

YARN SYNDICATE LIMITED

BOARD OF DIRECTORS

SMT. SHEELA PATODIA, Chairperson & Managing Director

SRI RISHIRAJ PATODIA, Joint Managing Director

SRI K. P. BAGARIA (resigned w.e.f. 03.09.2011)

SRI SITA RAM SARAF

SRI DEVENDRA JHUNJHUNWALA

SRI KISHORE CHHABRIA (w.e.f. 27.05.2011)

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

42, Broad Street, Kolkata - 700 019

NOTICE OF THE 66TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty-Sixth Annual General Meeting of the Members of the Company will be held at the Conference Hall in Hotel Akash Deep, 48, Circus Avenue, Kolkata-700019 on Friday, the 21st day of September, 2012 at 10.00 A.M. to transact the following business:

AS ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the Auditors' and the Directors' Reports thereon.
2. To appoint a Director in place of Sri Devendra Kumar Jhunjhunwala, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Registered Office :
42, Broad Street,
Kolkata - 700 019

By order of the Board
For YARN SYNDICATE LIMITED

BIKASH CHANDRA CHATTERJI
COMPANY SECRETARY

Dated : The 30th day of May, 2012.

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/herself and such proxy need not be a member of the Company. Proxies in order to be valid must be received by the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and the Share Transfer Books shall remain closed from 19th September 2012 to 21st September, 2012 (both days inclusive).

REQUEST TO THE MEMBERS :

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company atleast 7 (seven) days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. Members are requested to inform immediately of any change in their address to the Company's Share Transfer Agent.
4. All communications relating to shares are to be addressed to the Company's Share Transfer Agent, 'M/s R & D Infotech Pvt. Ltd., 7A, Beltala Road, 1st Floor, Kolkata-700026.'
5. As the Members are aware, your Company's shares are tradable compulsorily in electronic form and in view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation.

6. The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies vide circular dated April 21, 2011 in terms of which a company would have ensured compliance with the provisions of Section 53 of the Act, if service of documents have been made through electronic mode. In such a case, the company has to obtain email addresses of its members for sending e notices / documents electronically by giving an advance opportunity to the members to register their email addresses and changes therein, if any from time to time with the company. Accordingly, documents such as notices for general meetings, Financial Statements, Annual Reports for the year etc. can be sent in electronic form, to the email addresses of those members as available in the Register of Members of the Company. In case a shareholder desires to receive the documents stated above in either physical form or electronic form, they are to convey their preferences to the company.

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT

(in pursuance of Clause 49 of the Listing Agreement)

(1)

- | | | |
|--|---|--|
| 1. Name | : | Shri Devendra K. Jhunjunwala |
| 2. Date of Birth | : | 27.09.1952 |
| 3. Date of Appointment | : | 01.04.2002 |
| 4. Qualifications | : | B.Com. |
| 5. Expertise in Specific functional area | : | Business. |
| 6. Chairman/Director of other Companies | : | Directorships:
1. Swastic Heights Private Limited
2. Swastic Habitat Private Limited
3. Narayani Fabricators & Engineers Private Limited. |

Chairman/Member of Committees of the Board of Companies of which he is a Director:

Name of Company	Committee Type	Membership Status
Yarn Syndicate Ltd.	Audit Committee	Member
Yarn Syndicate Ltd.	Remuneration Committee	Member
Yarn Syndicate Ltd.	Share Transfer & Grievance Committee	Member

Registered Office :
42, Broad Street,
Kolkata - 700 019

Dated : The 30th day of May, 2012

By order of the Board
For YARN SYNDICATE LIMITED

BIKASH CHANDRA CHATTERJI
COMPANY SECRETARY

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

Your Directors have pleasure in submitting their 66th Annual Report of the Company together with the Audited Accounts for the Year ended on 31st March, 2012.

FINANCIAL RESULTS :

	2011-2012 <u>Rs. in Thousand</u>	2010-2011 <u>Rs. in Thousand</u>
Export Sales	58300	294469
Domestic Sales	-	-
	<u>58300</u>	<u>294469</u>
Profit/(Loss) before Interest & Depreciation	(9003)	10140
Less: Interest	1746	7131
Depreciation	<u>3964</u>	<u>3064</u>
Profit/Loss before Tax	(14713)	(55)
Less: Deferred Tax Charge/(Credit)	(230)	(508)
Fringe Benefit Tax	-	(508)
Profit/(Loss) after Tax	<u>14483</u>	<u>453</u>
Add: Balance brought from last year	<u>(21858)</u>	<u>(22312)</u>
Balance carried forward to next year	<u>(36342)</u>	<u>(21858)</u>

DIVIDEND :

Your Directors do not recommend dividend on Equity Shares for the Financial Year ended 31st March, 2012.

PERFORMANCE REVIEW :

During the financial year under review, the Company's export performance has suffered mainly due to the dismal market conditions for much of the year. The price of cotton yarn at first shot up and then slumped. The production of cotton yarn was cut down by the manufacturers who preferred to work with minimum low stock due to unstable market conditions. At the same time, the export market conditions were extremely competitive and margins are very low. In view of this, your company is exploring possibilities for the export of other types of products like raw cotton and foodstuff in addition to export of yarn.

The company has continued to explore newer markets and at the same time maintaining its excellent business relations with its existing customers in order to remain competitive in the export business. The export sales have decreased to Rs.583 lakhs during the year 2011-12 as compared to Rs.2944.69 lakhs during the previous year. The company hopes that the overall market conditions which have improved will continue to be more favourable this year.

PARTICULARS OF EMPLOYEES :

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

DIRECTORS :

Mr. K. P. Bagaria resigned from the Board with effect from 03.09.2011 and the Board of Directors accepted his resignation. The Board put on record its appreciation for the services rendered by Mr.

Bagaria during his tenure as a Director of the company.

Shri Devendra Kumar Jhunjhunwala, Director of the Company retires by rotation and is eligible for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to 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, 2012, 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 are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of 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, 2012 on a 'going concern' basis.

CORPORATE GOVERNANCE :

A Report on Corporate Governance and Management Discussion and Analysis as required under Clause 49 of the Listing Agreement is attached.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND 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, your Directors have to state that the particulars in respect of Energy Conservation and Technology Absorption are not applicable to your Company. As regards the Foreign Exchange earning and outgo, your Directors have to state that the relevant figures are given in Note 31 annexed to the Audited Accounts.

The Company's activity of export is in the line of cotton yarn, other types of yarn and textiles. Your Directors plan to continue their initiatives in order to further increase the export turnover and are exploring possibilities for the export of other types of products as well.

AUDITORS' OBSERVATIONS:

In respect of the reference to the Notes on Accounts in the Auditors Report, your Directors have to state that the same are self-explanatory and do not need further clarification.

AUDITORS:

M/s. Lodha & Co., Chartered Accountants, retire at the ensuing Annual General 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 their prompt and timely assistance rendered by them as and when required. The Board is grateful to the Reserve Bank of India, State Bank of India, Park Circus Branch, HDFC Bank,

Dr.U.N.Brahmachari Street Branch, The Cotton Textiles Export Promotion Council, Textile Committee, Export Credit Guarantee Corporation of India Ltd, Collector of Central Excise, Director General of Foreign Trade, New Delhi, Joint Director General of Foreign Trade, Kolkata, Registrar of Companies, the Federation of Indian Export Organisations, The Commercial Tax Office, Kolkata 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 wholehearted co-operation.)

For and on behalf of the Company

Registered Office :
42, Broad Street,
Kolkata - 700 019

Dated : The 30th day of May, 2012

SHEELA PATODIA
Chairperson and Managing Director

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is a structure and relationship which determine corporate direction and performance by sound management, transparency, accountability and fairness. The company believes that the key to achieve sustainable long term growth as well as protecting the interests of the shareholders, directors and management is sound corporate governance. For Yarn Syndicate Ltd., corporate governance is a continuous journey, seeking to provide an enabling environment to harmonize the goals of maximizing shareholder value, maintaining a customer-centric focus and cordial relationship with the bankers and the employees of the company.

