



York

TWENTY NINTH ANNUAL REPORT

2010-2011

York Exports Limited

BOARD OF DIRECTORS

MANAGING DIRECTOR

Sh. Gian Chand Dhawan

DIRECTORS

Sh. Ashwani Dhawan
Sh. Aayush Dhawan
Sh. Sanjay Arora
Sh. Anil Bansal
Sh. B.B.Jain

AUDITORS

Nanda & Bhatia
Chartered Accountants
Red Cross Bhawan,
The Mall, Ludhiana.

CONSULTING COMPANY SECRETARY

Harsh Goyal & Associates,
Company Secretaries,
Ludhiana.

BANKERS

HDFC Bank Ltd

REGISTERED OFFICE

D-6, Diwan Shree Apartments,
30, Ferozeshah Road,
Connaught Place, New Delhi-110001

WORKS

i) Civil Lines, Ludhiana.
ii) Sherpur Bye pass, Ludhiana.

**REGISTRAR AND
SHARE TRANSFER AGENTS**

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
New Delhi – 110 062

YORK EXPORTS LIMITED

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of the company will be held on Friday 30th Sept., 2011 at 11.00 A.M. at Food Plus, WA.141, Shakarpur, Delhi- 92 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31.03.2011 and Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a director in place of Sh.Bharat Bhushan Jain who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Sh.Sanjay Arora who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration, M/s Nanda & Bhatia, Chartered Accountants, retire at the conclusion of this Annual General Meeting and are eligible for reappointment.

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 a proxy need not be a member of the company. The proxy, in order to be effective, must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Members are requested to notify change in address, if any, immediately quoting their Folio Numbers to the Company at its Registered Office.
3. The register of members and share transfer books of the company shall remain closed from Wednesday, 28th Sept., 2011 to Friday, 30th Sept., 2011 (both days inclusive).
4. Members are requested to:
 - Quote ledger folio numbers in all the correspondence with the company.
 - Intimate about Consolidation of folios, if shares are under multiple folios.
 - Direct all their correspondence to the company at its registered office.
 - Send their queries on the accounts, if any, so as to reach the registered office of the company at least ten days before the meeting to enable the company to have relevant information ready.
 - Bring their copies of Annual Reports and attendance slips with them at the annual General Meeting.

Place: New Delhi
Dated: 01.09.2011

By Order of the Board
For York Exports Ltd

Managing Director

YORK EXPORTS LIMITED

DIRECTORS REPORT

The Members,

York Exports Ltd;

The Directors have pleasure in presenting their 29th Annual Report of the company together with the Audited Statements of Accounts for the year ended 31.03.2011.

FINANCIAL RESULTS

	(RS. IN LACS)	
	Current Year	Previous Year
Turnover (including export incentives)	1135.06	1062.43
Other Income	20.31	23.68
Profit before Dep. & Tax	104.91	112.56
Less: Provision for depreciation	74.58	58.33
Profit	30.33	54.23
Provision for Taxation	6.00	16.84
Profit after Tax	24.33	37.39
Add: Balance B/F from previous year	290.49	241.65
Add: Provision / Tax paid for earlier year w/off	-0.27	11.45
Balance carried to Balance Sheet	314.55	290.49

PERFORMANCE REVIEW

During the year under review, the company has achieved a sales turnover of Rs. 1135.06 Lacs as compared to Rs. 1062.43 Lacs for the previous year. The company has earned a profit of Rs. 24.33 Lacs as compared to profit of Rs. 37.39 Lacs for the previous year whereas cash profit for the year is Rs. 98.91 Lacs as compared to Rs. 95.72 Lacs for the previous year.

DIVIDEND

Your directors have decided to conserve the resources for future requirements and hence do not recommend any dividend for the year under review.

ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

Information in accordance with the provision of sec 217 (I) (e) of the Companies Act, 1956 read together with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology and foreign exchange is given in the statement annexed hereto and forms part of this report.

PUBLIC DEPOSITS

During the period under review your company has not accepted any deposits from public pursuant to the provisions of section 58-A of the companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to the material departures.
- ii) Such accounting policies, judgments and estimates are applied consistently 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 of company for that period.
- iii) Proper and sufficient care has been taken 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) The annual accounts have been prepared on a going concern basis.

YORK EXPORTS LIMITED

CORPORATE GOVERNANCE

Report on Corporate Governance is attached and forms part of this report.

SECRETARIAL COMPLIANCE CERTIFICATE

In accordance with the provisions of section 383A(1), of the Companies Act, 1956 a compliance certificate from a practicing Company Secretary is given in the annexure and form part of this report.

AUDITORS

M/s Nanda & Bhatia, Chartered Accountants, the statutory auditors of the company retire at the conclusion of forthcoming Annual General Meeting and are eligible for re-appointment. The company has received a certificate u/s 224 (1-B) of the Companies Act, 1956 from the retiring Auditors of the company that their re-appointment if made, shall be within prescribed limits.

AUDITORS REPORT

The comments of the auditors have been explained in the notes on accounts. The company has hired some professional to ascertain the gratuity liability and shall be provided in the current financial year ending 31.03.12

INDUSTRIAL RELATIONS

Industrial relations continued to remain cordial throughout the year and the Directors express their appreciation towards the workmen for their co-operation and hope for continued cordial relations in the years to come.

LISTING OF SHARES

The equity shares of the company are listed on 1. Ludhiana Stock Exchange Limited, Ludhiana 2. Delhi Stock Exchange Limited, New Delhi. 3. Bombay Stock Exchange Ltd; Mumbai 4. Jaipur Stock Exchange Limited, Jaipur.

DIRECTORATE

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Sh.Bharat Bhushan Jain and Sh.Sanjay Arora, retire by rotation and being eligible offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

None of the employees of the company was in receipt of a remuneration of Rs.60,00,000/- or above during the year under consideration nor was any employee of the company paid a salary of Rs. 5,00,000/- or more per month during any part of the year. None of the employees of the company was drawing remuneration in excess of that drawn by any director and holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the company.

ACKNOWLEDGEMENTS

The board expresses its appreciation for the valuable assistance, co-operation and support received from Company's Bankers, Central and State Government Authorities and Shareholders.

**By Order of the Board
For York Exports Ltd**

**Place: New Delhi
Dated: 01.09.2011**

Director

Managing Director

YORK EXPORTS LIMITED

ANNEXURE TO DIRECTORS REPORT

Information as per section 271 (l) (e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the directors report for the year ended 31st March, 2011.

A. CONSERVATION OF ENERGY

Your company always remained conscious to conserve the energy and has attempted measures for the same wherever possible in order to achieve the reduction in the cost of production. The total energy consumption as per Form-"A" is enclosed.

B. TECHNOLOGY ABSORPTION

Efforts made towards technology absorption are as under:

1) Research and Development

The company has made continuous efforts for the development of new lines of activities and modernization of the existing process of manufacturing. The Company is adopting the most suitable manufacturing technology for saving in the cost of production, electricity consumption and personnel.

