervals;
4. in our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business;
5. no material discrepancies have been noticed on physical verification of stocks as compared to book records;
6. the Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act and/or the Companies under the same management as defined under section 370 (1-B) (non-operative) of the Act except loan from Holding Company;
7. the Company has not granted any loans, secured or unsecured, to the companies, firms or the parties listed in the Register maintained under Section 301 of the Companies Act and/or the Companies under the same management as defined under section 370 (1-B) (non-operative) of the Act;



## YS EXPORTS LIMITED

8. the Company has given interest free loans and advances in the nature of loans to its employees without any stipulation as to repayment, however, the same are generally recovered;
9. there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of goods, equipment and other assets and with regard to the sale of goods traded in;
10. no transactions of purchase of goods and materials and sale of goods, materials and services have been made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and aggregating during the year to Rs. 50,000 or more in respect of each party;
11. the Company has not accepted any deposits from the public within the meaning of Section 58A of the Act, 1948 are not applicable to the Company;
12. provident fund dues have been regularly deposited with the appropriate authorities during the year. As explained, the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company;
13. according to the information and explanations given to us and the books and records examined by us, there are no undisputed amount payable in respect of Income-Tax, Excise duty, Sales Tax and Customs duty outstanding as at 31st March, 2001 for a period exceeding six months from the date they become payable;
14. according to the information and explanations given to us and as per the records of the company examined by us, no personal expenses have been charged to Revenue Account other than payable under contractual obligation or in accordance with generally accepted practices;
15. in respect of trading activities there were no damaged goods;
16. the company is not a Sick Industrial Company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. in respect of dealing or trading in Shares, Securities and other investments, the company has maintained proper records of the transactions and contracts and timely entries have been made therein. As informed to us and on the basis of such checks as we considered appropriate, the investments were held by the company in its own name except National Savings Certificate which is held in the name of the Director.

Place :Kolkata - 700 007  
Dated : the 25th May, 2001

For **S. NARAYAN AGARWAL & CO.**  
Chartered Accountants  
**S. N. AGARWAL**  
Proprietor

# YS EXPORTS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2001

	SCHEDULE	31.03.2001 Rs.	31.03.2000 Rs.
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	2,050,000	2,050,000
Reserves & Surplus	2	<u>(1,366,749)</u>	<u>765,263</u>
		<u>683,251</u>	<u>2,815,263</u>
<b>Loan Funds :</b>			
Unsecured Loans	3	<u>8,457,943</u>	<u>7,980,211</u>
		<u>8,457,943</u>	<u>7,980,211</u>
TOTAL		<u>9,141,194</u>	<u>10,795,474</u>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
Gross Block	4	<u>17,428,506</u>	<u>17,428,506</u>
Less : Depreciation		<u>7,205,329</u>	<u>6,634,463</u>
Net Block		<u>10,223,177</u>	<u>10,794,043</u>
<b>Intestments :</b>	5	<u>15,000</u>	<u>492,252</u>
<b>Current Assets, Loans &amp; Advance :</b>			
Inventories	6	<u>-</u>	<u>3,800,054</u>
Sundry Debtors		<u>-</u>	<u>796,065</u>
Cash & Bank Balance		<u>26,244</u>	<u>811,655</u>
Loans & Advances		<u>130,726</u>	<u>786,257</u>
		<u>156,970</u>	<u>6,194,031</u>
Less : Current Liabilities & Provisions :	7		
Current Liabilities		<u>1,220,246</u>	<u>6,011,145</u>
Provision		<u>33,707</u>	<u>673,707</u>
		<u>1,253,953</u>	<u>6,684,852</u>
Net Current Assets :		<u>(1,096,983)</u>	<u>(490,821)</u>
TOTAL		<u>9,141,194</u>	<u>10,795,474</u>
<b>NOTES ON ACCOUNTS :</b>	10		

As per our report of even date  
**For S. NARAYAN AGARWAL & CO.**  
Chartered Accountants  
**S. N. AGARWAL**  
Proprietor  
42/1, B. B. Ganguly Street, Kolkata - 700 012

For and on behalf of the Board  
**R. K. PATODIA**, Director  
**SHEELA PATODIA**, Director

Place : Kolkata  
Dated : the 25th day of May, 2001.

