



YANTRA NATURAL RESOURCES LIMITED

**ANNUAL REPORT
2011-12**

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COMPANY INFORMATION

BOARD OF DIRECTORS:

Mr. Dhires Munver	:	Managing Director
Mr. Sita Ram Mangla	:	Whole- Time Director
Mr. Rajinder Singla	:	Executive Director
Mr. Girish Aggarwal	:	Executive Director
Mr. Vijay Devlekar	:	Executive Director
Mr. Rajeev Kumar	:	Non- Executive Independent Director
Mr. Devendra Madesh	:	Non- Executive Independent Director
Mr. Srikanth Ginjupalli	:	Non- Executive Independent Director

BOARD COMMITTEES:

1. Audit Committee

Mr. Rajeev Kumar	:	Chairman
Mr. Suresh Bansal	:	Member
Mr. Devendra Madesh	:	Member
Mr. Srikanth Ginjupalli	:	Member

2. Investor Grievance Committee

Mr. Suresh Bansal	:	Chairman
Mr. Rajeev Kumar	:	Member
Mr. Rajinder Singla	:	Member
Mr. Devendra Madesh	:	Member
Mr. Srikanth Ginjupalli	:	Member

3. Remuneration Committee

Mr. Pawan Kumar	:	Chairman
Mr. Rajeev Kumar	:	Member
Mr. Suresh Bansal	:	Member
Mr. Devendra Madesh	:	Member
Mr. Srikanth Ginjupalli	:	Member

AUDITORS:

M/s. Chirag Mehta
Chartered Accountants,
Aranath, Jain Temple Road,
Sarvodaya Nagar, Mulund- West,
Mumbai- 400 080.

SHARE TRANSFER AGENTS:

**M/s. Purva Shareregistry
(India) Pvt. Ltd.**
No. 9, Shiv Shakti Industrial Estate
Ground Floor, J. R. Boricha Marg,
Opp. Kasturba Hospital, Lower Parel,
Mumbai- 400 011.
E- Mail: busicomp@vsnl.com

BANKERS:

ING Vysya Bank Limited
A- Wing, Ground Floor
Nariman Point
Mumbai- 400 021

YES Bank

Fort,
Mumbai- 400 001

REGISTERED OFFICE:

House No.1-2-29/45/A4,
Nandamuri Nagar Lane,
Nizampet Road,
Hydernagar Kukatpally Municipality,
Hyderabad- 500 072

LISTED AT:

Bombay Stock Exchange
(BSE) Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

COMPLIANCE OFFICER:

Mr. Dhiresh Munver
House No.1-2-29/45/A4,
Nandamuri Nagar Lane,
Nizampet Road,
Hydernagar Kukatpally Municipality,
Hyderabad- 500 072
E- Mail: yantraltd@gmail.com

MANAGING DIRECTOR'S SPEECH

Dear Stakeholders,

It gives me immense pleasure to share with you my perception of the business environment and the Company's initiatives on overall growth and operational excellence.

I must confess this year is unusual for the economy. The global economies in 2011-12, witnessed slowdown. Euro zone was worst affected. US economy, though impacted, has now started showing signs of mild recovery. China and India which were driving the global economy for some time are also showing signals of slow down.

Indian economy is most likely to witness GDP growth of less than 8 percent in FY12 after consistently remaining above 8% in last couple of years. Slowing down of industrial growth caused by the tightening of monetary policy to curb unabated increase in inflation is one endogenous factor for the lower GDP estimates for FY12. On the other side, sluggish recovery in global economy especially in developed world has acted as exogenous factor for the present economic situation.

Your Company has always strived to break through these tough times by venturing into varied business segments. However there can be exceptions when the Company's predictions and calculations may not show immediate success. This can be said to be true in its recent predictions for the mining and infrastructure industry.

Yantra has attempted to diversify into Mining and Infrastructure in the year 2010-11. However as the mining sector has witnessed lot of negative political government policies which has vitiated the whole segment, the Company has adopted a wait and watch strategy where it would evaluate all possibilities and then initiate any further development. Similarly, the Infrastructure Sector is also witnessing significant slowdown with order book drying up and nose diving margins. We are hopeful that the situation shall improve in the future, however as of now, it does not make any business sense to commit sizeable resources in these sectors.

Hence, the management has decided to adopt a wait and watch strategy till the turnaround of the industry before initiating any steps in this direction and the Company continues to focus on its core business segments of textiles and investment and is further banking on it to see through this tough phase of the economic cycle. Further the Company would initiate operations in mining and infrastructure only when there is a ray of hope for better and newer business prospects. Also the Indian Textile industry is presently facing an unprecedented period of difficulty due to slow- down in the demand especially from the beginning of current financial year. The uncertainties in the export policy of Government of India related to cotton fibre and cotton yarn have added to the woes of the textile industry. The restrictions imposed on cotton yarn exports in the last quarter of FY2 11 led to huge accumulation of cotton yarn inventory with the mills leading to crashing of yarn prices. Thus the financial stress caused by aforesaid developments is likely to reflect in the reduced profitability of the textile industry in the country in FY12. Nevertheless, we are confident about the bright future of textile industry in long term under improving policy environment. At present, this industry in India is one of the modern as among our competitors such as China and Pakistan. The sub group set up by the Ministry of Textiles on fiber has estimated that the industry will need 35 Million plus spindles till 2020 to produce additional 4000 Million Kg of Yarn which will double our present production.

Your Company is shaping itself well to meaningfully participate in emerging opportunities for Indian Textile Industry in medium to long run. We are also responding to the current challenges of rising costs and nearly stagnant demand reflected in abnormally lower prices as well as less inquiries for new orders. The prevailing business scene is a tough learning period to be nimble and responsive to the changing market dynamics. The Company has initiated a process of reviewing systems and processes across the businesses with the objective of identifying scope of improvement for cost cutting and higher value addition. I believe that with the collective efforts, the Company should emerge stronger through adaptive learning which also can reassure relatively a sustained performance.

With best wishes,
sd/-
(Dhiresb Munver)
Managing Director

NOTICE

NOTICE is hereby given that the Annual General Meeting of **Yantra Natural Resources Limited** (formerly known as *Shri Ganesh Spinners Limited*) will be held at Registered Office of the Company situated at House No. 1-2-29/45/A4, Nandamuri Nagar Lane, Nizampet Road, Hydernagar, Kukutpally Municipality, Hyderabad- 500 072, on Saturday 29th September, 2012 at 9.00 a.m., to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the Company for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Rajeev Kumar, who retires by rotation and being eligible offers himself for re- appointment.
3. To appoint a Director in place of Mr. Girish Aggarwal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajinder Singla, who retires by rotation and being eligible offers himself for re- appointment.
5. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 224(1B) and other applicable provisions, if any, of the Companies Act, 1956 **Mr. Chirag Mehta**, Chartered Accountant be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting on such remuneration and out-of-pocket expenses as may be determined between the Board and the Auditors from time to time."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Article 108 of the Articles of Association of the Company and Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 consent of the Company be and is hereby accorded for the re-appointment of Mr. Dhires Munver, as the Managing Director of the Company for a period of 3 years with effect from 30th September, 2012 on the below- mentioned terms and conditions:

1. **Period:** For three years from 30th September, 2012 to 29th September, 2015.
2. **Remuneration:** Salary is fixed by the Board is Rs.3,60,000/- per annum, with authority to the Board to fix the salary. The annual increment will be merit-based and take into account the Company's performance.
3. The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors/Remuneration Committee as it may in its absolute discretion, deem fit, within the maximum amounts payable to Managing Director in accordance with Schedule XIII to the Act, or any amendments made hereafter in this regard.
4. If, at any time, the Managing Director ceases to be a Director of the Company, in any case, he shall cease to be the Managing Director and terms of the said Agreement shall terminate forthwith.
5. The Managing Director shall, subject to the supervision and control of the Board of Directors, be entrusted with such powers and perform such duties as may, from time to time, be delegated/entrusted to him.
6. The appointment of Managing Director can be terminated either by the Company or by him, by giving to the other, three month notice in writing.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary, from time to time the percentage and quantum of the commission payable to the Managing Director, provided that the total remuneration payable whether by way of salary, perquisites, commission, allowances and benefits, shall not exceed the ceiling laid down under Section 309 of the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company will pay remuneration by way of salary, allowances, perquisites and benefits as specified above, subject to obtaining the requisite approvals.

RESOLVED FURTHER THAT the scope and the quantum of the remuneration as specified hereinabove, may be enhanced, enlarged or varied by the Board of Directors, in the light of and conformity with any amendments to the relevant provisions of the Companies Act, 1956 and/or the rules and regulations made there under and/or such guidelines as may be announced by the Government of India, from time to time.”

**By Order of the Board
For Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)**

Place : Hyderabad.
Date : 1st September, 2012

sd/-
**Dhires Munver
Managing Director**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**
2. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
3. Members are requested to bring their admission slips along with copy of the report and accounts to the Annual General Meeting.
4. All the documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all the working days between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
5. The Register of Members and Transfer Books in respect of Equity Shares of the Company will remain closed from 26th September, 2012 to 28th September, 2012 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
6. Members are requested to notify the Company immediately at its Registered Office or its Registrar and Share Transfer Agent the details of any change of address so as to enable the Company to address any future communication at their correct address.
7. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting venue.
8. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.