2) Technology Absorption, Adaptation and Innovation

The Company is adopting the well- established technology with the scope of savings in the cost of production, energy consumption and capital cost in terms of the quantum of production. The Company is making continuous efforts towards the product development, product improvement in the shape of quality and cost reduction.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

	2010-2011
1) Total earning in Foreign Exchange (FOB)	Rs. 318.38 Lacs
2) Total Foreign Exchange Used	Rs. 12.98 Lacs
C.I.F. Value of Imports	Rs. 2.92 Lacs
Foreign Travelling	

FORM - A

(See Rule -2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

POWER & FUEL CONSUMPTION

	Current Year	Previous Year
Electricity		
a) Purchased units	382180	194669
Total Amount (Rs.)	2312190	1162271
Rate P/Unit (Rs.)	6.05	5.97
b) Own Generator		
Through Diesel Generator Units	115334	91215
Total Amount (Rs.)	882305	664045
Cost P/Unit (Rs.)	7.65	7.28

YORK EXPORTS LIMITED

REPORT ON CORPORATE GOVERNANCE

This Report on Corporate Governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensure that a Company meets its obligations to optimize shareholders value and fulfill its responsibilities to the community, customers, employees, Governments and other segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long term shareholder's value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its Corporate Governance, besides being in compliance of the mandatory Listing Agreement, gives an insight into the functioning of the Company.

1. COMPANY'S PHILOSOPHY :

- To do thorough research before making any advance or investment.
- To take decisions which are beneficial in increasing shareholder's wealth
- To invest in equities of companies which are fundamentally strong
- To invest at such places where the market related risk is less
- Faith in individual potential and respect for human values
- Accepting changes as a way of life
- Appreciating our role as a responsible corporate citizen

2. BOARD OF DIRECTORS

a) Board Meetings:

The board of Director of the Company comprises of six directors.

During the period under review seventeen Board Meetings were held on 01/04/2010, 30/04/2010, 01/05/2010, 07/05/2010, 25/05/2010, 01/07/2010, 14/07/2010, 20/07/2010, 31/07/2010, 25/09/2010, 20/10/2010, 25/10/2010, 30/10/2010, 03/01/2011, 28/01/2011, 31/01/2011 and 01/03/2011.

b) Composition:

Name of Directors	Designation	Category	No. of Other Directorship held in Public Ltd. Company	Membership of the Committee	No. of Board Meetings attended	Attendance of Last AGM
Gian Chand Dhawan	Mg. Director	Promoter	Nil	0	14	Yes
Ashwani Dhawan	Executive director	Promoter	Nil	0	13	Yes
Aayush Dhawan	Executive Director	Promoter	Nil	0	15	Yes
Bharat Bhushan Jain	Director	Professional	Nil	3	14	Yes
Sanjay Arora	Non-Executive Director	Business	Nil	3	12	Yes
Anil Bansal	Non-Executive director	Professional	Nil	3	13	Yes

All information laid down in corporate governance code is being placed before the Board in regular manner.

Particulars of Directors retiring by rotation and seeking reappointment have been given in the notice convening the 29th AGM.

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1) Committees of the Board

The Board of Directors has constituted the following committees with adequate delegation of powers to discharge affairs of the Company.

i) Audit Committee

The terms of reference of Audit Committee are as per SEBI guidelines and the Companies Act, 1956. At present the Audit Committee comprises of the following Directors:

Mr. B.B.Jain	:	Chairman
Mr.Sanjay Arora	:	Member
Mr. Anil Bansal	:	Member

The audit committee met five times on 30.04.2010, 14.07.2010, 31.07.2010, 30.10.2010 and 31.01.2011

ii) Share transfer-cum-Investor Grievance Committee

The Board has constituted a share Transfer-cum-Investor Grievance Committee to look into the redressal of shareholders grievances. The committee inter alia approves issue of duplicate share certificates, if any and oversees and reviews all matters connected with the securities transfer.

The Committee also oversees the performance of the Registrar and transfer agent and recommends measures for overall improvement in quality of investor services.

The Share transfer cum investor grievance Committee consists of following Directors:

Mr. B.B. Jain	:	Chairman
Mr. Sanjay Arora	:	Member

The Share transfer committee met seven times to approve the transfer of shares to discuss other matters on 15.04.2010, 14.06.2010, 13.09.2010, 20.09.2010, 30.09.2010, 30.11.2010 and 28.02.2011.

Mr H.R. Dhawan is the compliance officer.

The company has an investor base of over 2790 shareholders. During the year under review, no complaints remained pending. There is no valid request pending for Share Transfer as at the year end.

iii) REMUNERATION COMMITTEE:

The board has constituted remuneration committee consisting of following directors :

Mr. B.B. Jain	:	Chairman
Mr. Anil Bansal	:	Member
Mr.Sanjay Arora	:	Member

3. General body Meetings :

The last three Annual General Meetings were held as under :

Financial Year	Date of A.G.M.	Time	Venue
2009-2010	30.09.2010	12.30 P.M.	GGs Fast Food and Banquet, Plot No.14, Laxmi Nagar, District Centre, Delhi-92
2008-2009	30.09.2009	10.00 A.M.	Food Plus, W.A, 141 Ganesh Nagar-2 Delhi-92
2007-2008	30.09.2008	10.00 A.M.	Food Plus, WB 141, Shakarpur, Ganesh Nagar-2, Delhi-92

No Special resolution was passed by the members through postal ballot.

No extra ordinary meeting was held during the year.

YORK EXPORTS LIMITED

4. Disclosures

There are no materially significant related party transactions i.e. transactions, material in nature, with its promoters, Director or the Management, their subsidiaries or relatives etc, having potential conflict with the interests of the company at large.

5. Means of Communication

(a) The Quarterly / Half-Yearly/Annual Audited Results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of directors.

(a) Annual Reports are sent to shareholders by post.

6. General Share Holder Information

(a) Annual General Meeting

As indicated in the notice, Annual General Meeting of the Company will be held on 30th. September, 2011 at 11.00 AM at Food Plus, WA.141, Shakarpur, Delhi-92.

(b) Financial Calender

: April 1, to March 31

(c) Book Closure

From 28.09.2011 to 30.09.2011(both days inclusive)

(d) Listing Details

The Shares of the Company are listed on Delhi Stock Exchange Limited, Bombay Stock Exchange Limited, Jaipur Stock Exchange Limited and Ludhiana Stock Exchanges.

(e) Dematerialisation of shares

The company has initiated the process for demat of its equity shares.

The Distribution of company's shareholding is as follows:

Category		Physical Form		
FROM	TO	No. OF SHAREHOLDER	No.OF SHARE	% OF TOTAL CAPITAL
Upto	5000	2514	451800	13.4352
5001	10000	152	127900	3.8034
10001	20000	45	71900	2.1381
20001	30000	11	28200	0.8386
30001	40000	14	49700	1.4779
40001	50000	3	14100	0.4193
50001	100000	19	140800	4.1870
100001	&Above	32	2478400	73.7005
	Total	2790	3362800	100

(f) Transfer of shares

Shares received for physical transfer are generally registered within a period of thirty days from the date of receipt, if the documents are clear in all respects.

(g) The Company has not issued any GDR's/ADR's and there are no warrants or any convertible warrants.

(h) Address for Correspondence

D-6, Diwan Shree Apartments, 30 Ferozeshah Road, New Delhi-110001.