# YS EXPORTS LIMITED

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	SCHEDULE	2000-2001 Rs.	1999-2000 Rs.
<b>INCOME :</b>	8		
Sales		3,808,522	4,212,101
Commission		-	975,149
Sundry balances written back		292,844	372,368
Profit on Sale of current Investments (Net)		-	788,521
Closing Stock		-	3,800.054
Dividend Received		683	-
		<u>4,102,049</u>	<u>10,148,193</u>
<b>EXPENDITURE :</b>			
Interest (to Holding Company)		998,362	-
Loss on Sale of Investments		259,930	-
Depreciation		570,866	607,893
Other Expenses	9	4,376,415	8,870,885
		<u>6,205,573</u>	<u>9,478,778</u>
Profit / (Loss) before Taxation		(2,103,524)	669,415
Short Provision of Income Tax for earlier year		(28,488)	-
Provision for Taxation		-	(33,707)
Balance brought forward from last year		765,263	129,555
Balance carried forward to next year		<u>(1,366,749)</u>	<u>765,263</u>
<b>NOTES ON ACCOUNTS :</b>	10		

As per our report of even date  
**For S. NARAYAN AGARWAL & CO.**  
Chartered Accountants  
**S. N. AGARWAL**  
Proprietor  
42/1, B. B. Ganguly Street, Kolkata - 700 012  
Place : Kolkata  
Dated : the 25th day of May, 2001.

For and on behalf of the Board  
**R. K. PATODIA**, Director  
**SHEELA PATODIA**, Director

# YS EXPORTS LIMITED

## SCHEDULES TO THE ACCOUNTS

SCHEDULE	2000-2001 Rs.	1999-2000 Rs.
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised :</b>		
5,00,000 Equity Shares of Rs. 10/- each	<b>5,000,000</b>	5,000,000
1,00,000 Preference Shares of Rs. 10/- each	<b>1,000,000</b>	1,000,000
	<u><b>6,000,000</b></u>	<u><b>6,000,000</b></u>
<b>Issued, Subscribed &amp; Paid Up :</b>		
2,05,000 Equity Shares of Rs. 10/- each Fully paid up in cash out of which 1,08,100 Equity Shares are held by Holding Company, M/s. Yarn Syndicate Limited	<b>2,050,000</b>	2,050,000
	<u><b>2,050,000</b></u>	<u><b>2,050,000</b></u>
<b>SCHEDULE 2 : RESERVES &amp; SURPLUS</b>		
<b>Profit &amp; Loss Account :</b>		
Balance Carried Forward	<b>(1,366,749)</b>	765,263
	<u><b>(1,366,749)</b></u>	<u><b>765,263</b></u>
<b>SCHEDULE 3 : UNSECURED LOANS</b>		
From Holding Company (interest Free for last year only)	<b>8,457,943</b>	7,980,211
	<u><b>8,457,943</b></u>	<u><b>7,980,211</b></u>

**YS EXPORTS LIMITED**

**SCHEDULES TO THE ACCOUNTS**

**SCHEDULE 4 : FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-00	Additions during the year	Sales/ Adjustment	As at 31.03.01	Upto 31.03.00	Provided during the year	Deductions for sales/ Adjustments	Total As at 31.03.2001	As at 31.03.01	As at 31.03.00
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
* OWNERSHIP PREMISES IN A CO-OPERATIVE SOCIETY	16,275,335	-	-	16,275,335	5,758,998	525,817	-	6,284,815	9,990,520	10,516,337
FURNITURE & FIXTURES	588,681	-	-	588,681	455,129	24,173	-	479,302	109,379	133,552
AIR-CONDITIONERS & WATER FILTER	371,104	-	-	371,104	258,845	15,615	-	274,460	96,644	112,259
TELEPHONE EQUIPMENTS	96,636	-	-	96,636	67,901	3,997	-	71,898	24,738	28,735
COMPUTER	96,750	-	-	96,750	93,590	1,264	-	94,854	1,896	3,160
<b>TOTAL :</b>	<b>17,428,506</b>	<b>-</b>	<b>-</b>	<b>17,428,506</b>	<b>6,634,463</b>	<b>570,866</b>	<b>-</b>	<b>7,205,329</b>	<b>10,223,177</b>	<b>10,794,043</b>
<b>PREVIOUS YEAR :</b>	<b>17,428,506</b>	<b>-</b>	<b>-</b>	<b>17,428,506</b>	<b>6,026,570</b>	<b>607,893</b>	<b>-</b>	<b>6,634,463</b>	<b>10,794,043</b>	<b>-</b>

NOTE : \* Though a residential premise, as explained, the same is used as office for the business of the branch.