2. BOARD OF DIRECTORS

The Board of Directors consists of 5 Directors.

COMPOSITION, CATEGORY AND DIRECTORSHIP IN OTHER COMPANIES

Name of Director	Promoter Executive/ Non-executive Independent	Member of Board of Other Companies including Pvt. Ltd. Cos.	Total No. of Committee Membership held	
			As Chairperson/ Chairman	As Member
Smt. Sheela Patodia (Chairperson & Managing)	Promoter / Executive	1	-	1
Shri Rishiraj Patodia (Joint Managing Director)	Executive	1	-	2
Shri S. R. Saraf	Independent/ Non-executive	3	3	-
Shri K. P. Bagaria (Resigned w.e.f. 3.09.2011)	Independent/ Non-executive	1	-	-
Shri D. K. Jhunjhunwala	Independent/ Non-executive	3	-	3
Shri Kishore Chhabria (Appointed w.e.f. 27.05.2011)	Independent/ Non-executive	1	-	-

BOARD, ANNUAL GENERAL MEETING & ATTENDANCE :

5 (five) Board Meetings were held during the year. The Board Meetings were held on 8th April 2011, 31st May 2011, 8th August 2011, 14th November 2011 and 13th February 2012.

The maximum time gap between any two meetings was not more than three calendar months.

The Annual General Meeting was held on 23rd September, 2011.

Director	No. of Board Meeting		Attended last AGM
	Held	Attended	
Smt. Sheela Patodia	5	5	No
Shri Rishiraj Patodia	5	5	No
Shri K. P. Bagaria	5	-	No
Shri S. R. Saraf	5	-	Yes
Shri D. K. Jhunjhunwala	5	-	No
Shri Kishore Chhabria	5	1	No

AUDIT COMMITTEE

The broad terms of reference of the Audit Committee are given hereunder:

- It shall oversee that Company's financial reporting process and the disclosure of its financial information and ensure that financial statements are correct, sufficient and credible.
- It shall recommend the appointment and removal of external auditor, fix the audit fee and also approve payment for any other services.
- It shall review with management the annual, half-yearly and quarterly financial statements in all respects.
- It shall review with management and statutory auditors the adequacy of internal control systems and internal audit functions.
- Discuss with external auditors before the audit commences nature and scope of audit as well have post-audit discussion to ascertain any area of concern.
- Review the company's financial and risk management policies.

COMPOSITION, NAME OF MEMBERS AND CHAIRMAN :

The Audit Committee was formed pursuant to a resolution passed at the Meeting of the Board of Directors of the Company held on 30th October, 2002. Audit Committee Meetings were held on 30th May 2011, 6th August 2011, 12th November 2011 and 11th February 2012. The composition of the Audit Committee meets the requirements of Clause 49 of the Listing Agreement.

MEMBERS OF THE AUDIT COMMITTEE

Sl. No.	Name of the Member	Status	Meetings held	Meetings Attended
1.	Sri S. R. Saraf	Chairman & Independent Director	4	4
2.	Sri D. K. Jhunjhunwala	Member & Independent Director	4	4
3.	Sri Rishiraj Patodia	Member & Executive Director	4	-

3. REMUNERATION COMMITTEE :

The Remuneration Committee was formed pursuant to a resolution passed at the Meeting of the Board of Directors of the Company held on 30th October, 2002.

The broad terms of reference and policy of the Remuneration Committee are given hereunder:

The Committee while approving the remuneration shall –

- a. take into account, financial position of the Company, trend in the industry, appointee's qualifications, experience, past performance, past remuneration etc.
- b. be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.
- c. ensure that the Company should not have made any default in repayment of any of its debts (including public deposits) or debentures for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial personnel.

Members of the Remuneration Committee :

Chairman & Independent Director	:	Sri S. R. Saraf
Member & Independent Director	:	Sri D. K. Jhunjhunwala
Member & Executive Director	:	Sri Rishiraj Patodia

No Remuneration Committee meeting was held during the year.

Details of remuneration paid to the Directors for the year:

The aggregate of salary and perquisites paid for the year ended 31st March, 2012 to the Directors were as follows:

Smt. Sheela Patodia	:	Rs. 7,79,624/-
Sri Rishiraj Patodia	:	Rs. 3,00,000/-

Sitting fees to Directors of the Board or any Committee thereof has been waived at the Meeting of the Board of Directors held on 27th July 2001.

4. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

The Investors' Grievance Committee of the company, under the nomenclature "Share Transfer-cum-Grievance Committee" approves transfer and transmission, duplicate, sub-division, consolidation and replacement of shares and other related matters and to deal with complaints regarding transfer of shares, non-receipt of balance sheet and non-receipt of dividend. The Committee also oversees the performance of Share Transfer Agents and recommends measures for overall improvement in the quality of investor services.

Sri S. R. Saraf is the Chairperson and is heading the Committee. Smt. Sheela Patodia and Sri D. K. Jhunjhunwala are the other members of the Committee. Sri Bikash Chandra Chatterji, Company Secretary is the Compliance Officer.

The Company has received 6 complaints as on 31.03.2012 and all of them have been resolved.

There were no shares pending for transfer as on 31.03.2012 and all the transfers have been approved by the Share Transfer-cum-Grievance Committee of the Company.

5. GENERAL BODY MEETINGS :

A. Location and time for last three Annual General Meetings were :

FINANCIAL YEAR	DATE	VENUE	TIME
31 ST MARCH, 2009	11.09.2009	23, CIRCUS AVENUE KOLKATA 700 017.	10.00 A.M.
31 ST MARCH, 2010	24.09.2010	HOTEL AKASH DEEP 48, CIRCUS AVENUE, KOLKATA - 700 019.	10.00 A.M.
31 ST MARCH, 2011	23.09.2011	—DO—	10.00 A.M.

B. Special Resolution at the last three Annual General Meetings :

- i) At the Sixty-third Annual General Meeting held on 11th September 2009, special resolution was passed for appointment of Sri Rishiraj Patodia as Executive Director.
- ii) At the Sixty-fourth Annual General Meeting held on 24th September 2010, no special resolution was passed.
- iii) At the Sixty-fifth Annual General Meeting held on 23rd September 2011, special resolution was passed for appointment of Sri Rishiraj Patodia as Joint Managing Director.

No resolution was put through Postal Ballot.

6. DISCLOSURES :

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large:

During the year, the Company had not entered into any transaction of a material nature with any of the related parties, which were in conflict with the interests of the Company.

Details of non-compliance by the company, penalties, and strictures 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:

None.

Risk Management : A systematic risk procedure is in place through appropriate internal control and checks and balances.

Compliance with Mandatory/Non-mandatory requirements:

The Company has complied with all the mandatory requirements of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement. As regards adoption of non-mandatory requirements of this clause, a Remuneration Committee of the Directors, as detailed hereinabove, is already in existence. Furthermore, the Company is making all possible effort to move towards a regime of unqualified financial statements.

7. CEO & COMPANY SECRETARY CERTIFICATION :

The Chairperson & Managing Director and Company Secretary have certified to the Board that:

We have reviewed financial statements and the cash flow statement for the year 2011-12 and that to the best of our knowledge and belief:

- (a)(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2011-12 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we 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 they have taken or propose to take to rectify these deficiencies.

- (d) We have indicated to the auditors and the Audit committee, wherever applicable:
- significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

8. SECRETARIAL AUDIT :

A qualified practicing Chartered Accountant carried out Quarterly Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of shares in dematerialized form held with NSDL and CDSL.