9. Members holding shares in physical forms are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease in portfolio management. Member can contact the Company or the Company's Registrar and Transfer Agent, **Purva Sharegistry India Private Limited**, for assistance in this regard.
10. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
11. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members holding shares in single name are advised, in their own interest to avail of the nomination facility by filling form 2B. Members holding shares in the dematerialized form may contact their depository Participant for recording nomination in respect of their shares.
12. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken "Green Initiative in Corporate Governance" and allowed Companies to share documents with its shareholders through an electronic mode.

Members are requested to support this green initiative by registering/ updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository participants and in respect of old shares held in physical form with the Company's Registrar & Share Transfer Agent.

**By Order of the Board
For Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)**

Place : Hyderabad.
Date : 1st September, 2012

sd/-
**Dhires Munver
Managing Director**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956:

Item No. 6:

The Managing Director Mr. Dhires Munver is a reputed Professional possessing vast knowledge and expertise and considerable experience in the corporate field. He has played a pivotal role in steering the Company through multiple challenges, enabling it to sustain growth even in these turbulent market conditions.

Further he has also visualized the road- map for the growth of your Company and it was under his leadership that the Company has envisioned various business initiatives for transformation into a mid- sized entity.

The in the best interest of the Company, the Board of Directors have put forth the proposal for his re- appointment as the Managing Director for another period of 3 years.

You are requested to accord your consent in favour of the resolution.

None of the Directors, except **Mr. Dhires Munver** are concerned or interested in the aforesaid resolution.

**By Order of the Board
For Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)**

Place : Hyderabad.
Date : 1st September, 2012

sd/-
**Dhires Munver
Managing Director**

DIRECTOR'S REPORT

Your Directors present their Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2012.

FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE:

(Rupees in Lacs)

Particulars	2011-2012	2010-2011
Sales	9194.37	5348.74
Other Income	55.56	26.99
Total Income	9249.93	5375.73
Total Expenses	9247.91	5336.78
Profit Before Tax	2.02	38.96
Tax		
Current tax	6.08	7.22
Deferred Tax	(1.75)	(1.42)
Net Profit After Tax	(2.31)	33.16

The Industry is going through a challenging phase amidst global economic slowdown. The performance of the Indian Textile Industry has been under tremendous pressure over the last two years owing to intense competition, significant debt-funding capacity, Technology up-gradation and increasing costs. The credit profiles of Textile Companies have become increasingly stressed over the last one year, following significant contraction of demand for textile products in the key markets of the United States (US) and Europe thereby resulting in severe stress for the Companies operating in the segment to maintain its margins.

However we are pleased to inform you that even against this background, your Company was in a position to clock overall revenues to the tune of Rs. 9249.93 lacs as against 5375.73 in the preceeding financial year thereby registering a growth of

about 71.89%. However, the high operational cost has adversely impacted the Company's margins and thus the Company could yield an overall profit of mere Rs. 2.02 lacs.

Your directors are hopeful that with the revival of the industry and the overall economy, the Company would be in a position to generate higher returns for the shareholders and the stakeholders at large. You are requested to uphold your faith in the potential of the Company.

FUTURE OUTLOOK:

Your Company is currently focusing its resources in the business segments of textiles and investments on account of negative political government policies which has vitiated the mining sector and significant slowdown with order book drying up and nose diving margins facing the infrastructure segment.

However, there is a ray of hope that the situation shall improve in the future and thus the Company shall initiate operations in these segments in the years to come.

DIVIDEND:

Your Directors intend to build the reserves of the Company for future expansion activities and thus do not recommend Dividend for the year under review.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary Company within the meaning of section 4 of the Companies Act, 1956. Thus the Company is not required to furnish a statement pursuant to the provisions of Section 212 of the Companies Act, 1956.

ACCEPTANCE OF FIXED DEPOSITS:

The Company has not accepted any Fixed Deposits from general public within the purview of Section 58A, of the Companies Act, 1956, during the year under review.

CHANGES IN THE CAPITAL STRUCTURE OF THE COMPANY

There has been no changes in the Capital Structure of the Company during the year under review and thus the Authorized Share Capital stands at Rs. 75,00,00,000/- divided into 75,00,00,000 Equity Shares of Re. 1/- each. Further the Paid- Up Share Capital of the Company stands at Rs. 54,93,25,500/- divided into 54,93,25,500 Equity Shares of Re. 1/- each.

CHANGE IN THE REGISTERED OFFICE OF THE COMPANY

The Registered Office of the Company has been shifted from

House No. 8-3-678/66, First Floor, Pragati Nagar, Yousfguda, Hyderabad- 500 045,

to

House No. 1-2-29/45/A4, Nandamuri Nagar Lane, Nizampet Road, Hydernagar, Kukutpally Municipality, Hyderabad- 500 072

with effect from 14th May, 2012.

CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS:

In accordance with the provisions of section 257 of the Companies Act, 1956, Mr. Rajeev Kumar, Mr. Girish Aggarwal Mr. Rajinder Singla, Directors of your Company retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

The Board wishes to place on record their appreciation for the services rendered by them as the Directors of the Company. The Proposals regarding the re- appointment of the aforesaid Directors are placed for your approval. Your Directors commends their appointment for their approval. None of the Directors, except Mr. Rajeev Kumar, Mr. Girish Aggarwal Mr. Rajinder Singla, are interested or concerned in the resolution.

Further, the term of office of Mr. Dhires Munver, the present Managing Director of the Company expires on 29th September, 2012. However he has played a pivotal role in steering the Company through multiple challenges, enabling it to sustain growth even in these turbulent market conditions. The proposal regarding his re-appointment has been placed for your approval. You are requested to re- appoint

him for a further tenure of 3 years. None of the Directors, except Mr. Dhires Munver himself is interested or concerned in the resolution.

Also on 1st September, 2012, Mr. Suresh Bansal and Mr. Pawan Kumar have placed their resignations before the Board and the same has been duly taken on record by the Board. The Board wishes to place on record their appreciation for the services rendered by them as the Directors of the Company and wishes them luck for all their future endeavours.

OTHER CORPORATE INFORMATION

The Convertible Equity Warrants there were issued by the Company in terms of the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 to various allottees on preferential basis, are due to expire by 1st September, 2012. Since the Company has not received the pending amount for conversion of the Balance Warrants the Company is in the process of forfeiture of the upfront money received upon allotment of the Warrants to Warrantholders.

AUDITORS:

The Statutory Auditors, Chirag Mehta, had been appointed to hold office until the conclusion of the ensuing Annual General Meeting; however he is also eligible for re- appointment and his willingness for re- appointment have been intimated to the Company well in advance. Further he has also confirmed that he is not disqualified for re- appointment within the meaning of Section 226 of the Companies Act, 1956 and his appointment, if made would be within the limits specified in Section 224(1B) of the said Act.

Thus you are requested to re- appoint him for the ensuring year till the conclusion of the next Annual General Meeting of the Company.

AUDITORS' REPORT:

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self- explanatory and hence do not call for any further comments under Section 217 of the Companies Act, 1956.

DIRCTORS' RESPONSIBILITY STATEMENT:

In accordance with the requirement of Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms:

- i. In the preparation of the Accounts for the financial year ended 31st March, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended 31st March, 2012;
- iii. The Directors have 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; and
- iv. The Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from the Auditor confirming compliance forms a part of this Report.

MANAGING DIRECTOR'S CERTIFICATION:

A Certificate from the Managing Director in respect of the Financial Statements forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information relating to the conservation of energy, technology absorption foreign exchange earnings and outgo as required to be disclosed under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, is given in Annexure forming part of this Report.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company is in receipt of remuneration prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975. Thus furnishing of particulars under the Companies (Particulars of Employees) Rules 1975 does not arise.

ACKNOWLEDGEMENT:

Yours Directors take this opportunity to thank the Financial Institutions, Banks, Business Associates, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the various stakeholders for their continued co-operation and support to the Company and look forward to their continued support in future.

We very warmly thank all of our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company.

By Order of the Board
For Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)

Place : Hyderabad.
Date : 1st September, 2012

sd/-
Dhires Munver
Managing Director

ANNEXURE TO THE DIRECTOR'S REPORT

FORM-"B"

CONSERVATION OF ENERGY:

Energy Conservation Measures Taken:

To conserve energy doesn't always mean to 'cut-back.' Conservation can simply be a result of increased awareness. Your Company is continuing with energy saving measures and always been conscious of the need to conserve energy.

The Company has initiated various measures on suggestions of experts in the areas where energy reduction and fuel and oil conservations are possible.

FORM- "A"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY POWER AND FUEL CONSUMPTION.

I ELECTRICITY:

Particulars		2011- 12	2010- 11
Purchased			
Total Amount	Rs.	70986/-	70986
Rates/Unit	Rs.	9756	11540
Consumption Per Unit Production			
Electricity	Per unit	7.28	6.15

II. RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R & D carried out by the Company

- Improvement of Product Quality and Process Efficiency.
- Optimizing Production Efficiency.
- Cost Reduction.

2. Benefits derived as a result of the above R & D

- Improvement in the Quality of Manufactured products.
- Pollution free environment in and around factory areas.
- Cost Economy and plant efficiency.
- Conservation of Water, Mineral, Electricity and Fuel.
- Development of new market segment.

3. Future plan of Action:

- Further improvement in the Quality of products and processes.
- Process modification or substitution to improve the quality of treated effluent.
- Exploration of avenues for continuous cost reduction measures.
- Technical up-gradation and pollution control facilities.
- Development of value added Yarn.