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COMPLIANCE CERTIFICATE

Regn. No. of the company: 55-15416
Nominal Capital : Rs. 6.10 Crores

To the members
York Exports Limited
New Delhi

We have examined the registers, records, books and papers of **York Exports Limited** as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions made in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

S.NO

PARTICULARS

1. The company has kept and maintained all the registers as stated in the Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of the Companies.
3. The company being a Public Limited Company comments are not required
4. The Board of Directors duly met seventeen times respectively on 01/04/2010, 30/04/2010, 01/05/2010, 07/05/2010, 25/05/2010, 01/07/2010, 14/07/2010, 20/07/2010, 31/07/2010, 25/09/2010, 20/10/2010, 25/10/2010, 30/10/2010, 03/01/2011, 28/01/2011, 31/01/2011 and 01/03/2011 respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of members and Share Transfer Books during the year under scrutiny.
6. The Annual General Meeting for the financial year ended 31-03-2010 was held on 30-09-2010, after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose
7. No Extra Ordinary General Meeting was held during the year
8. The company has not granted any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has carried out transactions falling under the purview of section 297 of the Act.
10. The Company has made the necessary entries in the register maintained under section 301 of the Act.
11. The company was not required to obtain any approvals from the Board of Directors, members or Central Government as the case may be under Section 314 of the Act.
12. The Company has not issued any duplicate certificates during the financial year.
13. The Company:
 - (i) has delivered the share certificates on lodgement of transfer(s) thereof in accordance with the provisions of the Act. There was no allotment/transmission of shares during the year.
 - (ii) has not deposited any amount in the separate Bank Account as no dividend was declared during the financial year.
 - (iii) has not posted any dividend warrants to any members as no dividend was declared during the financial year.
 - (iv) has no amount to be transferred in the Investors education and Protection Fund in respect of unpaid dividend account or application money due for refund, or matured deposits or matured debentures and the interest accrued thereon which have remained unclaimed

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unpaid for the period of seven years.

(v) duly complied with the requirements of section 217 of the Act.

14. The Board of the Directors of the Company is duly constituted. There has been no appointment of the additional directors, alternate directors and directors to fill casual vacancy during the year.
15. The Company has duly appointed a wholetime director during the year under scrutiny.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the year under scrutiny.
18. The Directors have disclosed their interest in other firms/ Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any equity shares during the year under scrutiny.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of Preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividends, Rights shares and Bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The borrowings made by the company are within the limits under section 293(1)(d) of Companies Act, 1956.
25. The company has not made any loans and advances or given guarantees or provided securities or made investments in other bodies corporate during the year and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered the Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices, received by the Company, during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The Company has not created any Provident Fund Trust of its own and as such the provisions of section 418 of the Act are not applicable.

For Reecha Goel & Associates
Company Secretaries

Place : Ludhiana
Dated : 15/07/2011

(Reecha Gupta)
C. P. No. 7012

YORK EXPORTS LIMITED

Annexure A

<u>Registers as maintained by the Company</u>	<u>under Section</u>
<u>Statutory Registers</u>	
▪ Copies of every document for creation of charge	136
▪ Register of charges	143
▪ Register of members	150
▪ Index of members	151
▪ Copies of Annual Return	163
▪ Minutes Books of	
- Proceedings of General meetings	193/196
- Meetings of Board of Directors	
Books of Accounts	209
Register of Contracts	301
Register of Directors	303
Register of Director shareholding etc.	307
Register of Investments	372A
Share transfer Register	

Annexure B

Forms and Returns filed by the Company with the Registrar of Companies, regional Directors, Central Government and other authorities during the financial year ended 31st March, 2011

Sr.No.	Form No./Return	U/S	For	Date of filing	Whether filed in prescribed time	If Delay whether requisite additional fee paid.
1	Form 18	146	Change of Registered office	29/07/2010	Yes	N.A.
2	Form 8	125	Particulars of charge	05/08/2010	No	Yes
3	Form 23 (1*3)	192	Registration of special resolution	31/08/2010	No	Yes
4	Form 25C (1*2)		Appointment of Managing and wholetime director	31/08/2010	No	Yes
5	Form 32	303	Change in Board	31/08/2010	No	Yes
6	App for grant of immunity certificate under CLSS			22/09/2010	Yes	N.A.

For Reecha Goel & Associates
Company Secretaries

Place : Ludhiana
Dated : 15/07/2011

(Reecha Gupta)
C. P. No. 701

YORK EXPORTS LIMITED

AUDITOR'S REPORT

To

The Shareholders,

York Exports Ltd,

1. We have audited the attached Balance Sheet of York Exports Limited, New Delhi., as at 31ST March, 2011, the Profit & Loss Account 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.
2. We conducted our audit in accordance with the 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 material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in the terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (iv) In our opinion, 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 (3C) of section 211 of the Companies Act, 1956; except **Accounting Standards -15 regarding Accounting for Retirement Benefits in the financial statements of employers.**
 - (v) On the basis of written representations received from all the Directors and as taken on record by the Board of Directors, none of the Directors of the company is disqualified from being appointed as Director of the company as on 31.03.2011 pursuant to the provisions of clause (g) of Sub- section (i) of Section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, **read together with significant accounting policies and subject to note no. (iv) regarding non provision of accrued liability of gratuity** and together with other notes thereon (Schedule P) give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ;
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st. March, 2011;
 - (b) in the case of the Profit & Loss Account, of the Profit for the year ended on that date;
 - (c) In the case of Cash Flow Statement, of the cash flow of the company for the year ended on that date.

For NANDA & BHATIA
Chartered Accountants
(Firm Registration No. 004342N)

Place: Ludhiana
Dated: 15.07.2011

(A.C. BHATIA)
Partner
M. No. 13791

YORK EXPORTS LIMITED

ANNEXURE TO AUDITOR'S REPORT:

Referred to in Paragraph 3 of our report of even date for the year ended 31st March, 2011

1. In respect of Fixed Assets:

- (a) The company has generally maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;
- (b) As explained to us, the management has physically verified Fixed Assets during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, the company has not disposed off any substantial part of its Fixed Assets so as to affect the going concern status of the company;

2. In respect of its Inventories:

- (a) As explained to us, physical verification has been conducted by the management at reasonable intervals in respect of inventories. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventories. As explained to us no discrepancies were noticed on verification between the physical stocks and the book records.

3. In respect of Loans / Advances:

- a) The Company has not granted during the year any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- b) The Company has taken loan from another company covered in the register maintained under Section 301 of the companies Act, 1956, The maximum amount involved during the year was Rs. 1,85,00,000.00 and year end balance was Rs. 92,43,438.00.
- c) The loan is without any terms and conditions.

4. 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 purchase of inventory, fixed assets, and with regard to the sale of goods. During the course of our audit we have not observed any major weakness in internal controls.

5. In respect of transactions covered under section 301 of the Companies Act, 1956.

- a) In our opinion and according to information and explanations given to us, the transactions that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public; within the meaning of Section 58A and 58AA of the Act and the rules framed there under.

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business;

8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(i) (d) of the Companies Act, 1956;

9. In respect of Statutory Dues:

- (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Central Excise Duty/Custom Duty/Excise duty and other statutory dues, applicable to it, with appropriate authorities.