# YS EXPORTS LIMITED

## SCHEDULES TO THE ACCOUNTS

	2000-2001 Rs.	1999-2000 Rs.
<b>SCHEDULE 5 : INVESTMENTS (At Cost)</b>		
(Other than Trade)		
<b>UNQUOTED :</b>		
National Savings Certificate	15,000	15,000
(Held in the name of a Director on behalf of the Company)	15,000	15,000
 <b>TRADE INVESTMENTS :</b>		
<b>QUOTED :</b>		
1,200 Equity Share of Shree Rama Multi Tech Ltd.	-	158,650
250 Equity Share of Geometric Software Solutions Co. Ltd.	-	318,602
	<u>15,000</u>	<u>492,252</u>
 <b>SCHEDULE 6 : CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>(A) CURRENT ASSETS :</b>		
<b>a. Inventories</b>	-	3,800,054
(As taken, valued & certified by the Management)	-	3,800,054
<b>b. Sundry Debtors :</b>		
(Unsecured - Considered Good)		
Debts due for a period exceeding 6 months	-	28,750
Other Debts	-	767,315
	-	<u>796,065</u>
<b>c. Cash &amp; Bank Balances :</b>		
Cash in hand	6,393	26,395
Balance with Scheduled Banks :		
In Current Accounts	19,851	785,260
	<u>26,244</u>	<u>811,655</u>
 <b>(B) LOANS &amp; ADVANCES :</b>		
(Unsecured - Considered Good)		
Advance recoverable in Cash or in kind or for value to be received	250	21,000
Advance/Provisional payment of Income Tax	33,707	660,716
Tax Deducted at Source	45,024	87,221
Income Tax Refund Receivable	34,425	-
Deposits	17,320	17,320
	<u>130,726</u>	<u>786,257</u>

# YS EXPORTS LIMITED

## SCHEDULES TO THE ACCOUNTS

	2000-2001 Rs.	1999-2000 Rs.
<b>SCHEDULE 7 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>a) CURRENT LIABILITIES :</b>		
* Sundry Creditors for Goods & Expenses	994,616	6,011,145
Tax Deducted at Source	225,630	-
	1,220,246	6,011,145
<b>b) PROVISION :</b>		
For Taxation	33,707	673,707
	1,253,953	6,684,852
* There were no dues / overdues to Small and Ancillary Industrial Undertakings.		
<b>SCHEDULE 8 : INCOME</b>		
Sales	3,808,522	4,212,101
Commission	-	975,149
Sundry balances written back	292,844	372,368
Profit on Sale of current Investments (Net)	-	788,521
Closing Stock	-	3,800,054
Dividend received	683	-
	4,102,049	10,148,193
<b>SCHEDULE 9 : OTHER EXPENSES</b>		
Opening Stock	3,800,054	-
Purchases	-	8,132,817
Salary, Bonus & Gratuity	248,484	374,121
Contribution to Provident Fund	25,226	33,451
Staff Welfare	280	1,440
Electricity Charges	80,483	75,448
Building Repairs & Maintenance	26,965	67,627
Conveyance Charges	11,915	49,875
Printing & Stationery	-	2,795
Postage, Telegrams, Telephones & Telex	2,291	14,889
Rates & Taxes	11,735	4,910
Legal & Professional Expenses	1,600	7,400
Brokerage & Commission	-	21,805
Bank Charges	715	8,476
Filing Fees	1,000	240
General Expenses	250	1,843
Subscription	6,000	-
Auditors' Remuneration (Including to Branch Auditors) :		
For Audit	5,250	4,725
For Tax Audit	-	750
For Certification Work	500	500
For out of Pocket Expenses	1,570	334
Freight	-	18,520
Sales Tax	147,231	46,144
Demat Expenses	4,866	2,775
	4,376,415	8,870,885

**SCHEDULES TO THE ACCOUNTS**

**SCHEDULE 10 : NOTES ON ACCOUNTS**

- I. Gratuity liability is being accounted for as and when paid.
- ii. Significant Accounting Policies :
  - A. (a) These accounts have been prepared on historical cost basis and on accounting principles of a going concern.
  - (b) Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles.
  - B. Depreciation is provided on written down value method at the rates specified in Schedule XIV to the Companies Act, 1956. However, depreciation on assets added during the year is provided for full year and no depreciation is being provided on the assets sold/disposed off during the year.
  - C. All expenses and income have been accounted for on accrual basis except otherwise mentioned.
  - D. Investments are stated at cost.
  - E. Fixed assets are stated at cost less accumulated depreciation.
  - F. Sales are stated inclusive of sales tax.
- iii. Balance of Sundry creditors and loans & advances are subject to confirmation.
- iv. Precious year's figures have been re-grouped/re-arranged wherever necessary.
- v. Additional information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956 :