III. TECHNOLOGY AND DEVELOPMENT

The Company has made consistent efforts towards Technology Absorption, Adaptation and Innovation. Further the Research & Development activities have helped in the quality control. The Company has also been planning for the adoption of the upgraded technology so that better quality product can be produced.

Particulars of technology in the last five years:

- (a) Technology Imported NIL
- (b) Year of Import NIL
- (c) Had Technology been fully absorbed NIL

IV. **FOREIGN EXCHANGE EARNING AND OUTGO:**

Sr. No.	Particulars	2011-12	2010-11
(a)	Foreign Exchange Earned	Nil	Nil
(b)	Foreign Exchange Used	Nil	Nil
	(CIF value of imports & expenditure in foreign currency)	Nil	Nil

By Order of the Board
For Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)

Place : Hyderabad.
Date : 1st September, 2012

sd/-
Dhires Munver
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

CAUTIONARY STATEMENT

Statements in this report on “Management Discussion and Analysis” describing the Company’s objectives, outlook, estimates, expectations, predictions, belief and management perceptions may be forward looking statements within the meaning of application securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to Company’s operations include, among others, economic conditions in the market in which the Company operates, changes in the Government Regulations, Tax Laws and other statutes and incidental factors.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

GLOBAL ECONOMIC CONDITION

The impact of the socio-economic turmoil across geographies – uprising in the Middle East and North Africa, slowdown in the euro zone consequent to the sovereign debt crisis, among others, continued to impact during FY12. Moreover, volatility in commodity prices, disruption in the supply chain on account of the tsunami in Japan and the floods in Thailand and the overall uncertainty continued to plague business globally, slowing recovery, both in mature and emerging markets.

These developments have impacted emerging economies including India. The Indian economy saw moderate growth primarily on account of rising fiscal deficit, continuing high inflation and high interest rate regime. Huge exchange rate volatility, continuing rise in energy cost and slowdown in reforms were the other dampeners. As a result, GDP of 6.5% during the year was the lowest in the last nine years. The Government is continuously monitoring its fiscal policy with a view to reviving and maintaining growth.

COMPANY'S POSITION:

⌘ Mining and Infrastructure

Yantra aspires to be a conglomerate with interests in one of the fastest growing sector of the economy and in line with this the Company attempted to diversify its operations in Mining, Infrastructure and investments.

However, as the mining sector has witnessed lot of negative political government policies which has vitiated the whole segment, the Company has adopted a wait and watch strategy where it would evaluate all possibilities and then initiate any further development. Similarly, the Infrastructure Sector is also witnessing significant slowdown with order book drying up and nose diving margins. Thus the management has refrained from making any major commitments in these sectors and have decided to adopt a wait and watch strategy till the turnaround of the industry before initiating any steps in this direction. In the mean while the Company deems it appropriate to focus on the core business segments of textiles and investment and is further banking on it to see through this tough phase of the economic cycle.

Further the Management is convinced about the potential opportunities in these sectors and is minutely observing any developments in the sectors and also constantly scouting for any opportunities which fit in the Company's business model. As and when it sees a ray of hope for better and newer business prospects, it would commence its operations in these sectors.

⌘ Textiles

Overview of the Textiles Industry

Indian Textile Industry is one of leading textile industry in the world. Though was unorganized industry a few years back, the scenario started changing after the economic liberalization of Indian economy in 1991. The opening up of economy has given the much needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world.

Indian Textile Industry largely depends upon the textile manufacturing and export. It also plays a major role in the economy of country. India earns about its 27% of its total foreign exchange through textile exports. Further, the textile industry also contributes nearly 14% of the total industrial production and around 3% to the GDP of the country. Indian textile industry is also the largest in the country in terms of employment generation. It not only generates jobs in its own industry, but also opens up scopes for the other ancillary sectors. Indian textile industry currently generates employment to more than 35 million people.

India's competitive advantages of raw material availability (being the second largest producer of raw cotton in the world, currently) and relatively low labour costs had, over the years, helped form a huge export base for cotton textiles (forming over 60 per cent of total Indian textile exports). However, the ongoing economic recession in developed markets has had a severe impact on consumer spending, thereby resulting in significant rationalization of inventories by many international retailers and consequent scale-down of new orders. This has also in turn affected the direct and derived demand (yarn that is consumed in fabrics for manufacture of garments and home textiles meant for exports) for cotton yarn.

ICRA expects domestic demand also to grow at a slower pace, as the overall economic slowdown restricts consumption expenditure. All these factors have resulted in substantial inventory build-up for the Indian textile industry, thereby exerting pressure on liquidity. The industry has responded with significant production cuts. The sustained downturn in the industry is expected to have a severe impact on smaller players with high leverage on account of limited financial flexibility. Increasing costs and limited pricing flexibility, which ultimately exert pressure on profitability. The profitability of a spinning unit is primarily driven by raw material costs (which account for around 55 per cent of operating income). The increase in cotton prices over the past one-and-a-half years has depressed the margins of spinners. While demand contraction has led to softening of international cotton prices since October 2008, domestic prices have increased on account of the recent hike in minimum support price for raw cotton (by 40 to 50 per cent for

medium/ long staple varieties). The resultant gap between the international and domestic prices induced spinners to increase imports of raw cotton to some extent. Spinners are unable to pass on hike in input costs owing to the fragmented nature of the industry, characterized by excess capacities, and significantly lower demand. ICRA also notes that falling crude prices are expected to result in competitive polyester yarn prices, thus constraining further the pricing flexibility of cotton yarn producers. The benefits of the expected softening of domestic cotton prices in the near term are likely to be largely negated by sluggish demand conditions. Also, Indian players would continue to face pricing pressures on account of intense competition from other low-cost countries.

Investment Policy in the Textiles Industry

Besides, Foreign Direct Investment (FDI) of up to 100% is allowed in the textiles sector through the automatic route, the Ministry of Textiles has set up an FDI cell at the Economic Division to attract FDI in the sector.

Additionally, the Government has taken various initiatives to promote the growth of textiles industry in India. Some of these are, Technology Up-gradation Fund Scheme (TUFS), The Scheme for Integrated Textile Park (SITP) and Integrated Skill Development Scheme.

Further, fiscal incentives have also been provided for exports of textile and cotton items under various provisions of the Foreign Trade Policy 2009-14.

Sector Prospects

The Vision Statement for the textiles industry for the 11th Five Year Plan (2007-12), inter-alia, envisages India securing a 7% share in the global textiles trade by 2012.

The Indian textiles industry has enormous opportunities for domestic as well as international investors given its consistent growth performance, abundant cheap skilled manpower and growing domestic demand.

With time, India has surged ahead of other countries and positioned itself as a value-added manufacturer with a varied material base, an educated and English-speaking class of executives with high product development and design orientation.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Yantra has adopted proper and adequate internal control systems commensurate with its size or operations, to ensure that all the assets are safeguarded against loss from unauthorized use and all the transactions are authorized, recorded and reported correctly.

The Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of the business. Further the Company also conducts internal audits, using external and internal resources to monitor the effectiveness of internal controls on a regular basis. The Audit Committee of the Board deals with all significant control issues highlighted by the internal and external auditors and instructs further areas to be covered.

RISK MANAGEMENT

Risk management is an important element of planning for business. The process of risk management is designed to reduce certain kinds of events happening or having an impact on the business. Broadly, risk management should create value by supporting growth, be an integral part of organizational processes, be part of decision making, explicitly address uncertainty and assumptions, be capable of continual improvement and enhancement and be continually or periodically re-assessed.

Your Company's risk management procedures have been institutionalized and embedded in the business system. These are monitored and reviewed in an ongoing way. The Audit Committee review the risk mitigation plans on a periodic basis.

HUMAN RESOURCES

The human resource philosophy and strategy of your Company has been designed to attract and retain the best talent, creating a workplace environment that keep employees engaged, motivated and encourages innovation. This talent has through

strong alignment with your Company's vision, successfully built and sustained your Company's standing in difficult times.

Your Company has fostered a culture that rewards continuous learning, collaboration and development, making it ready with respect to the challenges posed to ever changing market realities. Employees are your Company's most valuable assets and your Company's processes are designed to empower employees and support creative approaches in order to create enduring value. Your Company's unflagging commitment to investing in talent development ensures performance and achievement of highest order.

Your Company maintains a cordial relationship with its employees. Its emphasis on safe work practices and productivity improvement is unrelenting.

CONCLUSION

The outlook for the Textile Industry is challenging and is linked to GDP growth. The Government's effects for inclusive growth should drive demand. However rising fiscal deficit is a matter of concern.

Though 2011-12 was challenging for the Indian textile sector, demand growth for the sector is likely to bounce back given the positive outlook of the textile sector. The Government needs to support the textile industry in reviving its fortune through initiatives like reducing the tax burden, providing incentives and ensuring availability of raw material.

CORPORATE GOVERNANCE REPORT

Your Company believes that strong Companies are built on the foundation of good governance practices. Corporate Governance encompasses the effective management of relationships among constituents of the ecosystem- shareholders, management, staff members, customers, vendors, governments, regulatory authorities and community at large. These relationships can be strengthened through corporate fairness, transparency, empowerment and compliance with the law in letter and spirit. Your Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interests and corporate goals through the efficient conduct of its business and meeting their obligation in a manner that is guided by transparency, accountability and integrity. It has always been believed that an independent Board following international practices, transparent disclosures and empowerment of stakeholders are as necessary as solid financial results for creating and sustaining shareholder's value. Your Company is conscious of its responsibility as a good corporate citizen and is committed to a high standard of Corporate Governance practices.