YORK EXPORTS LIMITED

- (b) According to information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable
- (c) According to the records of the Company and information and explanations given to us, there are no dues as at 31st March, 2011, in respect of Income Tax, Wealth Tax, Custom Duty, Sales Tax, Excise Duty and Cess which have not been deposited on account of any dispute. In respect of Income Tax dues deposited on account of dispute, the details of amount involved and the forum where the dispute is pending are as under:-

Name of Statute	Nature of Dues/Period to which amount relates	Amount Involved	Forum Where dispute is pending
Income Tax Act, 1961	Income Tax Demand 1993-94	Rs. 33.12 Lacs	Delhi High Court

10. There are no accumulated losses as at the end of the financial year. The company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The Company has not raised any loan from financial institution or against debentures.
12. As explained to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities
13. In our opinion, the company is not a Chit Fund or a Nidhi Mutual Benefit Fund / Society. Therefore, clause 4(xiii) of the Companies Auditor Report Order (2003) are not applicable to the company;
14. In our opinion, the company is not dealing in or trading in Shares, Securities, Debentures and other Investments. Accordingly, clause 4(xiv) of the Companies (Auditor Report) Order, 2003 is not applicable to the company.
15. As per the records of the Company and as per information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. On the basis of overall examination of the Balance Sheet of the Company term loans raised during the year have been applied for the purposes for which they were raised.
17. The funds raised by the company on short terms basis have not been used for long term investments, nor the funds raised on long term basis have been used for short term investments, as it appears from the examination of the records of the company.
18. According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956;
19. On the basis of the records and documents examined by us, the company has not issued any debentures during the year;
20. The company has not raised any money by Public Issue, during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the company, has been noticed or reported during the year that causes the financial statements to be materially misstated.

For NANDA & BHATIA
Chartered Accountants
(Firm Registration No. 004342N)

Place: Ludhiana
Dated: 15.07.2011

(A.C. BHATIA)
Partner
M. No. 13791

YORK EXPORTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

Particulars	Sch.	Current Year (Amount) Rs		Previous Year (Amount) Rs
SOURCE OF FUNDS				
SHAREHOLDERS FUNDS				
Share Capital	"A"	38621000.00		38621000.00
Reserves & Surplus	"B"	<u>68684582.04</u>	107305582.04	<u>66277917.76</u> 104898917.76
LOAN FUNDS				
Secured Loans	"C"	20408719.20		16862024.00
Unsecured Loans		<u>9243438.00</u>	<u>29652157.20</u>	<u>0.00</u> 16862024.00
			<u>136957739.24</u>	<u>121760941.76</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	"D"	97097667.20		79314257.20
Less Depreciation		<u>50647134.20</u>	46450533.00	<u>43307101.20</u> 36007156.00
Capital Work in Progress			5280127.00	15708859.00
Investments	"E"		4233810.00	4261810.00
Current Assets, Loans & Advances				
Current Assets				
Inventories	"F"	57753870.00		34254650.00
Sundry Debtors	"G"	18513302.32		6539188.10
Cash & Bank Balances	"H"	3599577.22		24399264.02
Loans & Advances	"I"	<u>20312665.95</u>	100179415.49	<u>15782553.00</u> 80975655.00
Less Current Liabilities & Provisions				
Liabilities	"J"	18586146.25		13508418.36
Provisions		<u>600000.00</u>	<u>19186146.25</u>	<u>1684120.00</u> 15192538.00
Net Current Assets			80993269.24	65783116.00
			<u>136957739.24</u>	<u>121760941.76</u>
Notes forming part of the Accounts	"P"			

FOR AND ON BEHALF OF THE BOARD

Referred to in our report of even date
For NANDA & BHAT
 CHARTERED ACCOUNTANTS
 Firm Registration No. 00434

(B. B. JAIN)
 Director
 Place: Ludhiana
 Date: 15.07.2011

(ASHWANI DHAWAN)
 Director

(GIAN CHAND DHAWAN)
 Managing Director

(A. C. BHAT)
 Partner
 M. No. 137

YORK EXPORTS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	Sch.	Current Year (Amount) Rs	Previous Year (Amount) Rs
<u>INCOME</u>			
Turnover	"K"	110865305.08	100959269.14
Export Incentives	"L"	2640457.00	5283551.00
Other Income	"M"	2030533.68	2367619.92
		<u>115536295.76</u>	<u>108610440.06</u>
Accretion/Decretion in Stock	"N"	23499220.00	17765290.00
		<u>139035515.76</u>	<u>126375730.06</u>
<u>EXPENDITURE</u>			
Raw Material & Other Purchases		52679443.90	50682666.88
Manufacturing & Other Expenses	"O"	73217280.54	63822770.70
Interest & Finance Charges		2647384.31	614571.40
Depreciation	"D"	7457973.00	5832675.00
		<u>136002081.75</u>	<u>120952683.98</u>
Profit before Taxation		3033434.01	5423046.08
<u>Provision for Taxation</u>			
Current tax		600000.00	1675000.00
Wealth tax		0.00	9120.00
		<u>600000.00</u>	<u>1675000.00</u>
Profit after Taxation		2433434.01	3738926.08
Balance Brought Forward from Last Year		29048734.24	24165322.78
Provision for taxation of earlier year w/back		26769.73	1144485.38
		<u>26769.73</u>	<u>1144485.38</u>
Transferred to Balance Sheet		<u>31455398.52</u>	<u>29048734.24</u>

Notes forming part of the Accounts "P"

FOR AND ON BEHALF OF THE BOARD

Referred to in our report of even date
For NANDA & BHATIA
CHARTERED ACCOUNTANTS
Firm Registration No. 004342N

(B. B. JAIN)
Director
Place: Ludhiana
Date: 15.07.2011

(ASHWANI DHAWAN)
Director

(GIAN CHAND DHAWAN)
Managing Director

(A. C. BHATIA)
Partner
M. No. 13791

YORK EXPORTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST.MARCH, 2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE-'A'		
a) AUTHORISED		
50,00,000 EQUITY SHARES OF Rs. 10 each.	50000000.00	50000000
1,10,000 4% Redeemable Non Cumulative Preference Shares of Rs. 100/- each	11000000.00	11000000
TOTAL	61000000.00	61000000
b) ISSUED, SUBSCRIBED & PAID UP		
i) 3362800 Equity shares of Rs 10/- each (Out of which 1400 equity shares partly paid up to Rs. 5/- each) Less: shares allotment money receivable	33628000.00 7000.00	33628000 7000
TOTAL (A)	33621000.00	33621000
(out of the above shares 15,36,000 Shares were allotted as fully paid up Bonus shares by capitalising accumulated profits on 15.10.1994		
ii) 50000 4% Redeemable non Cumulative Preference Shares of Rs. 100/- each fully Paid up in cash	5000000.00	5000000
TOTAL (B)	5000000.00	5000000
TOTAL (A+B)	38621000.00	38621000
(These shares are redeemable at par within a period of 10 years from date of allotment, the company have option to redeem these shares earlier but not earlier than 7 years from date of allotment with prior notice.) The date of redemption of the above shares are as follows:		
Rs.	Date	
2600000	11/06/2013	
2400000	09/07/2013	
SCHEDULE-'B'		
RESERVES & SURPLUS		
GENERAL RESERVES		
As per last Balance Sheet	3528.52	352
Share Premium Account	27250000.00	2725000
Less Arrears (As per last Balance Sheet)	10500.00	1050
	27239500.00	2723950
CAPITAL REDEMPTION RESERVE		
As per last Balance Sheet	5500000.00	550000
EXPORT PROFIT RESERVE		
As per last Balance Sheet	4486155.00	448615
PROFIT & LOSS ACCOUNT		
Balance as per accounts	31455398.52	2904873
TOTAL	68684582.04	6627791
SCHEDULE-'C'		
Secured Loan		
SIDBI		
(Secured against Hyp. of Movable Assets, Mortgage of property and Guaranteed by two Directors) H.D.F.C. Bank Ltd.	13822902.47	1414417
(Secured against Machinery, Mortgage of Property and Guaranteed by two Directors)	3913839.00	
(Secured against Stocks & Book debts, Mortgage of Property and Guaranteed by two Directors)	616015.73	
(Secured against Hypothecation of Car)	2055962.00	271784
TOTAL	20408719.20	1686202