9. MEANS OF COMMUNICATIONS :

- Half yearly results sent to each household of Shareholders. Although half-yearly report is not sent to each household of shareholders, the Company published the same in "Financial Express" and "Arthik Lipi".
- Quarterly Results The quarterly results published in the proforma prescribed under the Listing Agreement are approved and taken on record within 45 days of the close of the relevant quarter. The approved results are notified forth with to the concerned Stock Exchange. Financial Express (English newspaper), Arthik Lipi (Bengali newspaper).
- which newspaper normally published in The above said results and the Shareholding Pattern used to be uploaded in the website of EDIFAR system under SEBI, periodically. The system has been discontinued and as per current requirement, a soft copy of Annual Report in single PDF file has been uploaded to the Exchange's website.
- any Website, where displayed.
- whether it displays Official news releases No
- whether presentation made to Institutional investors or to analyst. No
- whether Management Discussion and Analysis Report is a part of Annual Report or not Management Discussion and Analysis Report is a part of Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION :

	DATE	TIME	VENUE
a)	A.G.M. 21st September, 2012	10.00 A.M.	HOTEL AKASH DEEP 48, CIRCUS AVENUE, KOLKATA 700 017.
b)	Financial Calendar (tentative)	:	2012 – 2013
	i) Financial Year	:	April – March
	ii) First Quarter Results	:	August, 2012
	iii) Second Quarter Results	:	November, 2012
	iv) Third Quarter Results	:	February, 2013
	v) Audited Results for the year ending 31/03/2012	:	May, 2013
c)	Date of Book Closure	:	19th September, 2012 to 21st September, 2012 (both days inclusive)
d)	Dividend payment date	:	Not applicable
e)	Listing of Equity Shares on	:	Mumbai Stock Exchange
	(i) Annual Listing Fees for the year 2012-13 (as applicable) has been paid to the Bombay Stock Exchange Ltd., Mumbai.		
	(ii) The Company's equity shares have been delisted from the Stock Exchanges at Ahmedabad, Chennai, Coimbatore and Kolkata.		
f)	(i) Stock Code	:	Scrip Code No. : 514378
	The Bombay Stock Exchange Ltd.	:	Trading Symbol : YARN SYNDICT
	(ii) Demat ISIN Nos. in NSDL	:	INE 564C01013
	and CDSL for equity shares.		

g) Stock Market Data :

Month	THE STOCK EXCHANGE, MUMBAI		
	Month's High Prices	Month's Low Prices	Closing BSE Sensex
April, 2011	5.14	4.00	19135.96
May, 2011	4.46	3.67	18503.28
June, 2011	5.07	4.15	18845.87
July, 2011	5.30	4.31	18197.20
August, 2011	4.52	3.45	16676.75
September, 2011	4.16	3.41	16453.76
October, 2011	3.50	3.06	17705.01
November, 2011	3.82	3.10	16123.46
December, 2011	3.10	2.81	15454.92
January, 2012	3.68	2.95	17193.55
February, 2012	3.57	3.24	17752.68
March, 2012	3.57	2.95	17404.20

h) Registrar and Share Transfer Agents	: R & D INFOTECH PVT. LTD. 7A, Beltala Road, 1st Floor, Kolkata – 700026. TEL : 91(33)2419-2641/42 FAX : 91(033)24761657 e-mail : rdinfotec@yahoo.com rd.infotech@vsnl.net
i) Share Transfer System	: The share transfers which are received in physical form are processed by the Company's Registrar and Share Transfer Agents (RTA) within a period of 15 days and the share certificates returned within a period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. Dematerialization requests received by our Registrar & Share Transfer Agents (RTA) are processed and duly confirmed within 21 days of respective receipts.

j) (a) Shareholding Pattern as on 31st March, 2012.

Sl. No.	Category	No. of Shares (Issued Equity)	% of Shareholding
01.	Promoters & Persons Acting in Concert	2527279	67.394
02.	Indian Financial Institutions, Banks, Mutual Funds.	62500	1.667
03.	Foreign Institutional Investor/NRI's	2500	0.067
04.	Others	1157721	30.873
	Total	37,50,000	100.00

(b) Distribution on Shareholding as on 31st March, 2012.

No. of Shares held	No. of Shareholders	Percentage of Shareholders	No. of shares Issued Equity	Percentage of Shareholding
1-500	3304	91.57	416460	11.11
501-1000	158	4.379	124017	3.31
1001-2000	61	1.691	91551	2.44
2001-3000	25	0.693	62948	1.68
3001-4000	7	0.194	22753	0.61
4001-5000	11	0.305	50406	1.34
5001-10000	15	0.416	110728	2.95
10001-50000	19	0.527	372885	9.94
50001-100000	1	0.028	73000	1.95
100000 & above	7	0.194	2425252	64.67
TOTAL	3608	100	3750000	100

(k) Dematerialisation of shares and Liquidity :

The shares of the Company are compulsorily traded in DEMAT form by all categories of investors with effect from 26th December, 2000. The company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) to establish electronic connectivity of our shares for scripless trading. As on 31st March, 2012, 35.01% of shares of company were held in Dematerialised form. There are no electronic requests pending for approval as on 31.03.2012 for Dematerialization/Rematerialization under NSDL and CDSL.

Liquidity of Shares :

The shares of the company are actively traded in The Bombay Stock Exchange Ltd., Mumbai.

(l) Investor Correspondence :

(i) For transfer/dematerialisation of shares and any other query relating to the shares of the Company etc.	: R & D INFOTECH PVT. LTD. 7A, Beltala Road, 1st Floor, KOLKATA 700 026. TEL : 91(33)2419-2641/42 FAX : 91(033)24761657 e-mail : rdinfotec@yahoo.com rd.infotech@vsnl.net
(ii) Any query on Annual Report	: Secretarial Department YARN SYNDICATE LIMITED 42, Broad Street, KOLKATA 700 019. TEL : 033-2281-0270 & 033-2290-4383 FAX : 033-2281-0270 E-mail : yarncal@vsnl.com

The Board of Directors at their Meeting held on 30th May 2012 adopted the above report.

Registered Office :
42, Broad Street,
Kolkata - 700 019

Dated : The 30th day of May, 2012

For and on behalf of the Company

SHEELA PATODIA
Chairperson and Managing Director

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Yarn Syndicate Limited,

1. We have examined the compliance of the conditions of Corporate Governance by Yarn Syndicate Limited for the year ended 31st March 2012 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and explanations given to us and representations made by the Directors and the management, we certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further report that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For LODHA & CO.
Chartered Accountants
Firm ICAI Registration No. 301051E

H. S. JHA
Partner
Membership No. 055854

Place : Kolkata
Dated : 30th May, 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

We have pleasure in submitting the Management Discussion & Analysis Report on the Company's business.

A) INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Textile and Yarn Industry have an overwhelming presence in the economic life of the country. This sector contributes 14% of the industrial production, 4% of the GDP and 11% of the country's export earnings. It provides direct employment to over 35 million people and is the second largest provider of employment after agriculture. At the beginning of last year, prices for cotton soared globally only to plunge by more than half in the proceeding few months. The rise in prices were caused by demand outpacing production, a near-term supply squeeze causing record backwardation, the weakest dollar in several years, an upswing in the broader commodity market and higher oil prices due to the Arab spring. But just as market prices soared, frenetic panic buying eased and prices began to tumble. The erosion in mill demand for cotton contributed to the price fall. This year, cotton prices were stabilized by good economic results in the United States. During 2011-12, Yarn Syndicate Ltd. had exported various kinds of yarn like cotton yarn, cotton knitted fabrics and polyester textured yarn to countries like Belgium, Estonia, U.K, Morocco, Kenya.

The export market continues to be extremely competitive with low margins. Your Company is adhering to its policy of exporting quality yarn and strictly following delivery schedules to our customers.