At **YANTRA**, value creation is a philosophy that is ubiquitous across the organization. Stakeholders are the focus of Company's growth strategy. The Company has ensured stability and growth in a dynamic environment and in competitive times. This has been the Company's commitment since inception.

BOARD OF DIRECTORS

⌘ Composition of Board

The composition of the Board of Directors is in conformity with the stipulation laid down in the code of Corporate Governance recommended by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing

Agreement of the Stock Exchanges. Further the Composition is also in compliance with the provisions as laid down by section 255 of the Companies Act, 1956.

As on the date of this report, the Board Strength consists of in all 8 directors. Out of them, 3 are non- executive Independent directors and 5 are executive directors.

Further none of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Also necessary disclosures regarding Committee positions in other public Companies have been made to the Company by the Directors at regular intervals.

⌘ **Meetings of the Board of Directors**

During the Financial Year 2011-12, **Five** Board Meetings were held on the following dates:

1. 12th May, 2011
2. 13th August, 2011
3. 1st September, 2011
4. 11th November, 2011
5. 11th February, 2012

⌘ **Details of the Board of Directors and External Directorships**

Particulars of the Board’s Composition, Directors’ Attendance at Board Meetings and at the previous Annual General Meeting, number of other Directorships and Board-Committee memberships held as on 31 March 2012, are given below:

Sr. No.	Name of the Director, Designation and Category	Attendance of Board Meetings	Attendance at previous AGM	No. of other Directorships (*)	Number of other Board Committee positions (@)	
					As Chairman	As Member
1.	Dhiresh Munver	5	Yes	1	None	2
2.	Sita Ram Mangla	5	Yes	None	None	None
3.	Rajinder Singla	5	Yes	None	None	None
4.	Girish Aggarwal	5	Yes	None	None	None
5.	Vijay Devlekar	5	Yes	None	None	None
6.	Rajeev Kumar	5	Yes	None	None	None
7.	Devendra Madesh	5	Yes	None	None	None
8.	Srikanth Ginjupalli	5	Yes	None	None	None
9.	Suresh Bansal**	5	Yes	None	None	None
10.	Pawan Kumar**	5	Yes	None	None	None

Notes:

(*) includes directorships held in public limited Companies only. Directorships held in Private Companies, Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956 are excluded.

(**) refers to the Resignation of the aforesaid Directors from the Board of the Company **w.e.f 1st September, 2012.**

(@) includes only positions held in Audit Committee and Shareholders’/ Investor Grievance Committee of the Board of Directors.

COMMITTEES OF THE BOARD

The Board has constituted various Committees; some of them are:

- ⌘ Audit Committee,
- ⌘ Remuneration Committee, and
- ⌘ Shareholder’s/Investors Grievance Committee,

These committees act in accordance with the terms of reference determined by the Board. Meeting of each of these committees are conveyed by the respective Chairman. Matters requiring Board approval are placed before the Board. The role, composition of these committees including the numbers of meeting held during the financial year and the related attendance details are provided hereunder:

⌘ **Audit Committee**

Functions of the Committee

The Audit Committee of the Board of Directors of the Company was constituted as per the provisions of Listing Agreement. The terms of reference of the Audit Committee cover the matters specified in respect of such committee under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The brief of the terms of reference of the Audit Committee is outlined as under:

1. To oversee the Company’s Financial Reporting process.
2. To recommend the Appointment and Removal of External Auditors/ fixation of their fees.
3. To review the adequacy of the Internal Control System.
4. To review with the Management, the Quarterly, Half-yearly and Annual Financial Statements before submission to the Board of Directors.
5. To review the adequacy of the Internal Audit function, reporting structure coverage and frequency of internal audit.
6. To review the findings of any internal investigations by the internal auditors and report the matter to the Board of Directors.
7. To review the Company’s financial and risk management policies.
8. To discuss with the external Auditors periodically about the nature and scope of audit.

Meetings of the Committee

The Committee met **Five times** during the financial year 2011-12 on i.e. 5th May 2011, 6th August 2011, 25th August 2011, 4th November 2011 and 6th February 2012.

Constitution of the Committee

The Committee comprises of all non-executive Independent Directors.

The Composition of the Committee, together with the details of the attendance of each member as at 31st March, 2011 is given below:

Sr. No.	Name of the Director	Designation	Meetings attended	Category
1.	Rajeev Kumar	Chairman	5	Non- Executive Independent Director
2.	Suresh Bansal*	Member	5	Non- Executive Independent Director
3.	Devendra Madesh	Member	5	Non- Executive Independent Director
4.	Srikanth Ginjupalli	Member	5	Non- Executive Independent Director

(*) refers to the Resignation of the aforesaid Directors from the Board of the Company **w.e.f 1st September, 2012.**

⌘ **Shareholders/ Investor Grievance Committee**

Terms of the Committee

The Committee is responsible for assisting the Board of Directors in the Board’s overall responsibilities relating to attending to and redressal of the grievance of the Shareholders and the investors of the Company.

The Committee in particular looks into:

1. The listing of securities on stock exchange.
2. The Shareholders’ and Investors’ complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.

3. The matters that can facilitate better investor services and relations.
4. Attending to investors' queries and complaints regarding transfer, dividend, annual reports, etc.
5. Attending to complaints of investors routed by SEBI/Stock Exchanges/ RBI.
6. The amounts transferable to Investor Education and Protection Fund.
7. The profile of investors.
8. Taking decisions in connection with issue of Global Depository Receipts and
9. The secretarial audits.

Meetings of the Committee

The Committee met **Five times** during the financial year 2011-12 on i.e. 5th May 2011, 6th August 2011, 25th August 2011, 4th November 2011 and 6th February 2012.

Constitution of the Committee

The Committee comprises of a majority of Non-Executive Independent Directors.

The Composition of the Committee, together with the details of the attendance of each member as at 31st March, 2011 is given below:

Sr. No.	Name of the Director	Designation	Meetings attended	Category
1.	Suresh Bansal*	Chairman	5	Non- Executive Independent Director
2.	Rajeev Kumar	Member	5	Non- Executive Independent Director
3.	Rajinder Singla	Member	5	Non- Executive Independent Director
4.	Devendra Madesh	Member	5	Non- Executive Independent Director
5.	Srikanth Ginjupalli	Member	5	Non- Executive Independent Director

(*) refers to the Resignation of the aforesaid Directors from the Board of the Company **w.e.f 1st September, 2012.**

Details of Pending Investor Grievances and Compliance Officer

There were no investor grievances pending for Redressal as the end of the financial year and all the queries from the stakeholders were attended to promptly. Further there were no pending transfers for the year under review.

Further the details of the Compliance Officer designated for handling of the Investor grievances is provided as under:

Name : **Mr. Dhires Munver**
Address : House No.1-2-29/45/A4,
Nandamuri Nagar Lane,
Nizampet Road,
Hydernagar Kukutpally Municipality,
Hyderabad- 500 072
E- Mail : yantraltd@gmail.com

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Remuneration Committee

Terms of the Committee

Remuneration of Whole-time/Executive Directors is fixed by the Board of Directors, based on recommendations of the Remuneration Committee. The remuneration of the Whole-time/Executive Directors is recommended and fixed taking into consideration their qualifications and experience and the prevailing remuneration trends in the industry.

Meetings of the Committee

The Committee met **only Once** during the financial year 2011-12 on 24th August, 2011.

Constitution of the Committee

The Committee comprises of a majority of Non-Executive Independent Directors.

The Composition of the Committee, together with the details of the attendance of each member as at 31st March, 2011 is given below:

Sr. No.	Name of the Director	Designation	Meetings attended	Category
1.	Pawan Kumar*	Chairman	Yes	Non- Executive Independent Director
2.	Rajeev Kumar	Member	Yes	Non- Executive Independent Director
3.	Suresh Bansal*	Member	Yes	Non- Executive Independent Director
4.	Devendra Madesh	Member	Yes	Non- Executive Independent Director
5.	Srikanth Ginjupalli	Member	Yes	Non- Executive Independent Director

(*) refers to the Resignation of the aforesaid Directors from the Board of the Company **w.e.f 1st September, 2012.**

DISCLOSURES:

- ⌘ During the financial year 2011- 12, there was no materially significant Related Party Transaction, with the promoters, the Directors, or the Management, their relatives etc. having potential conflict with the interests of the Company at large. Further as a matter of policy, all the transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the Annual Report of the Company on a regular basis.
- ⌘ There is no instance of non-compliance by the Company or penalties imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.
- ⌘ There was no a pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the financial year 2011- 12.
- ⌘ The Company has over the years followed an “open door “management style, which provides personnel at all levels access to the top management to share their views and concerns.
- ⌘ The Company has complied with all the mandatory requirements of Clause 49.