YORK EXPORTS LIMITED

Schedule - 'D'
SCHEDULE OF FIXED ASSETS FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

Sr Name of the Assets No.	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01/04/2010	Additions during the year	Sales/ Adjst. During the year	Total	Up to 31/03/2010	Written BACK	Provided during the year	Total Upto 31/03/2011	As at 31/03/2011	As at 31/03/2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1 Land (Satsang Road)	4000000.00			4000000.00	0.00		0.00		4000000.00	4000000.00
1 Land at Sant Vihar, Ldh.	0.00	173830.00		173830.00	0.00		0.00		173830.00	0.00
1 Building (on Land not belonging to the Company)	1044272.01	990578.00		2034850.01	288398.01		42815.00	331213.01	1703637.00	755874.00
2 Building (Satsang Road)	200000.00			200000.00	45244.00		7738.00	52982.00	147018.00	154756.00
2 Plant & Machinery	54309050.61	16623884.00		70932934.61	31202319.61		5445746.00	36648065.61	34284869.00	23106731.00
3 Office Equipments	1781231.85	106999.00		1888230.85	877316.85		135097.00	1012413.85	875817.00	903915.00
4 Furniture & Fixture	500672.59	18628.00		519300.59	354121.59		27719.00	381840.59	137460.00	146551.00
5 Vehicles	17479030.14		130509.00	17348521.14	10539701.14	117940.00	1798858.00	12220619.14	5127902.00	6939329.00
TOTALS	79314257.20	17913919.00	130509.00	97097667.20	43307101.20	117940.00	7457973.00	50647134.20	46450533.00	36007156.00
PREVIOUS YEAR (Rs.)	66206585.20	14287503.00	1179831.00	79314257.20	38178084.20	703658.00	5832675.00	43307101.20	36007156.00	28028501.00

YORK EXPORTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST.MARCH, 2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE-"E"		
INVESTMENT (AT COST)		
Share Application Money with York Oil & Fats Pvt. Ltd.	4211560.00	4211560.00
Other Investments		
Unquoted		
2225 Equity Shares of Rs.10/- each Fully paid up of York Oil & Fats Ltd.	22250.00	22250.00
15000 Equity Shares of Rs.10/- each Fully paid up of Thapar Min. Chem. Ltd.	150000.00	150000.00
Quoted		
1000 Equity Shares of Rs. 10/- each fully paid up of Sigma Cements Ltd. (Market Value Not available)	100000.00	100000.00
5000 Equity Shares of Rs. 10/- each fully paid up of Kansal Fibres Ltd.. (Market Value Not available)	50000.00	50000.00
Equity Shares of Rs.10/-each of HDFC Bank Ltd. (Previous Year 141 Shares)	0.00	2800.00
	<u>4533810.00</u>	<u>4561810.00</u>
Less: Provision for Diminution in value of Shares	<u>300000.00</u>	<u>30000.00</u>
TOTAL	<u>4233810.00</u>	<u>4261810.00</u>

SCHEDULE-"F"

INVENTORIES

(Valued at lower of cost or net realisable value whichever is less taken as certified as to quantify & value by the Managing Director)

1. Raw Materials	22476394.00	1258543.00
2. Work in Progress	18550675.00	650327.00
3. Finished Goods	14591652.00	1422958.00
4. Others	2135149.00	93635.00
TOTAL	<u>57753870.00</u>	<u>3425465.00</u>

SCHEDULE-"G"

SUNDRY DEBTORS

(Unsecured Considered Good)

Debts Outstanding for a period exceeding six months	717405.54	160269.00
Other Debts	17795896.78	493649.00
TOTAL	<u>18513302.32</u>	<u>653918.00</u>

SCHEDULE-"H"

CASH & BANK BALANCES

CASH IN HAND (INCLUDING IMPREST)

Bank Balance with scheduled Banks

In Current Account	465892.07	145300.00
In Fixed Deposits (Including Accrued Interest)	1609013.37	525879.00
	1524671.78	1899507.00
TOTAL	<u>3599577.22</u>	<u>2439926.00</u>

YORK EXPORTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST.MARCH, 2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE-"I"		
LOANS & ADVANCES		
(Unsecured considered good)		
1. Loans & Advances recoverable in cash or in kind or for value to be received	20105184.95	15340809.38
2. Security Deposit	207481.00	178662.00
3. Advance to Suppliers	0.00	263081.62
TOTAL	<u>20312665.95</u>	<u>15782553.00</u>
SCHEDULE-"J"		
LIABILITIES		
1. Sundry Creditors	12408500.00	9383246.00
2. Other Liabilities	3419075.25	4109907.36
3. Advance From Customers	2758571.00	15265.00
TOTAL	<u>18586146.25</u>	<u>13508418.36</u>
PROVISIONS		
1. Income Tax	600000.00	1675000.00
2. Wealth Tax	0.00	9120.00
TOTAL	<u>600000.00</u>	<u>1684120.00</u>

YORK EXPORTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST.MARCH, 2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE-"K"		
<u>TURNOVER</u>		
Cotton/Woolen Hosiery Goods Exports	31337614.00	61420230.00
Other Sales Within India	79527691.08	39539030.00
TOTAL	110865305.08	100959260.00

SCHEDULE-"L"		
<u>EXPORT INCENTIVES</u>		
Duty Drawback	2640457.00	528355.00

SCHEDULE-"M"		
<u>OTHER INCOME</u>		
Interest Received (Tax Deducted at Source Rs. 22913.18)	509774.23	174382.00
Dividend Received	1692.00	1410.00
Capital Gain	265326.45	54536.00
Misc. Income	1213810.00	3190.00
Profit on sale of Assets	39931.00	7382.00
TOTAL	2030533.68	236761.00

SCHEDULE-"N"		
<u>ACCRETION / DECRETION TO STOCK</u>		
<u>Opening Stock</u>		
Raw material	12585435.00	112445.00
Work In Progress	6503275.00	67560.00
Finished Goods	14229589.00	1462622.00
Others	936351.00	6308.00
TOTAL	34254650.00	1648935.00
<u>Closing Stock</u>		
Raw Material	22476394.00	1258543.00
Work In Progress	18550675.00	650327.00
Finished Goods	14591652.00	1422958.00
Others	2135149.00	93635.00
TOTAL	57753870.00	3425465.00
ACCRETION(+) DECRETION (-)	23499220.00	1776529.00