B) OPPORTUNITIES AND THREATS

The Indian export market for textile and yarn has grown and today India is a major player. As your company has been in the export business since the 1960s, we have the expertise and experience in this line of business. Your company is therefore in the process of diversifying from solely the export of yarn to the export of other items as well like raw cotton and foodstuff. Furthermore, Bangladesh is emerging as a lucrative textile hub and as this country is highly dependent on cotton as a chief source material, for the Indian yarn exporters this is a huge market to be tapped.

There are several threats facing Indian yarn industry in both the domestic and international markets. On the domestic front, the biggest threat is the rising prices of cotton yarn due to rise in cost of freight. On the international front, the export of cotton is still somewhat dependent on the economic health of the USA and EU countries.

C) SEGMENT-WISE PERFORMANCE

The Company is engaged in the business of export of yarn and accordingly this is the reportable segment.

D) RISKS AND CONCERNS

The biggest risk and concern for the Indian yarn exporters are their dependence on the Western markets, rising domestic cost of production of yarn, and the emergence of low cost markets like Vietnam and Bangladesh.

The good news is that the Government of India has sanctioned 21 new Textile Parks under the Scheme for Integrated Textile Parks with a Project cost of Rs. 2,100 crores to be implemented over a period of 36 months. The new Textile Parks would leverage an investment of over Rs. 9,000 crores and provide employment to over 4 lakh textile workers.

E) OUTLOOK

During the past year, the cotton yarn market was in a state of turmoil with prices at first soaring and then falling by more than half, the prices of yarn have recently been steady due to the recovery of the Western markets like the USA and EU countries. There is a marginal impact due to rupee depreciation helping to hold yarn prices and making yarn exports more competitive in the international market. Moreover, the demand for yarn in the export market is good because of the low production of yarn both in India and internationally during the past year. Hence spinning mills that have reduced their production by around 25% in the past year will be gradually increasing their production. With cotton prices easing and a favorable currency situation, export demands saw a significant rise. Also, with China building a cotton reserve, there is a now a rising demand for the natural fibre.

F) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Moreover, an audit committee of the Board of Directors regularly review the audit plans, adequacy of internal control as well as compliance of accounting standards.

G) FINANCIAL AND OPERATIONAL PERFORMANCE

Please refer to 'Performance Review' in the Board of Directors' Report.

H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

We firmly believe that safe and healthy working conditions in the offices are as necessary and important as production, productivity and quality. Our policy requires conduct of activities in such a way as to take foremost account of health and safety of all concerned, besides conservation of natural resources and protection of the environment.

A major factor for the continued growth of your organization is the constructive support of Banks, Institutions, Suppliers, Export Promotion Organisations, executives, employees, creditors and the confidence shown by them in the company. Employer-Employee relations in all the offices of the company were cordial throughout the year under review.

The total numbers of people employed by the Company are 18.

I) CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "Forward looking statements". Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include, among others, economic conditions affecting demand/supply, the exchange rate of the Rupee vis-à-vis the U. S. Dollar and price conditions in the domestic and overseas markets, also effect of political situations, change in the Government regulations on Export, tax laws and other statutes and incidental factors over which the company does not have any control.

For and on behalf of the Company

Registered Office :
42, Broad Street,
Kolkata - 700 019

SHEELA PATODIA
Chairperson and Managing Director

Dated : The 30th day of May, 2012

Auditors' Report to the Members of M/s. YARN SYNDICATE LIMITED

We have audited the attached Balance Sheet of Yarn Syndicate Limited (the Company) as at 31st March, 2012, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ("the Act") and on the basis of such checks of the books of records of the Company as we considered appropriate and according to the information and explanations given to us, we report that;
 - i)
 - a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
 - b) All the fixed assets have not been verified by the management during the year but according to the information and explanation given to us, there is a regular program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its' business. No material discrepancies in respect of the assets verified during the year were noticed.
 - c) During the year, the Company has not disposed off substantial part of its fixed assets, which could effect the going concern status of the Company.
 - ii)
 - a) The company is trading in textile yarn. Orders for procurement are directly dispatched to customers and goods are generally dispatched from the place of procurement itself. Hence inventory only represents goods in transit for which sales has not been completed keeping in view the same, the inventory is not verified by the management.
 - b) Read with our comments in Para (a) above, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) Read with our comments in Para (a) above, the Company is maintaining proper records of inventories and no discrepancies was noticed on physical verification..
 - iii)
 - a) According to information and explanations given to us the company had not granted any loans, secured and unsecured, from/to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, Para 4 (iii) b) of the Order are not applicable.
 - c) According to information and explanation give to us, interest amounting to Rs. 115 (000) in respect of loans granted earlier were principal has been repaid is outstanding.
 - d) As inform to us, having regards to terms and condition to the loans granted in earlier year overdue interest is outstanding in respect of such loan.
 - e) The company has taken interest free unsecured loan from a director which is covered in the register maintained under section 301 of the Act.

- f) The loan is interest free and other terms and conditions of the aforesaid loans, are prima facie not prejudicial to the interest of the company.
- g) The above interest free loan was not due for repayment during the year.
- iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for sale of good. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that there is no transaction that needs to be entered into the register maintained under section 301 of the Act.
- vi) The Company has not accepted any deposits under section 58A,58AA or other relevant provisions of the Act.
- vii) There is no internal audit system in the Company.
- viii) As informed, the Central Government has not prescribed maintenance of cost record under Section 209 (1)(d) of the Act, for the product of the company. Accordingly provision of the Para (viii) of the order is not applicable to the company.
- ix) a) According to information and explanations given to us, Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Service Tax, Custom Duty, and other material statutory dues applicable to it. According to the information and explanation given to us, there is no undisputed amounts payable in respect of aforesaid dues for a period of more than six months from the date they became payable.
- b) According to information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service tax, Customs Duty, Wealth Tax, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute.
- x) The Company has accumulated losses at the end of the financial year. The company has incurred cash losses during the financial year but not incurred the same in the immediately preceding financial year. The effect of unqualified qualification has not been taken into consideration for the purpose of making comment in respect of this clause.
- xi) According to the information and explanation given by the management, the Company has not defaulted in repayment of dues to the financial institutions and banks. There were no debenture holders during the year.
- xii) According to the information and explanation given to us, and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Accordingly the provisions of clause 4(xiii) of the order are not applicable to the company.
- xiv) The company is not dealing/trading in securities.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions

- xvi) According to the information and explanations given to us, no fresh term loans have been taken during the year.
- xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we have not come across any cases where fund raised on short term basis have been utilized for long term investments.
- xviii) The company has not made any preferential allotment of shares during the year to parties or companies covered in the register maintained under section 301 of the Act.
- xix) According to the information and explanations given to us the company has not issued any debentures during the year. Accordingly, the provision of clause 4(xix) of the order is not applicable to the company.
- xx) The Company has not raised any money by public issue during the year.
- xxi) During the course of our examination of books of accounts carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the company nor have been informed of any such case by the management.
2. Attention is invited to the following Notes regarding:
- (a) Certain debts from overseas buyers are overdue. However, the extent of amount recoverable out of the balance and provision there against if any is presently not ascertainable (Note 13)
- (b) Confirmation and reconciliation in respect of long term trade receivable (Note 13) and certain cash and bank balances (Note 16) are not available.
- (c) Non provision of certain unmoved balances in loan given to companies, advance to others, sundry deposits, tax deducted at source. (Note 29)
3. We further report that overall impact with respect to the notes given in para 2 above cannot be ascertained and as such cannot be commented upon by us.
4. Further to the above, we report that :
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) The Balance Sheet, the Profit & Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (c) Except as given in Note 11.1 regarding non ascertainment and consequential adjustments regarding impairment of fixed assets and Note 1 (I) (ii) regarding accounting of sales on the date of negotiation/collection and accordingly the foreign exchange fluctuation remaining included in sales, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub- section 3 (c) of Section 211 of the Act.
- (d) On the basis of written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2012 from being appointed as a director of the Company in terms of clause (g) of sub section (1) of Section 274 of the Act;
- (e) In our opinion and to the best of our information and according to the explanations given to us, subject to our remarks as given in Para 2 above whereby excepting as given in Para 3 above we are unable to ascertain the impact on these accounts and Note 8 regarding non availability of details regarding Micro, Small and Medium

Enterprises Development Act, 2006 and read together with the other notes thereon, these accounts 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:

- (i) in the case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2012
- (ii) in the case of Profit & Loss Statement, of the loss for the year ended on that date; and
- (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For LODHA & CO
Chartered Accountants
Firm's ICAI Registration Number : 301051E

Place : Kolkata
Dated : The 30th day of May, 2012.