DETAILS OF GENERAL MEETINGS

⌘ Annual General Meetings

The details of last 3 Annual General Meetings together with the details of the special resolutions passed thereat is provided hereunder:

Year	Day, Date and Time	Venue	Special Resolutions passed
2008-09	Friday, 31 July 2009 at 11.30 a.m.	G.T. Road, Karnal Store, Village Simla, Molana Road, Panipat, Haryana- 132 103.	No Special Resolution was passed at this meeting.
2009-10	Thursday, 30 th September 2010 at 11.30 a.m.	G.T. Road, Karnal Store, Village Simla, Molana Road, Panipat, Haryana- 132 103.	1. Special Resolution was passed to change the management of the Company under regulation 12 of the SEBI (SAST) Regulations, 1997. 2. Section 198, 269, 309, 310 of the Companies Act, 1956 to appoint Mr. Dhires Munver as the Managing Director of the Company
2010-11	Friday, 30 th September, 2011 at 9.00 a.m.	House No. 8-3-678/66, First Floor, Pragati Nagar, Yousfguda, Hyderabad, Andhra Pradesh 500045.	No Special Resolution was passed . at this meeting

⌘ **Extra- Ordinary General Meetings**

Details of the Extra- Ordinary General Meetings of the Company held during 3 preceding previous years together with a gist of the special resolutions passed there at is given hereunder:

Finan- cial Year	Date and Time	Venue	Special Resolutions passed
31st March, 2010	25th February, 2010	G.T. Road, Karnal Store, Village Simla, Molana Road, Panipat, Haryana- 132 103.	Special Resolution was passed under Section 81(1A) of the Companies Act, 1956 for Allotment of Convertible Equity Warrants of the Company.
31st March,	15th February, 2011	8-2-584/5/B Plot No. 9, Hyderabad - 500 034	Special Resolution was Passed Under Section 81(1A) of the Companies Act, 1956 for Allotment of 10,00,00,000 (Ten Crores) Convertible Equity Warrants Change of name from Shri Ganesh Spinners Limited to Yantra Natural Resources Limited and to include the object of mining, processing and dealing in major minerals.

⌘ **Postal Ballot**

No resolutions have been passed by way of Postal Ballot during the year under review.

MEANS OF COMMUNICATION:

The Quarterly, Half-Yearly and Annual Financial Results of the Company are forwarded to the Bombay Stock Exchange immediately upon its approval by the Board of Directors and are simultaneously published in leading newspapers in English and Andhra Pradesh (regional language). Normally, the results are published in “The Financial Express” and in “Andhra Prabha”.

In accordance with the Listing Agreement requirements, data pertaining to Shareholding Pattern, Quarterly Financial Results and Other Details are forwarded to the Stock Exchange.

Financial Results, apart from publication in newspapers, are not sent individually to the shareholders. During the year under review, no presentation was made to the institutional investors or analysts.

GENERAL SHAREHOLDERS’ INFORMATION:

⌘ **Date, time and venue of** : Saturday, 29 September, 2012 at 10.00 a.m. at

Annual General Meeting House No. 1-2-29/45/A4,
Nandamuri Nagar Lane, Nizampet Rd,
Hydernagar, Kukutpally Municipality,
Hyderabad- 500 072.

⌘ **Listing on Stock Exchanges** : The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited and Delhi Stock Exchange Association Limited.

⌘ **Market Share Price Data** (In Rs.)

MONTH	Bombay Stock Exchange	
	HIGH	LOW
April 2011	37.15	27.50
May 2011	30.30	26.80
June 2011	39.70	28.00
July 2011	46.75	40.35
August 2011	45.40	33.50
September 2011	31.85	11.75
October 2011	11.20	4.50
November 2011	4.28	1.68
December 2011	1.60	0.65
January 2012	0.64	0.39
February 2012	0.91	0.67
March 2012	0.87	0.68

☞ **Share Transfer System:**

Presently the Share Transfer documents received by the Company's Registrar and Transfer Agents in physical form are processed, approved and dispatched within a period of 5 to 15 days from the date of receipt, provided the documents received are complete and the shares under transfer are not under dispute.

For expeditious processing of share transfers, the Board of Directors of the Company has authorized the Compliance Officer, to decide on various issues like transfers/transmission of securities in physical form, change in status of share holders and confirmation of dematerialization.

Demat International Securities Identification Number (ISIN) for equity shares is INE903B01023 [with National Securities Depository Limited and Central Depository Services (India) Limited].

☞ **Distribution Of Shareholding As On 31st March 2012, Are As Follows:**

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	Total Amount	Percentage of Amount
UPTO - 5000	1761	60.829	2436692	0.4436
5001 – 10000	318	10.984	2643083	0.4812
10001-20000	254	8.774	3990129	0.7264
20001 – 30000	121	4.18	3066566	0.5582
30001 – 40000	70	2.418	2478406	0.4512
40001 – 50000	53	1.831	2512385	0.4574
50001 - 100000	102	3.523	7780383	1.4164
100001 & Above	216	7.461	524417856	95.4656
TOTAL	2895	100.00	549325500	100.00

☞ **Shareholding Pattern as on 31st March, 2012.**

Sr. Nos.	Category	No. of Shares held	% of Shareholding
A	Promoters		
1.	Individuals/HUF	0	0
	TOTAL (A)	0	0
B	Public Shareholding		
	Non-Institutions		
1.	Bodies Corporate	35,39,77,353	64.44
2. (a)	Individual Shareholders holding up to Rs.1 Lac	1,84,71,212	3.36
(b)	Individual Shareholders holding above Rs.1 Lac	16,53,06,654	30.09
3.	NRIs/ HUF's / Clearing Members	1,15,70,281	2.11
	TOTAL (B)	54,93,25,500	100.00
	TOTAL (A+B)	54,93,25,500	100.00

☞ **Outstanding GDRs/ADRs:**

The Company has not issued any GDRs/ADRs.

☞ **Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity:**

1327500 Convertible Equity Warrants (Warrants) issued on Preferential basis with each warrants being convertible into one equity share of Re.1/- each, at an issue price of Rs.15/- inclusive of a premium of Rs.14/- per share are pending for conversion.

☞ **Dematerialization of Shares and Liquidity:**

The Company's equity shares are available for trading in the depository systems of National Securities Depository Limited and Central Depository Services (India) Limited.

As on 31st March, 2012, 39,52,88,950 equity shares, constituting 71.96% of the paid-up equity capital of the Company, stood dematerialized.

☞ **Total number of shares dematerialized as on 31.03.2012:**

Depository	No. of Shares	% of Paid Up Capital
NSDL	170013267	30.95
CDSL	225275683	41.01
Physical	154036550	28.04
Total	549325500	100.00

☞ **Financial Calendar (Tentative):**

Financial Year : 1 April 2012 – 31st March 2013
 First quarter results : July/August 2012
 Half-yearly results : October/November 2012
 Third quarter results: January/February 2013
 Annual results : April/May 2013
 Annual General Meeting : September 2013

☞ **Address for Correspondence:**

Yantra Natural Resources Limited
 House No. 1-2-29/45/A4, First Floor, Nandamuri Nagar Lane,
 Nizampet Road, Hydernagar, Kukutpally Municipality, Hyderabad 500072.
 Tel.No. 040-65146027, 65615462 • E-mail: yantraltd@gmail.com

By Order of the Board
For Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)

sd/-

Dhires Munver
Managing Director

Place : Hyderabad.
Date : 1st September, 2012

CERTIFICATE ON CORPORATE

GOVERNANCE

To,
 The Members,
Yantra Natural Resources Limited
(Formerly known as Shri Ganesh Spinners Limited)

I have examined the compliance of conditions of Corporate Governance by **Yantra Natural Resources Limited** *(formerly known as Shri Ganesh Spinners Limited)* for the year ended on 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my knowledge and belief and according to the explanations given to me, I certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the Listing Agreement

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

For Chirag Mehta
 Chartered Accountant
Sd/-

(Chirag Mehta)
 Proprietor

M.Ship No.: 122852

Place: Mumbai.
Date: 31st August, 2012.

CERTIFICATE ON FINANCIAL STATEMENTS

To,
The Members,
Yantra Natural Resources Limited
(formerly known as Shri Ganesh Spinners Limited)

I, **Mr. Dhiresh Munver**, Managing Director of Yantra Natural Resources Limited hereby certify that:

1. I have reviewed the financial statements and the cash flow statements for the financial year 2011-12 and to the best of my knowledge and belief:
 - a. These statements do not contain any materially untrue statement or
 - b. Omit any material fact or contain statements that may be misleading;
 - c. These statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or propose to be taken for rectifying these deficiencies.
4. I have indicated to the Auditors and the Audit Committee:

- a. Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
- b. That there were no Instances of significant fraud f which we have become aware.

Place : Hyderabad
Date : 1st September, 2012.

Yours Sincerely,
Sd/-
Dhiresh Munver
Managing Director

AUDITORS REPORT

To

The Members

Yantra Natural Resources Limited

(formerly known as Shri Ganesh Spinners Limited)

We have audited the attached Balance Sheet of **Yantra Natural Resources Limited** as at March 31st, 2012 and the Statement of Profit and Loss for the year ended on that date annexed thereto and the Cash Flow Statement for the period ended on that date. 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.

1. 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 material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used the 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.
2. As required by the Companies (Auditor Report) order 2003 issued by the Central Government of India in terms sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
3. Further to our comment in the annexure referred to in paragraph 2 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) In our opinion, proper books of accounts as required by law have been kept the company so far as appears from our examination of those books.

- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the mandatory Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956.
- e) On the basis of written representations received from the directors, as on that none of the directors are being disqualified as on 31st March, 2012 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon given 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.
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
 - (ii) In the case of the Statement of Profit and Loss, 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 Chirag Mehta
Chartered Accountant

Sd/-

(Chirag Mehta)

Proprietor

M.Ship No.: 122852

FRN : FW110000964

Place: Hyderabad.

Date: 1st September, 2012.