YORK EXPORTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST.MARCH, 2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE-"O"		
MANUFACTURING & OTHER EXPENSES		
Advertisement	278727.00	163326.00
Audit Fee	22060.00	16545.00
Balances W/off	63917.62	12241.87
Brokerage & Commission	2564279.00	4699933.00
Building Repairs	219142.00	198727.00
Bank Charges	596389.35	800495.00
Contribution to Provident Fund & ESI	724277.00	394039.00
Dyeing & Washing Expenses	7363781.80	7691633.67
Electricity	2399049.00	1239204.00
Embriodery Charges	222548.00	19740.00
Exchange Rate Fluctuation	145483.83	1044504.22
Fabrication Charges	4210741.00	3533183.00
Fee, Taxes & Subscription	280523.60	266957.00
Freight & Cartage	238387.00	50858.00
Freight & Cartage Outward	1809891.00	1494069.00
Fuel	4463839.01	4362335.69
General Expenses	281550.00	229637.00
General Repair	617932.52	445691.68
Insurance Others	469145.00	346392.00
Insurance Cars	279635.00	320820.00
Legal & Professional Charges	872049.00	860552.00
Labour Welfare Fund	5051.00	4908.00
Machinery Repair	655231.25	607284.00
Newspaper, Books & Periodicals	13062.00	8397.00
Oil & Lubricants	36821.00	92577.00
Packing Expenses	1985022.18	14179*8.96
Postage & Telephone	665326.04	55580.17
Printing & Stationery	118737.00	102842.00
Rebate & Discount	401200.65	1262074.68
Donation	47000.00	40200.00
Rent	1237710.00	669000.00
Salaries	5608173.00	2932715.00
Sales Promotion Expenses	858800.69	773503.23
Shipping Expenses	1120591.00	788121.00
Travelling & Conveyance	1737570.00	1761320.53
Wages & Bonus	30387980.00	24463111.00
Workmen & Staff Hospitality	215657.00	152034.00
TOTAL	73217280.54	63822770.70
INTEREST & FINANCE CHARGES		
Interest on Cars Loans	255472.69	320260.00
Bank Interest	854584.55	294311.40
Interest on Duty Drawback Paid	12510.00	0.00
Interest on Term Loans	698774.07	0.00
Interest on Unsecured Loan	826043.00	0.00
TOTAL	2647384.31	614571.40

YORK EXPORTS LIMITED

SCHEDULE – P

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

i) **Fixed Assets**

- (a) Fixed assets are stated at their original cost, which includes duties, taxes and incidental expenses.
- (b) Depreciation has been provided on written down value method on pro-rata basis at the rates and manners prescribed by Schedule XIV of the Companies Act, 1956.

ii) **Investments**

Investments are carried at cost and provision is made in the accounts for diminution in the value of quoted investment

iii) **Inventories Valuation**

Raw materials, stores and spares and packing materials at cost, work in process at raw materials cost plus conversion cost depending on the stage of completion, finished goods at cost or net realisable value whichever is less and waste/damaged goods etc. at estimated realisable value.

iv) **Retirement Benefits**

- a) The gratuity is charged to revenue on cash basis, so no provision has been made for gratuity. The accrued liability as on 31st March, 2011 in respect of gratuity is Rs. 20,40,529/- (Previous year Rs. 17,36,958/-)
- b) Leave encashment - provision for Leave encashment is accounted and provided for at the end of the financial year.
- c) Provident Fund- Liability is determined on the basis of contribution as required under the statutory rules and charged to profit and loss account.

v) **Export Sales**

The export sales are accounted for on CIF as well as on FOB basis in consonance with the nature of contract executed with the foreign buyers. Other sales are net of Vat.

vi) **Reorganization of Income & Expenditure**

All incomes and expenditures are accounted for on accrued basis except insurance claims, which are being accounted for on receipt basis.

vii) **Contingent Liabilities**

Contingent liabilities are disclosed by way of Notes to Balance Sheet. Provision is made in the accounts in respect of liabilities which are acknowledged by the company and which have material effect on the position stated in the balance sheet.

viii) **Impairment of assets**

At each balance sheet date, the company reviews the carrying amount of its fixed assets to determine whether there is any indication that the assets suffered any impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment of loss. Recoverable amount is higher of the assets net selling price and value in use. In assessing value in use, estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pretax discount rate that reflects the current market assessment of time value of money and the risks specific to the assets.

YORK EXPORTS LIMITED

ix) Taxes on Income

Current tax is determined as the amount of tax payable in respect of income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or more year. Deferred tax assets are not recognized unless there is a sufficient assurance with respect to its reversal in future years.

x) Foreign Currency transactions

Transaction denominated in foreign currency is recorded at the exchange rate prevailing at the date of transaction. Exchange differences arising on settlement / conversion of foreign currency transaction are included in the profit and loss account.

B. NOTES ON ACCOUNTS

1. Contingent Liabilities not provided for being guarantee issued by the Bank on behalf of the Company of Rs.13,85,000/- (Previous year- Rs. 13,85,000/-)
2. Investment & Loans & Advances includes amount due from:
 - a) The Companies in which Managing Director is interested as a Director.
York Oil & Fats Pvt.Ltd.
Share Application Money Rs. 42, 11,560/- (Previous year Rs. 42, 11,560/-)
3. Debit and Credit Balances in the accounts of various parties are subject to confirmation by the parties.
4. Previous year figures have been regrouped / recasted wherever necessary to make them comparable with current year.
5. The remuneration paid to the Directors including the Managing Director during the year by the Company is given below:

	Current Year			Previous Year		
	Amount (Rs.)			Amount (Rs.)		
	Salary	Bonus	Perks	Salary	Bonus	Perks
Mg. Director	840000.00	8514.00	39600.00	600000.00	8400.00	-
Directors	1800000.00	2496.00	39600.00	177420.00	-	-

6. The amount of Insurance claims received during the year has been credited to respective heads of expenditure.
7. Interest accrued on a loan of Rs. 25.00 Lacs advanced to a company has not been provided as the cheque for interest as well as of principal amount were dishonored. The company has filed complaint under Negotiable Instruments Act and the matter is subjudice. Out of loan of Rs. 25 Lacs, Rs. 8.50 Lacs have already been received.
8. The arrears of depreciation not provided for amounting to Rs.6,35,014/- pertains to the year ended 31-03-97.
9. No provision has been made for Income-Tax demand of assessment year 1994-1995 Amounting to Rs. 33,12,490/- as the same is being disputed by the company in appeal, in Delhi High Court.
10. Taxes on Income
 - (a) Deferred Taxes:- However, in view of present uncertainty regarding generation of sufficient future income, net deferred tax assets as at the year end including related credits/charge for the year have not been recognised on prudent basis.
 - (b) Current Taxes: Provision for Current tax has been made according to the normal provisions of the Income Tax Act, 1961 which includes education cess.