H. S. JHA
Partner
Membership No. 55854

BALANCE SHEET AS AT 31ST MARCH, 2012

	Note No.	As at	
		31st March 2012	31st March 2011
EQUITY AND LIABILITIES :			
Shareholders' Funds :			
Share Capital	2	37,500,000	37,500,000
Reserves & Surplus	3	7,409,130	21,891,960
Non-Current Liabilities :			
Long-term borrowings	4	10,538,090	8,794,437
Long-term provisions	6	619,000	758,000
Current Liabilities :			
Short-term borrowings	7	16,501,114	20,252,257
Trade payables	8	149,191	198,940
Other current liabilities	9	6,999,282	7,597,795
Short-term provisions	10	752,380	268,773
TOTAL		80,468,187	97,262,162
ASSETS :			
Non-Current assets :			
Fixed assets	11		
– Tangible assets		15,313,010	13,007,126
– Intangible assets		–	–
Long term loans and advances	12	14,407,230	12,729,095
Other Non-current assets	13	17,301,387	21,571,291
Deferred tax assets	5	1,258,230	1,028,230
Current assets :			
Inventories	14	2,187,705	2,511,815
Trade receivables	15	–	10,543,397
Cash and bank balances	16	15,105,002	16,977,037
Short-term loans and advances	17	6,885,679	7,957,370
Other current assets	18	8,009,944	10,936,801
TOTAL		80,468,187	97,262,162
See accompanying notes to the financial statements	1		

As per our report of even date

For LODHA & CO.
Chartered Accountants
H. S. JHA
Partner

Place : Kolkata
Dated : The 30th day of May, 2012.

For and on behalf of the Board
SHEELA PATODIA, Chairperson & Managing Director
RISHI RAJ PATODIA, Joint Managing Director
S. R. SARAF, Director
B. C. CHATTERJI, Company Secretary

**PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2012**

	Note No.	As at 31st March 2012	As at 31st March 2011
Revenue/Income from operations	19	61,941,081	306,620,003
Other Income	20	4,779,131	14,409,000
Total Revenue		66,720,212	321,029,003
Expenses:			
Cost of goods exported		49,479,953	271,140,315
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	324,110	(452,074)
Employee benefit expense	22	5,880,384	6,036,736
Financial costs	23	3,131,115	7,981,119
Depreciation and amortization expense	11	3,964,210	3,064,194
Other expenses	24	18,653,270	33,313,727
Total Expenses		81,433,042	321,084,017
Profit before tax for the year		(14,712,830)	(55,014)
Tax expense:			
- Current tax		-	-
- Tax for earlier years		-	-
- Deferred tax		(230,000)	(508,000)
		(230,000)	-
Profit/(Loss)after tax for the year		(14,482,830)	452,986
Earning per equity share:			
- Basic		(3.86)	0.12
- Diluted		-	-
See accompanying notes to the financial statements	1		

As per our report of even date

For LODHA & CO.
Chartered AccountantsH. S. JHA
Partner

Place : Kolkata

Dated : The 30th day of May, 2012.

For and on behalf of the Board
SHEELA PATODIA, Chairperson & Managing Director
RISHI RAJ PATODIA, Joint Managing Director
S. R. SARAF, Director

B. C. CHATTERJI, Company Secretary

NOTE TO THE ACCOUNTS

Note 1

SIGNIFICANT ACCOUNTING POLICIES :

A) General:

The accounts have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 1956 and Accounting Standards notified vide Companies (Accounting Standards) Rules, 2006.

All expenses and income are accounted on accrual basis except where there is uncertainty about the receipt thereof in view of the claims/dispute.

Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

B) Use of estimates:

The preparation of financial statement requires management to make estimates and assumption that affect the reported amount of assets and liabilities on the date of financial statements and disclosure relating to contingent assets and liabilities as at the balance sheet date and reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the result are known/materialised.

C) Sales and Other Income:

Income from Export Incentives is recognised on the basis of certainties as to its utilisation and related realisation.

D) Inventories:

Inventory is valued at lower of cost and net realisable value. Traded goods are valued using FIFO method.

E) Employee Benefits:

(a) Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

(b) i) Gratuity - year-end liabilities on account of gratuity payable to employees are determined on the basis of actuarial valuation with appropriate contributions to the Company's gratuity fund and charged to profit and loss account.

ii) Leave Encashment - accrued year-end leave are provided for on accrual basis and paid off as at the year end. No accumulation of leave is allowed to be carried forward.

Actuarial gains and losses in respect of above post employment benefits are charged to the profit and loss account.

F) Fixed Assets:

Fixed Assets have been stated at cost.

G) Depreciation:

a) 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) hereinbelow 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 Act 1956	Rates as per Income Tax
	(%)	(%)
Building :		
Office	5	10
Residential (Area less than 80sq metres)	5	5
Furniture & Fixtures	18.1	10
Office Equipments	13.91	15
Air Conditioning Machine	13.91	15
Refrigerator	13.91	15
Motor Car	25.89	15
Computer	40	60

- b) Depreciation on additions to assets during the year valuing up to Rs.5,000/- has been provided at the rate of 95%.
- c) Depreciation on additions to assets has been provided for the full year. No depreciation is being provided on assets sold during the year.

H) Impairment:

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed asset is determined. An impairment loss is recognised, wherever the carrying amount of assets either belonging to cash generating units or otherwise exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flow from the use of assets is discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective asset, which in case of CGU, are allocated to assets on a prorated basis.

I) Foreign Exchange Transaction:

i) Assets & Liabilities :

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of the transaction. Foreign currency monetary assets and liabilities at the year end are translated using closing exchange rates. The loss or gain thereon and also on the exchange difference on settlement of the foreign currency transaction during the year are recognised as income or expenses and are adjusted to the profit and loss account under respective heads of accounts.

ii) Export Sales:

These transactions are stated at the rate as on the date of negotiation or collection or at forward contract rates, wherever applicable.

J) 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 costs are charged as an expense in the year in which these are incurred.

K) Taxation :

Provision for tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference, which are capable of reversal in subsequent periods are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is "virtual certainty" that such deferred tax assets can be realised against future taxable profits.

L) Provision, contingent liabilities and contingent assets :

Provision involving substantial degree of estimates in measurement are recognised 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 assets are neither recognised nor disclosed in the financial statement. Contingent Liabilities are not provided for but disclosed by way of Note.