ANNEXURE TO AUDITORS REPORT

Referred to in paragraph 3 of our report of even date on the accounts for the year ended 31,2012 of Yantra Natural Resources Limited (Formerly known as Shri Ganesh Spinners Limited)

1. Fixed Assets:

- a. The Company is generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. Assets have been physically verified by the management during the year. According to the information and explanation given to us, there is regular programme of verification which, in our opinion is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. The company has not disposed off substantial part of fixed assets.

2. Inventories:

- a. As explained to us, inventories have been physically verified by the Management at regular intervals during the year.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. Loans and Advances :

- (a) The Company, during the period covered by our audit, has not granted secured or unsecured loans to companies covered in the Register

maintained under section 301 of the companies Act,1956. Hence provisions of clauses (iii) (b),(c),(d) of paragraph 4 are not applicable to the company.

- (b) The Company, during the period covered by our audit, has not taken secured or unsecured loans from companies covered in the register maintained under section 301 of the Act. Hence provisions of clause (iii) (f), (g) of paragraph 4 are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of audit, we have not observed any major weaknesses in internal controls.

5. Transaction with related parties as per Register of Contracts under Section 301 of the Companies Act,1956:

- a. In our opinion and according to the information and explanations given to us, particulars of contracts or arrangements, referred to in section 301 of the Act have been entered in the register required to be maintained under that section: and
- b. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The company has not accepted any deposits from the public and therefore section 58A, 58AA or any other relevant provisions of the Companies Act, do not apply.

7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.

8. The Central Government has not prescribed any maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956 the product of the company.

9. Statutory Dues:

- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities.
 - b. According to the information and explanations given to us, no disputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable. The company has neither accumulated losses as at March 31,2012 nor has it incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
10. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or any other organization.
 11. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 12. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditors Report) Order 2003 is not applicable to the company.
 13. According to the information and explanations given to us they have proper record of securities, shares and other investments. And investments in shares and securities are held in the name of company.
 14. The company has not given any guarantee for loan taken by others from bank or financial institutions.

15. According to the information and explanations given to us, no term loans were raised during the year.
16. According to the cash flow statement and other records examined by us, and the information and explanations given to us, on an overall basis funds raised on short term basis have, prima facie, not been used during period for long term investment.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the registered maintained under section 301 of the Companies Act,1956 during the year.
18. The company has not issued any debentures during the year.
19. The company has not raised any money by way of public issue during the year.
20. 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 misstate.

For Chirag Mehta
Chartered Accountant

Sd/-

(Chirag Mehta)
Proprietor

Place: Hyderabad.

Date: 1st September, 2012.

M.Ship No.: 122852

FRN : FW110000964

SIGNIFICANT ACCOUNTING POLICIES

Note :28

a) Basis of preparation of financial statements:-

The financial statements have been prepared under the historical cost convention in accordance with generally accepted Accounting Principles, Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act 1956, as adopted consistently by the company. All income and expenditure having a material bearing on the financial statement are recognized on accrual basis.

b) Use of Estimates :-

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions.

c) Revenue Recognition:-

- i. Sale of goods is recognized on dispatch to customers. Sales are net of returns, excise duty and sales tax/VAT.
- ii. Interest income is recognized on the time proportionate basis.
- iii. Income from Investment/Deposit is credited to revenue in the year in which it received. Income is stated in full with the tax thereon being accounted for under Tax deducted at source.

d) Fixed Assets:-

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any other directly attributable costs of bringing the assets to its working condition for its intended use.

e) Depreciation:-

Depreciation on fixed assets is provided on Straight Line method at the rated and in the manner prescribed in schedule XIV to the companies Act, 1956.

f) Impairment of Fixed Assets :-

At the end of each year, the Company determines whether a provision should be made for Impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS-28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India. An impairment loss is charged to the Profit and Loss account in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized in prior accounting periods is reversed, if there has been a change in the estimate of recoverable amount.

g) Inventories:-

- i. Raw material and consumable stores & Spares are valued at cost net realizable value, whichever is lower on first in first out basis.
- ii. Finished Goods are valued at lower of cost (cost of production method or net realizable value).
- iii. Stock in process & Semi Finished Goods valued at cost up to estimated stage of progress.
- iv. By Product valued at estimated prices.

h) Investments:-

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments Unquoted Investments are stated cost.

i) Borrowing Costs :-

Borrowing costs consists of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing costs are recognized as expenses in the period in which these are incurred.

j) Research and Development:-

Research & Development costs of revenue nature are charged to the statement of Profit & Loss when incurred Expenditure.

k) Employee Retirement and other Benefit :-

i. Short Term Employee's Benefits:

All employees' benefits payable within twelve months of rendering services are recognized in the period in which the employees render the related services.

ii. Post Employment/Retirements Benefits:

Contribution to defined Contribution plans such as Provident Fund etc. are charged to the statement of Profit and Loss as incurred.

iii. Gratuity:

As per AS-15 (Revised) 2005 of ICAI read with Accounting Standard Board Guidance, The Provision for Gratuity Liability is not made since none of the employees have completed 5 years of service for period under review.

l) Taxes on Income :-

Provision for Income tax is made on the basis of relevant provisions of the Income Tax Act, 1961.as applicable to the financial year.

Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes.

m) Provision contingent liabilities and contingent assets :-

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

n) Earnings Per Share(EPS) :-

The basic and diluted EPS is calculated by dividing the Profit/ (Loss) after Tax by the weighted average number of Equity Shares outstanding.

As per our Report of Even Date Attached

For Chirag Mehta
Chartered Accountant

For & On Behalf of the Board of Directors

Sd/-
(Chirag Mehta)
Proprietor

sd/-
Director

sd/-
Director

M.Ship No.: 122852
FRN : FW110000964

Place: Hyderabad.

Date: 1st September, 2012.

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As At 31.03.2012		As At 31.03.2011	
			Rs.		Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital					
(i) Equity Share Capital	1.1	549,325,500		549,325,500	
(ii) Equity Share Warrants	1.2	4,978,125		4,978,125	
(b) Reserves and Surplus	2	2,382,640,656	2,936,944,281	2,382,871,813	2,937,175,438
(2) Share application money pending allotment					
			3,564,000		23,864,000
(3) Non-Current Liabilities					
(a) Long-term borrowings -					
(b) Deferred tax liabilities (Net) -					
(c) Other Long term liabilities	3	447,272,037		154,321,750	
(d) Long term provisions			447,272,037	-	154,321,750
(4) Current Liabilities					
(a) Trade payables	4	957,521,547		61,816,925	
(b) Other current liabilities	5	64,207,900		14,329,934	
(c) Short-term provisions	6	1,857,224	1,023,586,671	1,203,514	77,350,373
Total Equity & Liabilities			4,411,366,989		3,192,711,561
II.ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	7	4,734,310		5,846,790	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under development		-	4,734,310	-	5,846,790
(b) Non-current investments	8	921,692,023		1,088,113,580	
(c) Deferred tax assets (net)	9	317,421		142,223	
(d) Long term loans and advances	10	224,446,751		284,682,770	
(e) Other non-current assets	11	2,565,839	1,149,022,034	2,818,839	1,375,757,411
(2) Current assets					
(a) Current investments	12	443,340,505		-	
(b) Inventories	13	-		-	
(c) Trade receivables	14	939,617,043		67,898,540	
(d) Cash and cash equivalents	15	537,032		750,629	
(e) Short-term loans and advances	16	1,871,747,119		1,655,197,767	

Particulars	Note No.		As At 31.03.2012		As At 31.03.2011
			Rs.		Rs.
(f) Other current assets	17	2,368,945	3,257,610,645	87,260,424	1,811,107,360
Total Assets			4,411,366,989		3,192,711,561

Significant Accounting Policies & Notes on Financial Statements

27 & 28

As per our report of even date attached

For Chirag C.Mehta
Chartered Accountants

For and on Behalf of the Board of Directors

sd/-
Chirag C.Mehta
Membership .No.122852
Firm Reg.No.FW110000964
(Proprietor)

sd/-

(Director) (Director)

Place : Hyderabad
Date : 1st September, 2012

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

Particulars	Note No.	As At	
		31.03.2012	31.03.2011
		Rs.	Rs.
Revenue from Operations			
I. Revenue from Sales	18	919,436,739	534,873,639
II. Other Revenue Income	19	5,556,250	2,699,217
Total Revenue from Operations		924,992,989	537,572,856
IV. Expenses:			
Cost of materials			
Purchase of Stock-in-Trade	20	919,297,822	530,956,383
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	21	526,461	97,686
Financial costs	22	21,508	3,144
Depreciation and amortization expense	23	1,112,482	1,112,482
Other expenses	24	3,832,963	1,508,063
Total Expenses		924,791,237	533,677,758
V. Profit before tax		201,753	3,895,098
VI. Tax expense:			
(1) Current tax	25	608,110	722,152
(2) Deferred tax	26	(175,200)	(142,223)
VII. Profit/(Loss) for the period		(231,157)	3,315,169
VII. Earning per equity share:			
(1) Basic		(0.0003)	0.004
(2) Diluted		(0.0003)	0.004

Significant Accounting Policies
& Notes on Financial
Statements

28 & 29

As per our report of even date attached

For CHIRAG C.MEHTA
Chartered Accountants

For and on Behalf of the Board of Directors

sd/-
Chirag C.Mehta
Membership .No.122852
Firm Reg.No.FW110000964
(Proprietor)

sd/-
(Director)

sd/-
(Director)

Place : Hyderabad
Date : 1st September, 2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST MARCH, 2012**