YORK EXPORTS LIMITED

11. Related Party Disclosures:-

a) List of Related Parties & Relationship

<u>Name of the Party</u>	<u>Relationship</u>
i) York Exports	Company/Firm under the same management
York Oil & fats Pvt.Ltd.	
York Woollens Pvt. Ltd.	
ii) Key Management Personnel	
Sh. G. C.Dhawan	Managing Director
Sh.Ashwani Dhawan	Whole time Director
Sh.Aayush Dhawan	Whole time Director
Sh. B.B. Jain	Director (Professional)

iii) Relatives of Key Management Personnel:-

- a) Mrs Mohini Dhawan
- b) Mrs Jyoti Dhawan

b) Related Party Transactions

<u>Particulars</u>	(Rs. In Lacs)	
	<u>Current Year</u>	<u>Previous Year</u>
Purchase of Goods form York Exports	1.86	59.73
Reimbursement of Power & Fuel Expenses	11.43	7.21
Reimbursement of Freight/Machine Repair	0.13	0.00
Reimbursement of Bank Charges	0.00	0.10
Reimbursement of Postage & Telephone Exp.	1.21	0.52
Reimbursement of Delhi Office Exp.Recd.	1.39	0.38
Share Application Money (York Oil & Fats Pvt.Ltd.	42.12	42.12
Loan from York oil & Fats Pvt. Ltd.	185.00	0.00
Repayment of Loan to York Oil & Fats Pvt. Ltd.	100.00	0.00
Interest provided to York Oil & Fats Pvt. Ltd.	8.26	0.00
Payment made to Parties/Bank for York Exports	2.83	0.00
Sale of Yarn/goods to York Exports	0.00	32.26
c) Remuneration paid to Sh. G.C. Dhawan	8.88	6.08
Rent Paid to Sh.G.C.Dhawan	4.23	3.63
Remuneration paid to Sh. Ashwani Dhawan	12.40	0.00
Rent paid to Sh. Ashwani Dhawan	0.03	0.03
Remuneration paid to Sh.Aayush Dhawan	6.02	1.77
Rent paid to Sh.Aayush Dhawan	4.50	0.00
Professional charges paid to Sh. B.B.Jain	6.60	6.40
Payments made to Relatives	5.52	4.91

12. There are no dues of Micro and Small Enterprises as at 31st.March, 2011.This information is required to be disclosed under Micro Small & Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the company.

13. Additional information pursuant to the provisions of paragraph 3, 4, 4C and 4D of Part II and part IV of Schedule VI to the Companies Act, 1956 is given in Annexure I & II to this Schedule.

14. Schedules 'A to P' and Annexure I & II hereto form an integral part of the statement of account for the year ended 31st March, 2011

15. Interest amounting to Rs.32976/- paid on funds borrowed from HDFC Bank Limited for acquisition of machinery has been capitalised till its installation and putting to use.

FOR AND ON BEHALF OF THE BOARD

Referred to in our report of even date

For NANDA & BHATIA
CHARTERED ACCOUNTANTS
Firm Registration No. 004342N

(B. B. JAIN)

Director

Place : Ludhiana

Date: 15.07.2011

(ASHWANI DHAWAN)

Director

(GIAN CHAND DHAWAN)

Managing Director

(A. C. BHATIA)

Partner

YORK EXPORTS LIMITED

ANNEXURE - I

SUPPLEMENTARY NOTES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

		CURRENT YEAR			PREVIOUS YEAR	
		NA			NA	
1) ANNUAL LICENCED CAPACITY & INSTALLED CAPACITY						
2) ACTUAL PRODUCTION						
WOOLLEN FINISHED GOODS	KGS	78328.212		KGS	42162.740	
COTTON FINISHED GOODS	KGS	61095.452		KGS	68104.025	
3) OPENING STOCK						
a) RAW MATERIAL						
1) COTTON YARN	KGS	23810.500	3216147.00	KGS	5460.000	726605.00
2) WOOLLEN YARN (MIX)	KGS	41330.000	6369288.00	KGS	1783.170	397848.00
			<u>12585435.00</u>			<u>1124453.00</u>
b) WORK IN PROGRESS						
1) WOOLLEN GOODS	KGS	12600.000	5833800.00	KGS	595.000	259420.00
2) COTTON GOODS	KGS	1525.000	669475.00	KGS	1265.000	416185.00
			<u>6503275.00</u>			<u>675605.00</u>
c) FINISHED GOODS						
1) WOOLLEN FINISHED GOODS	KGS	5899.720	3692712.00	KGS	15660.425	7073475.00
2) COTTON FINISHED GOODS	KGS	17076.930	10536877.00	KGS	16726.810	7552747.00
			<u>14229589.00</u>			<u>14626222.00</u>
d) OTHERS						
HOSIERY CUTTING WASTE	KGS	211.900	636.00	KGS	9869.680	29610.00
STORES & SPARES			<u>935715.00</u>			<u>63470.00</u>
			<u>936351.00</u>			<u>63080.00</u>
4) MATERIAL PURCHASED						
1) WOOLLEN YARN MIXED	KGS	80424.315	22642741.46	KGS	102969.840	23349087.78
2) COTTON YARN	KGS	112595.672	24671355.09	KGS	134783.275	18216425.39
3) STORES & SPARES			5201087.35			3151191.71
4) COTTON HOSIERY GOODS	KGS	435.700	164260.00	KGS	12255.000	5965962.00
			<u>52679443.90</u>			<u>50682666.88</u>
5) SALES						
1) COTTON/WOOLLEN FINISHED GOODS-EXPORTS	KGS	40218.195	31337614.00	KGS	76480.605	61420235.00
2) OTHERS (INCLUDING WASTE)	KGS	120715.332	79527691.08	KGS	121088.815	39539034.14
			<u>110865305.08</u>			<u>100959269.14</u>
6) CLOSING STOCK						
a) RAW MATERIAL						
1) COTTON YARN	KGS	52344.000	13538808.00	KGS	23810.500	3216147.00
2) WOOLLEN YARN (MIX)	KGS	30046.873	8937586.00	KGS	41330.010	9369288.00
			<u>22476394.00</u>			<u>12585435.00</u>
b) WORK IN PROGRESS						
1) WOOLLEN GOODS	KGS	14275.000	8921875.00	KGS	12600.000	5833800.00
3) COTTON GOODS IN PROCESS	KGS	15045.000	9628800.00	KGS	1525.000	669475.00
			<u>18550675.00</u>			<u>6503275.00</u>

YORK EXPORTS LIMITED

c) FINISHED GOODS

1) WOOLLEN FINISHED GOODS	KGS	14759.810	10940661.00	KGS	5899.720	3692712.00
2) COTTON FINISHED GOODS	KGS	5461.827	3650991.00	KGS	17076.930	10536877.00
			<u>14591652.00</u>			<u>14229589.00</u>

d) OTHERS

1) HOSIERY CUTTING WASTE	KGS	1441.130	7206.00	KGS	211.900	636.00
2) STORES & SPARES			2127943.00			935715.00
			<u>2135149.00</u>			<u>936351.00</u>

7) RAW MATERIAL CONSUMED

1) WOOLLEN YARN	KGS	91707.442	23074443.46	KGS	63423.000	14377647.78
2) COTTON YARN	KGS	83744.672	11643326.09	KGS	83313.705	5969852.39
3) STORES & SPARES			4008859.35			2248946.71
			<u>38726628.90</u>			<u>22596446.88</u>