NOTE TO THE ACCOUNTS

	As at 31st March 2012	As at 31st March 2011
Note 2		
SHARE CAPITAL :		
Authorised		
50,00,000 (50,00,000) Equity shares of Rs.10/- each	50,000,000	50,000,000
Issued, Subscribed & Paid-up		
37,50,000 (37,50,000) Equity shares of Rs. 10/- each.	<u>37,500,000</u>	<u>37,500,000</u>
	<u>37,500,000</u>	<u>37,500,000</u>
Shareholders holding more than 5% of shares	No.of shares	No.of shares
Sheela Patodia	1,302,802	1,302,802
Rishiraj Patodia	215,500	215,500
Y.S.Exports Limited	994,950	994,950
Note 3		
RESERVES & SURPLUS :		
Securities Premium Reserve	43,750,000	43,750,000
Surplus in Profit & Loss Account		
Surplus :		
Opening Balance	(21,858,040)	(22,311,027)
Add : Profit/(Loss) for the year transferred from		
Statement of Profit & Loss	(14,482,830)	452,986
Balance at the end of the year	<u>(36,340,870)</u>	<u>(21,858,040)</u>
Total	<u>7,409,130</u>	<u>21,891,960</u>

Note 4**LONG TERM BORROWINGS :**

Unsecured		
From Director	6,000,000	8,000,000
Secured		
Vehicle Loan from HDFC Bank Ltd.*	2,874,116	58,168
Vehicle Loan from Tata Capital Ltd.**	<u>1,663,975</u>	<u>736,269</u>
	<u>10,538,090</u>	<u>8,794,437</u>

(Secured by way of hypothecation of vehicles)

* 44 installments due @ ` 76,230 as on 31.03.2012

** 21 instalments due on 1 loan @ ` 36,452 and 28 instalments due on 2nd loan @ ` 83,835 as on 31.03.2012

Note 5

Deferred Tax Assets		
Expenses allowable on payment basis	112,230	234,230
Deferred Tax Liabilities		
Depreciation Difference	1,146,000	794,000
Deferred Tax Liabilities (Net)	<u>1,258,230</u>	<u>1,028,230</u>

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" the company has accounted for deferred tax. The company has carry forward losses and unabsorbed depreciation which has not been recognised in the absence of virtual certainty of reversal of such assets.

NOTE TO THE ACCOUNTS

	As at 31st March 2012	As at 31st March 2011
Note 6		
LONG TERM PROVISIONS :		
– Provision for Employee benefits		
Provision for Gratuity	<u>619,000</u>	<u>758,000</u>
	<u>619,000</u>	<u>758,000</u>

Note 7**SHORT TERM BORROWINGS :**

Secured		
Packing Credit from Canara Bank Ltd.	<u>16,501,114</u>	<u>20,252,257</u>
	<u>16,501,114</u>	<u>20,252,257</u>

(Secured by Hypothecation of Stock - in -Trade including goods-in- transit and Export Goods lying with manufacturers & Book debts. Guaranteed by Personal Guarantee of both Managing Directors of the Company. Further collateral security of office premise at Mumbai, term deposits of Rs.4000 & pledge of cut-back deposit against export proceeds.

(Previous year Rs.4000)

Note 8**TRADE PAYABLES :**

	<u>149,191</u>	<u>198,940</u>
	<u>149,191</u>	<u>198,940</u>

The Company is in the process of compiling information with regard to suppliers covered under Micro, Small and Medium Enterprise Development Act, 2006. To the extent identified, the Company has no information from the suppliers under the Act and accordingly the disclosure as required in Section 22 of the said Act could not be given in these accounts.

Note 9**OTHER CURRENT LIABILITIES**

Vehicle Loan from HDFC Bank Ltd.	549,653	671,100
Vehicle Loan from Tata Capital Ltd.	1,199,691	352,905
Interest free Loan From Director	2,000,000	2,000,000
Interest accrued and due on ICD	115,040	115,040
Interest accrued but not due on Vehicle loans	50,429	–
Other Payables	<u>3,084,469</u>	<u>4,458,750</u>
	<u>6,999,282</u>	<u>7,597,795</u>

Note 10**SHORT TERM PROVISIONS :**

– Provision for Employee benefits		
Provision for Gratuity	500,000	–
– Others		
Provision for Wealth Tax	3,107	19,500
Provision for Fringe Benefit Tax	<u>249,273</u>	<u>249,273</u>
	<u>752,380</u>	<u>268,773</u>

NOTE TO THE ACCOUNTS

Note 11 : FIXED ASSETS

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION BLOCK				NET BLOCK	
	As on 01.04.11	Addition during the year	Sales/ad-justment during the year	Total as on 31.03.12	Up to 31.03.11	For the year amount	Deduction for sales adjustment	Total as on 31.03.12	As on 31.03.12	As on 31.03.11
FREEHOLD LAND	620,000.00	-	-	620,000.00	-	-	-	-	620,000.00	620,000.00
BUILDING*	16,350,987.00	-	-	16,350,987.00	11,805,652.00	454,534.00	-	12,260,186.00	4,090,801.00	4,545,335.00
OFFICE APPLIANCE & OTHER EQUIPMENTS	5,354,355.40	135,142.00	228,390.00	5,261,107.40	4,048,967.65	218,131.00	217,229.00	4,049,869.65	1,211,237.75	1,305,387.75
COMPUTER	2,287,265.42	45,170.00	-	2,332,435.42	2,211,838.15	74,109.00	-	2,285,947.15	46,488.27	75,427.27
FURNITURE & FITTINGS	2,406,126.78	97,137.00	-	2,503,263.78	2,055,950.78	80,964.00	-	2,136,914.78	366,349.00	350,176.00
VEHICLES	11,697,640.67	8,866,111.00	6,656,116.97	13,907,634.70	5,586,840.70	3,136,472.00	3,793,811.97	4,929,500.73	8,978,133.97	6,110,799.97
TOTAL :	38,716,375.27	9,143,560.00	6,884,506.97	40,975,428.30	25,709,249.28	3,964,210.00	4,011,040.97	25,662,418.31	15,313,009.99	13,007,125.99
PREVIOUS YEAR :	36,716,912.27	2,939,724.00	940,261.00	38,716,375.27	23,375,116.28	3,064,194.00	730,061.00	25,709,249.28	13,007,125.99	13,341,795.99

* Includes 20 shares (Previous year 20 shares) of Rs. 50/- each (Total face value Rs.1,000/-) fully paid up issued by Maker Bhavan No.II Premises Co-operative Society Limited at Mumbai.

1. Impairment in the carrying value of the fixed assets as at the balance sheet date has not been ascertained, pending detailed review and technical evaluation in this respect. The company intends to get the said review carried by independent valuer / consultant and adjustment, if any will then be made in the accounts.

(29)

YARN SYNDICATE LIMITED - ANNUAL REPORT 2011-12

NOTE TO THE ACCOUNTS

	As at	As at
	31st March 2012	31st March 2011

Note 12 LONG TERM LOANS AND ADVANCES :

Unsecured	11,679,267	10,125,732
Loans/inter Corporate Deposits	2,727,963	2,603,363
Security Deposits	14,407,230	12,729,095

Note 13

OTHER NON-CURRENT ASSETS :

Long Term Trade Receivable	17,301,387	21,571,291
(Unsecured - Considered Good unless otherwise stated)	17,301,387	21,571,291

Sundry Debtors over six months include Rs.1,73,01,387 (Net of ECGC Claim Rs.4,792,846) (Previous year Rs. 10,020,831) due from certain overseas buyers. 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. Rs.4,269,904 has been written off of two debtors during the year. Balances of debtors are subject to confirmation.

Note 14

INVENTORIES :

(As taken, valued and certified by the management)	1,859,030	2,183,140
Trading Goods	328,675	328,675
Discarded Fixed Assets	2,187,705	2,511,815

Certain Fixed assets amounting to Rs.328,675 (Previous year Rs.328,675) have been discarded on retiring from their active use and shown under the head inventories. In the absence of determination of their realisable value, these have been recorded at book value. In the opinion of the management the realisable value will not be lower than the book value. Necessary adjustments, if any will be carried on disposal of the same.