Particulars	As At		
	31.03.2012	31.03.2011	
		Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit after tax and Extraordinary Items		(231,157)	3,315,169
Adjustments for :			
Deferred revenue expenses		(175,200)	(142,223)
Depreciation		1,112,482	1,112,482
Operating Profit before working capital changes		706,125	4,285,428
Adjustments for :			
Loans & Advances		60,236,019	(145,265,240)
Current Liabilities		51,211,869	(61,536,762)
Sundry Debtors		(871,718,503)	(67,291,776)
Inventories		-	-
Change in Working Capital		(760,270,616)	(274,093,778)
CASH FLOW FROM INVESTING ACTIVITIES			
Sales / (Purchase) of Investment		(276,918,948)	(232,338,570)
Sales / (Purchase) of Fixed Assets		-	-
NET CASH FROM INVESTING ACTIVITIES		(276,918,948)	(232,338,570)
CASH FLOW FROM FINANCING ACTIVITIES			
Application Money Pending Allotment		(20,300,000)	127,514,625
Secured Loan received / (Repaid)		1,188,654,909	224,379,664
Unsecured Loan received / (Repaid)		(131,657,873)	165,321,750
NET CASH FROM FINANCING ACTIVITIES		1,036,697,036	517,216,039
Net Increase in Cash & Cash Equivalent		213,597	15,069,119
Opening Cash & Cash Equivalent		750,629	15,819,748
Closing Cash & Cash Equivalent		537,032	750,629

This is the Cash Flow referred to in
our report of even date

For CHIRAG C.MEHTA
Chartered Accountants

For and on Behalf of the Board of Directors

sd/-
Chirag C.Mehta
Membership .No.122852
Firm Reg.No.FW110000964
(Proprietor)

sd/-
(Director)

sd/-
(Director)

Place : Hyderabad
Date : 1st September, 2012

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

1 SHARE CAPITAL	(Rs)	(Rs)
	AS AT	AS AT
	31.03.2012	31.03.2011
AUTHORISED SHARE CAPITAL		
750000000 (2011 : 750000000)	750,000,000	750,000,000
equity shares of Re. 1/- each	<u>750,000,000</u>	<u>750,000,000</u>

1.1 ISSUED, SUBSCRIBED AND PAID UP		
i. 549325500 (31 March 2011: 549325500)	549,325,500	549,325,500
equity shares of Rs. 1/- each fully paid up *		
Total issued, subscribed and fully paid-up shares capital	<u>549,325,500</u>	<u>549,325,500</u>

1.2 EQUITY WARRANTS		
Convertible Equity Warrants		
i.1327500 Nos. Equity Warrants of Rs. 15/- each partly paid Rs.3.75/- Per CEW (2011 : 3.75)	4,978,125	4,978,125
	<u>4,978,125</u>	<u>4,978,125</u>

DISCLOSURES

1 Reconciliation of the shares outstanding		
i. Equity shares	31 March 2012	31 March 2011
	<u>Numbers</u>	<u>Numbers</u>
i. At the beginning of the period	549,325,500	549,325,500
ii. Issued during the period-Bonus issue	-	-
Outstanding at the end of the period	<u>549,325,500</u>	<u>549,325,500</u>
i. Equity Warrants	31 March 2012	31 March 2011
	<u>Numbers</u>	<u>Numbers</u>
i. At the beginning of the period 1327500	1,327,500	-
Convertible Equity Warrants of Rs.15/- was partly paid 25%		
ii. Issued during the year	-	1,327,500
Outstanding at the end of the period	<u>1,327,500</u>	<u>1,327,500</u>

2 * Issued and paid up capital includes 19,23,10,000 No of shares issued as bonus shares during last five years

3 Convertible Equity Warrants Issue under option :
In previous year 10,00,00,000 Nos Convertible Equity Warrants had been allotted to various allottees on preferential basis with each warrants convertible into one Equity Shares at Rs.15/- which includes the warrant holder but not in any case more than 18 months from the date of allotment. Out of which 98672500 Convertible Equity Warrants converted into Equity shares during the year as the holder has exercise option of conversion. There is no allotment has been taken place during the current year.

4

Terms/Rights attached to equity shares and Convertible Equity Warrants :

- i) The Company has only one class of share capital,i.e.equity shares having face value of Re.1 per share.Each holder of equity share is entitled to one vote per share, The equity shareholders are entitled to receive dividends as and when declared.
- ii) In the event of liquidation of the Company,the holders of equity shares will be entitled to receive remaining assets of the Company,after distribution of all preferential amounts.The distribution will be in proportion to the no.of equity shares held by the shareholder
- iii) The Warrants holder has option to convert each warrant held by them into One Equity Share,at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment,in one or more tranches.
- iv) The Warrant holder(s) shall,on/before the date of allotment of Warrants,pay an amount equivalent to at least 25% of the total consideration per warrant.
- v) The Warrant(s) are transferable,however,a transfer shall be considered valid only if the same has been registered with the company and shall be subject to provision of all applicable SEBI Guidelines viz. SEBI (Substantial Acquisition of shares and takeovers) Regulations, 2009 etc.
- vi) The warrants outstanding at the expiry of the Warrants exercise period shall expire and the 25% of the total consideration per warrants shall stand forfeited.
- vii) The Warrant Holder shall be entitled to any future Bonus issue(s) of Equity Shares or any other security (ies), in the same proportion and manner as any other shareholder of the company. This entitlement is however subject to the exercise of the option by the warrant holder (s) to convert the warrants into Equity shares within the time limit specified in (iii) above .
- viii) The number of Warrants and the price per warrant shall be appropriately adjusted, subject to the companies Act, 1956 and SEBI Guidelines, for other corporate actions such as , stock split, consolidation, demerger and transfer of undertaking , sale of a division or any such capital or corporate restructuring .
- ix) The Equity Shares so issued in lieu of the Warrants shall rank pari-passu in all respects with the existing Equity Shares of the Company.
- x) The Equity Shares so issued upon conversion of the Warrants shall be subject to the relevant lock-in requirements as mentioned under chapter VII of the SEBI (ICDR) Regulations, 2009.
- xi) Shareholders holding more than 5% of equity shares as at the end of the year:

Name of the Shareholders	As at 31-03-2012		As at 31-03-2012	
	Number of Shares	Shareholding %	Number of Shares	Shareholding %
NIL	NIL	NIL	NIL	NIL

2	RESERVES & SURPLUS	AS AT 31.03.2012	AS AT 31.03.2011
	A. Security premium account		
	- Balance at beginning of the year	2,381,415,000	1,000,000,000
	- Add : On conversion of 98672500 convertible Equity Warrants each of Rs.15/- at a premium of Rs.14 Per Convertible Equity Warrants.		1,381,415,000
	Less: Capitalisation for issue of Bonus Shares	-	-
	Balance at the end of the year	<u>2,381,415,000</u>	<u>2,381,415,000</u>
	B. Statement of Profit & Loss		
	Balance as per the last financial statements	1,456,813	(1,858,356)
	Add: amount transferred from surplus balance in the statement of profit and loss	(231,157)	3,315,169
	Less: Transfer to general Reserve	-	-
	Closing Balance	1,225,656	1,456,813
	Total reserves and surplus (A+B)	<u>2,382,640,656</u>	<u>2,382,871,813</u>

Note 3

3	OTHER LONG TERM LIABILITIES	AS AT 31.03.2012	AS AT 31.03.2011
	Trade Advances	447,272,037	154,321,750
		<u>447,272,037</u>	<u>154,321,750</u>

Note 4

4	TRADE PAYABLE	AS AT 31.03.2012	AS AT 31.03.2011
	Trades Creditors	957,521,547	61,816,925
		<u>957,521,547</u>	<u>61,816,925</u>

* The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006 claiming their status as on 31st March 2012 as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year is NIL

Note 5

5	OTHER CURRENT LIABILITIES	AS AT 31.03.2012	AS AT 31.03.2011
	Creditors for Expenses	2,862,690	1,329,934
	Advance from Customer	61,345,210	13,000,000
		<u>64,207,900</u>	<u>14,329,934</u>

Note 6

	SHORT TERM PROVISIONS	AS AT 31.03.2012	AS AT 31.03.2011
	Provision for Expenses *	20,000	20,000
	Statutory Provisions	1,837,224	1,183,514
		<u>1,857,224</u>	<u>1,203,514</u>

* The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note 7
FIXED ASSETS**

Name of Asset	Depre. Rate	Gross Block			Depreciation			Net Block	
		As at 01.04.11	Additions	Deletions	As at 31.03.12	For the Year	Deletions	As at 31.03.12	As at 31.03.11
A - Tangible Assets									
Plant & Machineries	4.75%	21,202,351	-	-	16,132,147	1,007,112	-	17,139,259	5,070,203
Office Equipments	4.75%	33,307	-	-	17,779	1,582	-	19,361	15,528
Furniture & Fixture	6.33%	146,008	-	-	114,257	9,242	-	123,499	31,750
Electrical Fittings	6.33%	1,164,640	-	-	452,571	77,307	-	529,878	712,069
Vehicle	9.50%	219,198	-	-	201,958	17,239	-	219,197	17,240
Current Year		22,765,504	-	-	16,918,712	1,112,482	-	4,734,310	5,846,790
Previous Year		22,765,504	-	-	15,806,231	1,112,482	-	5,846,790	6,959,272