8) PERCENTAGE OF RAW MATERIAL CONSUMED

a) RAW MATERIAL

COTTON YARN - INDIGENOUS	100%	100%
WOOLLEN YARN - INDIGENOUS	100%	100%

b) STORES & SPARES - INDIGENOUS

- IMPORTED	0%	2.52%
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9) FOREIGN CURRENCY TRANSACTIONS

a) EARNINGS IN FOREIGN EXCHANGE

EXPORT OF GOODS (FOB/CIF)	31337614.00	61420235.00
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b) EXPENDITURE IN FOREIGN CURRENCY

1) MACHINERY	CIF	USD	28000	1289210.00	USD	0	0.00
do	CIF	EUR	0	0.00	EUR	269500	18115050.00
2) STORE & SPARES	CIF	USD	195	8687.25	HKD	8904	55204.80
3) FOREIGN TRAVELLING		USD	5000	224650.00	USD	5000	242200.00
4) FOREIGN TRAVELLING		EUR	500	31000.00	EUR	2000	125300.00
5) FOREIGN TRAVELLING		GBP	500	36250.00		0	0.00

NOTE:

QUANTITATIVE INFORMATION IN RESPECT OF CERTAIN ITEMS OF PURCHASE HAS NOT BEEN GIVEN AS VALUE OF THESE ARE LESS THAN 10% OF THE TOTAL VALUE.

FOR AND ON BEHALF OF THE BOARD

Referred to in our report of even date

For NANDA & BHATIA
 CHARTERED ACCOUNTANTS
 Firm Registration No. 004342N

(B. B. JAIN)

Director

Place : Ludhiana

Date: 15.07.2011

(ASHWANI DHAWAN)

Director

(GIAN CHAND DHAWAN)

Managing Director

(A. C. BHATIA)

Partner

YORK EXPORTS LIMITED

ANNEXURE - II

ADDITIONAL DISCLOSURES UNDER SCHEDULE VI PART IV OF THE COMPANIES ACT, 1956

I Registration Details															
Registration No.						1	5	4	1	6	State Code		5	5	
Balance Sheet				3	1			0	3			2	0	1	1
		Date				Month				Year					

II Capital Raised During The Year (Amount in Rs. Lacs)																						
Public Issue				Right Issue				Bonus Issue			Private Placement											
			-				-			-			-									
III Position of Mobilisation & Deployment of Funds (Amount in Rs. Lacs)																						
Total Liability						Total Assets																
		1	3	6	9			1	3	6	9											
Source of Funds																						
Paid-up Capital				Reserve & Surplus				Secured Loans			Unsecured Loans											
		3	8	6	2	1			6	8	6	8	5			2	9	6	5	2	NIL	
Application of Funds																						
Net Fixed Assets				Investments				Net Current Assets			Misc. Expenditure											
		5	1	7	3	1			4	2	3	4			8	0	9	9	3	NIL		
Accumulated Losses																						
NIL																						

IV Performance of Company (Amount in Rs. Lacs)																										
Turnover & Other Income					Total Expenditure					Profit Before Tax			Provision for Taxation													
		1	3	9	0	3	5			1	3	6	0	0	2			3	0	3	3			6	0	0
Profit After Tax					Profit per Share (in Rs.)																					
		2	4	3	3			0	7	2																
On Year End of Capital																										

V Generic name of Principal Product/Service of Company (as per Monetary term)															
Item Code No.		6	1	0	1										
Product Description		H O S I E R Y G O O D S													

FOR AND ON BEHALF OF THE BOARD

Referred to in our report of even date.

For NANDA & BHATIA
CHARTERED ACCOUNTANTS
 (Firm Registration No. 004342N)

(B.B. Jain)

Director

Place: Ludhiana

Date: 15.07.2011

(ASHWANI DHAWAN)

Director

(GIAN CHAND DHAWAN)

Managing Director

(A.C. BHATIA)

Partner

M. No. 13791

YORK EXPORTS LIMITED

INFORMATION PURSUANT TO THE LISTING AGREEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

	(Rs. In Lacs)	
	CURRENT YEAR	PREVIOUS YEAR
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	30.33	54.23
Adjustment for:		
Depreciation	74.58	58.33
Interest/Dividend received	-7.77	-22.91
Profit(-)/Loss(+) on sale of Assets	-0.40	-0.74
Cash flow from Operating activities before working capital changes	96.74	88.91
Adjustments for working capital changes		
Trade and other receivables	-165.04	-32.07
Inventories	-234.99	-177.65
Trade Payable & Provisions	50.78	87.50
Cash flow before taxation & extra ordinary items	-252.51	-33.31
Deduct Tax Paid	-17.11	-21.65
Cash flow before extra ordinary items	-269.62	-54.96
Net Cash from operating activities (A)	-269.62	-54.96
B CASH FLOW FROM INVESTING ACTIVITIES		
Investments	0.28	75.00
Loan	127.90	124.68
Purchases of Fixed Assets	-74.85	-251.25
Sale of Fixed Assets	0.53	5.50
Interest/Dividend Received	7.77	22.91
Net cash used in Investing Activities (B)	61.63	-23.16
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Unsecured Loans
Dividend paid
Redemption of PREFERENCE Share Capital
Net cash used in Financing activities (C)
Net decrease/increase in cash & cash equivalents (A+B+C)	-207.99	-78.12
Cash & Cash equivalent as at (Opening Balance)	243.99	322.11
Cash & Cash equivalent as at (Closing Balance)	36.00	243.99

AUDITOR'S CERTIFICATE

We have examined the Cash flow statement of York Exports Ltd. for the year ended 31st March, 2011. The statement has been prepared by the company in accordance with the requirements of the listing agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 15.07.2011 to the members of the company.

For NANDA & BHATIA
Chartered Accountants
(Firm Registration No. 004342N)

Place: Ludhiana
Dated: 15.07.2011

(A.C. BHATIA)
Partner
M. No. 13791

YORK EXPORTS LIMITED

PROXY FORM

Member's Folio No.

I/We

of

in the district of

appoint in the district of

Or failing him/her

of

as my/our proxy to vote for me/us on my/our behalf at the 29th Annual General Meeting of the Members of the Company to be held on Friday 30th Sept., 2011 at 11.00 A.M. at Food Plus, WA. 141, Shakarpur, Delhi- 92.

Signed this day of 2011

Affix Revenue
Stamp of
1/- Rupee

Signature

Note : The proxy in order to be effective must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

..... Cut Here

YORK EXPORTS LIMITED

Regd. Office : D-6, Diwan Shree Apartments

30, Ferozeshah Road,

Connaught Place, New Delhi.

ATTENDANCE SLIP

Member's Folio No.

Name of the attending Member

(in Block Letters)

Name of the Proxy(ies) (in Block Letters)

(to be filled in if the Proxy attends instead of the Member)

No. of Shares held

I hereby record my presence at the 29th Annual General Meeting of the members of the Company held at Food Plus, WA. 141, Shakarpur, Delhi- 92 on Friday 30th Sept., 2011 at 11.00 A.M.

Member's/Proxy's Signature