Note 15

SUNDRY DEBTORS :

(Unsecured - Considered Good unless otherwise stated)	-	10,543,397
Outstanding for a period of more than six months	-	-
Other Debts	-	10,543,397

(30)

YARN SYNDICATE LIMITED - ANNUAL REPORT 2011-12

NOTE TO THE ACCOUNTS

	As at 31st March 2012	As at 31st March 2011
Note 16		
CASH AND BANK BALANCES :		
Cash and cash equivalents		
Cash in hand	1,932,548	2,394,693
Balance with Scheduled Banks		
- on Current Accounts	(354,668)	2,515,342
- on Fixed Deposits*	4,593,018	4,289,032
- on Cut Back Deposits**	8,891,660	7,740,945
- on EEFC Account	42,444	37,024
	<u>15,105,002</u>	<u>16,977,037</u>

Balances of certain bank accounts are subject to confirmation.

* Secured against Packing Credit loan

** Arising out of export proceeds & pledged against Packing credit loan

Note 17

SHORT TERM LOANS AND ADVANCES :

(Unsecured and considered good unless otherwise stated)

Advance (recoverable in cash or in kind or for value to be received) (*)	5,444,025	6,533,678
Tax deducted at Source	862,738	949,435
Staff Advance	329,643	224,984
Advance Fringe Benefit Tax	249,273	249,273
	<u>6,885,679</u>	<u>7,957,370</u>

(*) Includes Rs.38,842 (10,36,181) given to Director.

Note 18

OTHER CURRENT ASSETS :

Interest Receivable	344,016	53,535
Export Incentives Receivable	7,665,928	10,883,266
	<u>8,009,944</u>	<u>10,936,801</u>

Note 19

REVENUE/INCOME FROM OPERATIONS :

Sale of Product	58,300,070	294,468,638
Export Incentives	3,641,011	12,151,365
	<u>61,941,081</u>	<u>306,620,003</u>

NOTE TO THE ACCOUNTS

	As at 31st March 2012	As at 31st March 2011
Note 20		
OTHER INCOME :		
Profit on Sale of Investments	-	197,526
Profit on Sale of Fixed Assets (Net)	287,934	14,800
Interest Received (TDS Rs.14,937 ; Previous Year Rs.84,507)	1,385,117	850,156
Dividend on Investments	1,080	3,007
Discount/Claim Received	-	316,586
Rent Received	3,105,000	3,003,750
Miscellaneous Income	-	10,023,175
	<u>4,779,131</u>	<u>14,409,000</u>

Note 21

Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Closing stock of yarn/Fabric	1,859,030	2,183,140
Less : Opening stock of Yarn/Fabric	2,183,140	1,731,066
	<u>324,110</u>	<u>(452,074)</u>

Note 22

EMPLOYEE BENEFIT EXPENSES :

Salaries & Wages	5,218,635	5,372,775
Contribution to Provident and other Funds	537,030	484,132
Staff welfare expenses	124,719	179,829
	<u>5,880,384</u>	<u>6,036,736</u>

Employees Benefits :

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 (AS-15), are given below:

- (i) "Defined Contribution Scheme" - Contribution to Defined Contribution Plan, recognized for the year are as under:
 - Employer's Contribution to Provident Fund 3,80,760 (Previous year 3,10,552/-)
 - Employer's Contribution to Pension Fund ` 85,693 (Previous year ` 1,09,016/-)
- (ii) "Defined Benefit Scheme" - The employee's gratuity fund scheme managed by Towers

Watson is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) actuarial Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(in '000)

Particulars	Gratuity (Funded)	Gratuity (Funded)
Expenses Recognized in the Profit & Loss Account	31.03.2012	31.03.2011
1 Current Service Cost	80	73
2 Interest Cost	120	95
3 Expected return on plan assets	(46)	(70)
4 Actuarial Losses / (Gains)	207	660
Total Expenses	361	225
Change in the obligation during the year		
1 Present value of Defined Benefit Obligation at the beginning of the year	1,963	1,337
2 Acquisition	0	0
3 Current Service Cost	80	73
4 Interest Cost	120	95
5 Benefit Paid	(926)	(202)
6 Actuarial (Gains) / Losses	207	660
Present value of Defined Benefit Obligation at the end of the year	1,444	1,963
Change in Assets during the year ended		
1 Plan Assets at the beginning of the year	1,205	1,115
2 Contribution by Employer	0	222
3 Expected return on plan assets	46	70
4 Benefit Paid	(926)	(202)
5 Actuarial Gains / (Losses)	0	0
Plan Assets at the end of the year	325	1,205
Reconciliation of Net Asset/(Liability) recognised in the Balance Sheet during the year ended March 31, 2012		
1 Net Asset / (Liability) at beginning of the year	(758)	(222)
2 Acquisition	0	0
3 Employer Expenses	(361)	(758)
4 Employer Contributions	0	222
5 Net Asset / (Liability) at the end of the year	(1119)	(758)
Actuarial Assumptions		
1 Discount Rate	8.30%	8.00%
2 Expected Rate of Return on Plan Assets	6.20%	6.20%

iii) Disclosure in terms of Para 120(n) of AS 15

(' in '000)

Particulars	Gratuity (Funded)			
	2011-2012	2010-2011	2009-2010	2008-2009
Present value of defined benefit obligations	(1,444)	(1,963)	(1,337)	(1,068)
Fair value of plan assets	325	1,205	1,115	839
Surplus/(Deficit)	23	26	45	(31)
Experience adjustment on plan liabilities (loss)/gain	(230)	(686)	(180)	(133)
Experience adjustment on plan assets (loss)/gain	0	0	(22)	(5)

Note : Assumptions relating to future salary increase, attrition, interest rate for discount and overall expected rate of return on assets have been considered in the actuarial valuation based on relevant economic factors such as inflation, market growth and other factors to the period over which the obligation is expected to be settled.

Director's remuneration is:

	2011-12	2010-11
Salary	900,000	850,000
Contribution to Employees Provident Fund & Other Fund	108,000	102,000
Other Perquisites	179,624	167,716
	1,187,624	1,119,716

	As at 31st March 2012	As at 31st March 2011
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Note 23

FINANCE COSTS :

Interest Paid

On Packing Credit	1,924,027	2,141,240
On Foreign Bills Negotiation	897,556	5,040,119
On Vehicles Loan	295,656	88,321
On Loans/Inter Corporate Deposits & Others	13,876	711,439
	<u>3,131,115</u>	<u>7,981,119</u>

NOTE TO THE ACCOUNTS

	As at 31st March 2012	As at 31st March 2011
Note 24		
OTHER EXPENSES :		
Payment to Auditors:		
- As Auditors	50,000	50,000
- Other Services	25,000	25,000
Shipping Expenses	3,596,191	16,257,289
Commission (Net)	978,983	4,068,314
Rent	2,511,864	2,155,134
Repairs & Maintenance :		
- Building	56,468	56,468
- Others	454,692	863,441
Rates & Taxes	177,060	86,923
Brokerage	65,410	32,908
Insurance	465,530	1,721,884
Discount/Claims/Samples	9,851	188,502
Bank Charges	945,433	931,916
Charity & Donation	500	398,000
Difference in Foreign Exchange (Net)	1,309,359	1,001,651
Sundry Balances written off (Net)	3,922,822	146,592
Sales/Export Promotion Expenses	599,487	885,633
Travelling & Conveyance	988,459	1,166,969
Miscellaneous Expenses	2,496,161	3,277,102
	<u>18,653,270</u>	<u>33,313,727</u>

Difference in Foreign Exchange includes Rs.10,51,031 net loss (Previous year Rs.9,86,809 net loss) on account of cancellation of forward exchange contracts.

NOTE TO THE ACCOUNTS

Note 25

Earning Per Share (EPS):

Particulars	2011-12 (₹)	2010-11 (₹)
Basic and Diluted Earning per share has been computed as under:		
(a) Profit after tax	(14,482,830)	452,986
(b) Weighted Average Number of Equity Shares issued (Nos.)	3,750,000	3,750,000
(c) Basic Earning per share on profit after tax	(3.86)	0.12

Note 26

Payment on foreign currency :	2011-12 (₹)	2010-11 (₹)
Travelling	141,232	262,563
Commission	1,053,836	1,025,000

Note 27

COMMITMENT :

Contingent Liability not Provided for :

Outstanding Bills Purchased/Discounted for Rs.10,168 (Previous Year Rs.27,031).