Note 8

8 NON CURRENT INVESTMENTS	AS AT 31.03.2012	AS AT 31.03.2011
(a) Investment property	-	-
(b) Non-current Investment (Non-Trade)	-	-
(c) Non-current Investment (Trade)		
Investment in Quoted Shares		
Investment in Prraneta Industries Ltd.	127,250,000	127,000,000
Application Money		
Investment in Shares - Quoted		
-Prraneta Industries Ltd 450716 Nos (Previous Year : 325461 Nos.)	30638023.25	24195624.77
Investment in Shares Application- Un-Quoted	758,804,000	849,732,955
Investment in Shares - Un-Quoted	5,000,000	87,185,000
	<u>921,692,023</u>	<u>1,088,113,580</u>

Note 9

9 DEFERRED TAX ASSETS (NET)	AS AT 31.03.2012	AS AT 31.03.2011
Depreciation as per Books	1,112,482	1112482
Depreciation as per Income Tax	545,493	638407
Difference	566,989	474075
Current Year Provision	30.90% 175,200	30.00% 142,223
Add : Opening Balance	142,223	-
Balance C/F	<u>317,421</u>	<u>142,223</u>

Note 10

10 LONG TERM LOANS AND ADVANCES	AS AT 31.03.2012	AS AT 31.03.2011
Loans and Advances	45,246,751	68,351,795
Advance against Purchase	144,400,000	166,530,975
Advance for Capital Assets	8,800,000	8,800,000
Advance for Property	26,000,000	41,000,000
	<u>224,446,751</u>	<u>284,682,770</u>

Note 11

11 OTHER NON CURRENT ASSETS	AS AT 31.03.2012	AS AT 31.03.2011
Preliminary Expenses	2,565,839	2,818,839
	<u>2,565,839</u>	<u>2,818,839</u>

Note 12

12 CURRENT INVESTMENTS	AS AT 31.03.2012	AS AT 31.03.2011
Current Investment (Non-trade)		
Investment in Shares Application - Un-Quoted	270,291,550	-
Investment in Shares - Un-Quoted	173,048,955	-
	<u>443,340,505</u>	<u>-</u>

Note 13

13 INVENTORIES :	AS AT 31.03.2012	AS AT 31.03.2011
Inventories (valued at lower of cost and net realizable value)		
Stock-in-trade	-	-
Total	<u>-</u>	<u>-</u>

Note 14

14 TRADE RECEIVABLES	AS AT 31.03.2012	AS AT 31.03.2011
Over six months	395,140,317	20,180,304
Trades Receivable - Sales	544,476,726	47,718,236
	<u>939,617,043</u>	<u>67,898,540</u>
	<u>939,617,043</u>	<u>67,898,540</u>

Note 15

15 CASH & CASH EQUIVALENTS	AS AT 31.03.2012	AS AT 31.03.2011
Cash on Hand	54,555	370,055
Bank balance with current accounts	482,477	380,574
	<u>537,032</u>	<u>750,629</u>

Note 16

16 SHORT TERM LOANS & ADVANCES	AS AT 31.03.2012	AS AT 31.03.2011
ADVANCES		
Advance for Shares	1,746,878,119	1,643,512,767
Trade Advances	124,869,000	11,685,000
	<u>1,871,747,119</u>	<u>1,655,197,767</u>

Note 17

17 OTHER CURRENT ASSETS	AS AT 31.03.2012	AS AT 31.03.2011
Deposit - Intercompany	-	86,675,000
Deposit - Others	330,025	300,000
Prepaid Expenses	128,000	-
Prepaid Income Tax	1,910,920	285,424
	<u>2,368,945</u>	<u>87,260,424</u>

Note 18

	AS AT 31.03.2012	AS AT 31.03.2011
18 REVENUE FROM OPERATION		
Product Sales	919,436,739	534,873,639
	<u>919,436,739</u>	<u>534,873,639</u>

Note 19

	AS AT 31.03.2012	AS AT 31.03.2011
19 OTHER REVENUE		
Interest Income	5,524,019	2,522,283
Profit on Sales of Investment	-	176,934
Short Term Profit on un-quoted Shares	32,231	-
	<u>5,556,250</u>	<u>2,699,217</u>

Note 20

	AS AT 31.03.2012	AS AT 31.03.2011
20 PURCHASE OF STOCK IN TRADE		
Purchase Account	919,297,822	530,956,383
	<u>919,297,822</u>	<u>530,956,383</u>

Note 21

	AS AT 31.03.2012	AS AT 31.03.2011
21 EMPLOYEE BENEFIT EXPENSES		
Staff Welfare	4,961	13,686
Staff Salary	521,500	84,000
Directors Remuneration	-	-
	<u>526,461</u>	<u>97,686</u>

Note 22

	AS AT 31.03.2012	AS AT 31.03.2011
22 FINANCIAL COST		
Bank & Other Financial Charges	21,508	3,144
	<u>21,508</u>	<u>3,144</u>

Note 23

	AS AT 31.03.2012	AS AT 31.03.2011
23 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation	1,112,482	1,112,482
	<u>1,112,482</u>	<u>1,112,482</u>

Note 24

	AS AT 31.03.2012	AS AT 31.03.2011
24 OTHER EXPENSES		
Listing Fees	233,287	352,135
Shares Sales Expenses	737,216	-
Advertisement Expenses	35,135	14,500
AGM Expenses	4,560	13,540
Auditors Remunerations	46,854	30,000

Computer Expenses	132,800	-
Coneyance Expenses	12,341	17,406
Electricity Expenses	70,986	-
Interest on late payment	28,194	-
Newspapers & Periodicals	-	1,564
Office Expenses	10,000	16,639
Office Rent	608,000	144,867
Postage & Telegrams	4,691	63,783
Printing & Stationery	32,227	65,886
Professional & Legal Expenses	29,900	50,000
Rates & Taxes	-	7,444
Repair & Maintenance	125,000	-
Rebate & Discount	2,500	-
Share Issue Expenses Written Off	253,000	708,019
Communication Expenses	5,334	16,280
Travelling Expenses	-	6,000
Loss on Sale of Shares	1,460,938	-
	<u>3,832,963</u>	<u>1,508,063</u>

Note 25

	AS AT 31.03.2012	AS AT 31.03.2011
25 CURRENT TAXES		
Provision for Income Tax	608,110	722,152
	<u>608,110</u>	<u>722,152</u>

Note 26

	AS AT 31.03.2012	AS AT 31.03.2011
26 DEFERRED TAX		
Deferred Tax Provision	(175,200)	(142,223)
	<u>(175,200)</u>	<u>(142,223)</u>

Note 27**27 NOTES TO ACCOUNTS****27.1 Contingent Liabilities & Comments**

- a) Guarantee Given by the Company's banker as at March 31, 2012 is Rs.NIL (previous year : Rs. NIL)

27.2 Related Party Transaction**a) Key Managerial Person**

Dhires Munver

b) Transaction with related parties for the year ended are as follows ;

Transaction /Nature of relationship

Name of Related Party	Nature of Relationship	AS AT 31.03.2012	AS AT 31.03.2011
Trade Advances Paid			
Sanguine Media Limited	Dhires Munver	53,600,000	54,000,000
Purchase			
Matulya Trading Pvt Ltd	Dhires Munver	549,674,334	-

c) The balance receivable from and payable to related parties as at March 31,2012 are as follows

:

1) Amount Payable

Matulya Trading Pvt Ltd 549,674,334

2) Amount Receivable

Sanguine Media Limited 53,600,000

27.3 Auditors Remuneration

	AS AT 31.03.2012	AS AT 31.03.2011
Audit Fees	20,000	20,000
Tax Audit Fees	10,000	10,000
	<u>30,000</u>	<u>30,000</u>

27.4 Earning Per Shares

Particulars	Current Year	Previous Year
Net Profit for the year attributable to the Ordinary Shareholders	(231,157)	3,315,169
Weighted average number of Equity Shares of Re 1/- each	(0.0003)	0.004
Basic and Diluted Earning Per Share of Re 10/- each	(0.0003)	0.004

27.5 The previous year figures have been regrouped, rearranged wherever necessary.

ATTENDANCE SLIP

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and handover at the entrance of the Meeting hall.)

I hereby record my presence at the Annual General Meeting of the Company to be held on Saturday, the 29th day of September, 2012 at House No. 1-2-29/45/A4, Nandamuri Nagar Lane, Nizampet Road, Hydernagar, Kukutpally Municipality, Hyderabad-500072, at 10.00 a.m.

DP ID No.:	L.F. No.:
Client ID No.:	No. of Shares held:
Name and address of the Shareholder(s)	
If Shareholder(s), Please sign here	If Proxy, Please sign here

PROXY FORM

I/We _____ of _____ in the district of _____ being a member / members of the above named Company, hereby appoint _____ of _____ or failing him / her _____ of _____ as my / our Proxy to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held on Saturday, the 29th Day of September, 2012 at Regd. Office: House No. 1-2-29/45/A4, Nandamuri Nagar Lane, Nizampet Road, Hydernagar, Kukutpally Municipality, Hyderabad-500072, at 10.00 a.m.

Signed this _____ day of _____ 2012

Signature:

1 Rupee Revenue Stamp

Note: This form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of the meeting.

BOOK-POST

If undelivered, please return to :

YANTRA NATURAL RESOURCES LIMITED

(Formerly known as Shri Ganesh Spinners Limited)

Registered Office : House No. 1-2-29/45/A4, Nandamuri Nagar Lane,
Nizampet Road, Hydernagar, Kukutpally Municipality,
Hyderabad - 500 072.