**Quantitative information (as certified by the management) -**

(A) Purchase and Sales of Yarn on account of Consignment :

	<u>Current Year</u>		<u>Previous Year</u>	
	<u>Qty.</u>	<u>Amount</u>	<u>Qty.</u>	<u>Amount</u>
	<u>Bags</u>	<u>(Rs.)</u>	<u>Bags</u>	<u>(Rs.)</u>
	NIL	NIL	100	7,11,735

(B) Trading of Yarn in own Account :

	<u>Current Year</u>		<u>Previous Year</u>	
	<u>Qty.</u>	<u>Amount</u>	<u>Qty.</u>	<u>Amount</u>
	<u>Bags</u>	<u>(Rs.)</u>	<u>Bags</u>	<u>(Rs.)</u>
i) Purchases	NIL	NIL	1063	81,32,817
ii) Sales	465	38,08,522	598	42,12,101
iii) Closing Stock	NIL	NIL	465	38,00,054

- vi) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

**I. REGISTRATION DETAILS :**

Registration No.			21-044154
State Code			21
Balance Sheet Date :	31	03	2001
	Date	Month	Year



# YS EXPORTS LIMITED

## SCHEDULES TO THE ACCOUNTS

### II. CAPITAL RAISED DURING THE YEAR (Amount in Rs.) :

Public Issue : NIL	Rights Issue : NIL
Bonus Issue : NIL	Private Placement : NIL

### III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.) :

Total Liabilities	10,395,147.00
Total Assets	10,395,147.00
<b>Sources of Funds :</b>	
Paid-up Capital	2,050,000.00
Reserves & Surplus	(1,366,749.00)
Secured Loans	NIL
Unsecured Loans	8,457,943.00
<b>Application of Funds :</b>	
Net Fixed Assets	10,223,177.00
Investments	15,000.00
Net Current Assets	(1,096,983.00)
Miscellaneous Expenditure	NIL
Accumulated Losses	NIL

### IV. PERFORMANCE OF COMPANY (Amount in Rs.) :

Turnover	4,102,049.00
Total Expenditure	6,205,573.00
Profit/(Loss) before Tax	(2,103,524.00)
Profit/(Loss) after Tax	(2,103,524.00)
Earning per Share in Rs.	-
Dividend rate %	NIL

### V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY :

(As per monetary terms)

1) Item Code No. : (ITC Code)	Not Applicable
2) Product Description :	Not Applicable

As per our report of even date  
Signature to Schedules 1 to 10  
For **S. NARAYAN AGARWAL & CO.**  
Chartered Accountants  
**S. N. AGARWAL**  
Proprietor  
42/1, B. B. Ganguly Street, Kolkata - 700 012

For and on behalf of the Board  
**R. K. PATODIA, Director**  
**SHEELA PATODIA, Director**

Place : Kolkata  
Dated : the 25th day of May, 2001.

**PROXY FORM**

**YARN SYNDICATE LIMITED**

REGD. OFF. 7, SAMBHU NATH MULLICK LANE, KOLKATA - 700 007

I/We .....  
of ..... being a  
MEMBER/MEMBERS of the above-named Company, hereby appoint .....  
..... of  
..... or failing him  
..... of  
..... as my/our proxy to  
attend and vote for me/us and on me/our behalf at the 55th Annual General Meeting of the Company  
to be held at Patodia House, 23, Circus Avenue, Kolkata - 700 017 on Friday, the 14th day of  
September, 2001 at 10.00 a.m. and/or at any adjournment thereof.

signed this ..... day of ..... 2001

Signature .....

Please Affix  
Re. 1  
Revenue  
Stamp

Regd. Folio No.

Note : The Proxy should be deposited at Registered Office of the Company not less than 48  
hours before the time for holding the above Meeting.

**ATTENDANCE SLIP**

**YARN SYNDICATE LIMITED**

REGD. OFF. 7, SAMBHU NATH MULLICK LANE, KOLKATA - 700 007

Full Name of Shareholder / Proxy .....

I hereby record my presence at the 55th Annual General Meeting of the Company held at Patodia  
House, 23, Circus Avenue, Kolkata - 700 017 on Friday, the 14th day of September, 2001  
at 10.00 a.m.

Registered Folio No. :

No. of Shares held :

Signature of Shareholder/Proxy

Note : This attendance slip duly filled in and signed must be handed over at the entrance of the  
Meeting Hall.

**BOOK-POST**

*If undelivered, please return to :*

**M/S. AMI COMPUTERS (I) LIMITED**  
60A & B Chowringhee Road  
Kolkata - 700 020