Note 28

The company operates only in one business segment viz. exporting yarn and fabric and other activities are incidental thereto. The geographical Segments of the Company mainly comprise of the export to various countries.

Note 29

- a) Loans/ intercorporate deposits includes Rs.7126 (previous year share Rs.7,126) given to a company, which is overdue
- b) Certain balances included in security deposits, advances, etc. amounting to Rs.7,438 (Previous year Rs. 8,983) are lying unmoved for a considerable period.

Note 30

Related party disclosure as identified by the Management in accordance with the Accounting Standard (AS-18) is as follows:-

A) List of related parties:

- I. Parties where control exists – NIL.
- II. Other parties with whom the Company has entered into transactions during the year.
 - a) Key Management Personnel and their relatives:
Smt.Sheela Patodia - Chairperson & Managing Director w.e.f. 01.04.2011

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Sri Rishi Raj Patodia - Executive Director till 31.03.2011 & Joint Managing Director w.e.f. 01.04.2011

b) Group/Associates Companies:

i) Enterprise having common Director/Management personnel -- NIL

c) Firm in which Directors have substantial interest:

M/s. B.M.Bagaria & Co.(Mr.K.P.Bagaria resigned w.e.f.03.09.2011)

B) During the year, the following transactions were carried out with the related parties in the ordinary course of the business and at arms length price.

Amount in '000

Nature of transactions	Key Management Personnel	Enterprises of Key Management Personnel	Directors Interested Firm
	2011-12 (2010-11)	2011-12 (2010-11)	2011-12 (2010-11)
1) Electricity charges paid	0	22	0
2) Rent paid	0	6	0
3) Remuneration paid	1188(1120)	0	0

- There are no outstanding balances in respect of the above parties.
- In respect of above parties, there is no provision for doubtful debts as on 31st March 2012 and no amount has been written off or written back during the year in respect of debts due from / to them.
- The above related party information is as identified by the management and relied upon by the auditor.

Note 31

Additional Information pursuant to the provisions of Part II Schedule VI to the Companies Act,1956 :

Quantitative Information Quantity in Packages Amount in '000

	Unit	2011-12	2010-11	2011-12	2010-11
Opening Stock :					
Yarn	Packages	0	650	0	1731
Fabric		297	0	2,183	0
Purchases :					
Yarn	Packages	4497	31315	49480	169004
Fabric		296	297		2136
Sales :					
Yarn	Packages	4108	31965	58300	294469
Fabric		593	0	0	0

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Damage :					
Yarn	Packages	0	0	0	0
Fabric		0	0	0	0
Closing Stock :					
Yarn	Packages	389	0	1859	0
Fabric		0	297	0	2183

B. Expenditure in Foreign Currency Amount in '000

Particulars	2011-12	2010-11
Travelling	141	263
Commission	1054	1025
Claims paid to Overseas Buyers	0	144

C. Earning in Foreign Currency

F.O.B. Value of Export	56,423	2,83,592
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Note 32

Figures are given in thousand and accordingly rounded to nearest thousand.

Note 33

Previous years' figures have been regrouped and/or rearranged wherever considered necessary.

As per our report of even date

For LODHA & CO.
Chartered Accountants
H. S. JHA
Partner

Place : Kolkata
Dated : The 30th day of May, 2012.

For and on behalf of the Board
SHEELA PATODIA, Chairperson & Managing Director
RISHI RAJ PATODIA, Joint Managing Director
S. R. SARAF, Director
B. C. CHATTERJI, Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

CASH FLOW STATEMENT	Year ended 31st March, 2012 (Rs. in ,000)	Year ended 31st March, 2011 (Rs. in ,000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Taxes	(14,713.00)	(55.00)
Adjustments for :		
Depreciation	3,964.00	3,064.00
Interest paid	3,131.00	7,981.00
Loss on Diminution in Investment	-	-
(Profit)/Loss on Sale of Investments(Net)	-	(198.00)
(Profit)/Loss on Sale of Assets (Net)	(288.00)	(15.00)
Interest Received	(1,385.00)	(850.00)
Dividend Received	(1.00)	(3.00)
Difference in Foreign Exchange (Net)	1,309.00	1,002.00
Sundry Balance Written Off (Net)	3,923.00	147.00
Operating Profit before working Capital Changes	<u>(4,060.00)</u>	<u>11,073.00</u>
Adjustment for :		
Inventories	324.00	(452.00)
Trade and Other Receivables	9,582.00	11,461.00
Advances	3,863.00	2,585.00
Trade payables	(976.00)	(1,395.00)
	8,733.00	23,272.00
Cash Generated From Operations		
Direct Taxes paid	70.00	117.00
Net Cash from Operating Activities before exceptional item (A)	<u>8,803.00</u>	<u>23,389.00</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(9143.00)	(2,940.00)
Sale of Fixed Assets	3,161.00	225.00
Sale of Investment	-	2,381.00
Purchase of Investment	-	(1,809.00)
Loans & Inter-corporate Deposits	(1,553.00)	2,737.00
Interest Received	1,095.00	1,804.00
Dividend Received	1.00	3.00
Net Cash used in Investing Activities (B)	<u>(6439.00)</u>	<u>2,401.00</u>

CASH FLOW STATEMENT (Contd.)	Year ended 31st March, 2012 (Rs. in ,000)	Year ended 31st March, 2011 (Rs. in ,000)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/Decrease in Secured Borrowing	718.00	(20,148.00)
Net Increase/Decrease in Unsecured Borrowing (2,000.00)		8,082.00
Interest Paid	(2,954.00)	(4,236.00)
Net Cash from Financing Activities (C)	<u>(4,236.00)</u>	<u>(19,887.00)</u>
Net Increase in Cash & Cash equivalents (A+B+C)	(1,872.00)	5,903.00
Cash & Cash equivalents as at opening	16,977.00	11,074.00
Cash & Cash equivalents as at closing	15,105.00	16,977.00

Notes :

- 1) The above Cash Flow Statement has been compiled/prepared based on the audited accounts of the Company under the "Indirect Method" as set out in Accounting Standard -3 on Cash Flow Statements.
- 2) Previous Years figures have been regrouped/ rearranged wherever necessary.
- 3) Cash and Bank equivalent includes Rs.4,593 (Previous year Rs.4,289) in fixed deposit accounts.
- 4) Cash and Bank equivalent includes Rs.8,892 (Previous year Rs.7,741) in cut back deposit accounts arising out of export proceeds & pledged.

As per our report of even date

For LODHA & CO.
Chartered Accountants
H. S. JHA
Partner

For and on behalf of the Board
SHEELA PATODIA, Chairperson & Managing Director
RISHI RAJ PATODIA, Joint Managing Director
S. R. SARAF, Director

Place : Kolkata

B. C. CHATTERJI, Company Secretary

Dated : The 30th day of May, 2012.

PROXY FORM

YARN SYNDICATE LIMITED

REGD. OFF. 42, BROAD STREET, KOLKATA - 700 019

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 66th Annual General Meeting of the
Company to be held at Hotel Akash Deep, 48, Circus Avenue, Kolkata - 700 017 on
Friday, the 21st day of September, 2012, at 10.00 a.m. and/or at any adjournment thereof.
signed this day of 2012

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. 42, BROAD STREET, KOLKATA - 700 019

Full Name of Shareholder / Proxy

I hereby record my presence at the 66th Annual General Meeting of the Company held at
Hotel Akash Deep, 48, Circus Avenue, Kolkata - 700 017 on Friday, the 21st day of
September, 2012 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.