

YARN SYNDICATE LIMITED

EXPORTERS OF COTTON AND MANMADE FIBRE
YARNS, TEXTILES & KNITED FABRICS
CIN NO.: L51109WB1946PLC013842
REGD. OFFICE : 86/2/4, S N BANERJEE ROAD,
1ST FLOOR, FLAT NO. 2,
KOLKATA - 700 014
WEBSITE : www.yarnsyndicate.in
E-MAIL : ysl@yarnsyndicate.in

Date: 27.09.2019

The General Manager
Corporate Relationship Dept.
BSE limited
1st Floor, New Trading Ring
Rotunda Building
P J Towers
Dalal Street, Fort
Mumbai - 400 001

Sub: Annual Report - Regulation 34 of the SEBI (LODR) Regulations, 2015

Dear Sir,

We are pleased to submit herewith the 73rd Annual Report for the financial year 2018-19 as required under Regulation 34 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

For YARN SYNDICATE LIMITED

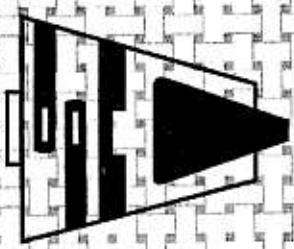
B Chatterji

Bikash Chandra Chatterji
COMPANY SECRETARY
Membership No. A6411

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Kolkata - 700 014

yarn syndicate limited



ANNUAL REPORT

2018-2019

YARN SYNDICATE LIMITED

BOARD OF DIRECTORS

SMT. SHEELA PATODIA, Chairperson & Managing Director

SRI RISHIRAJ PATODIA, Joint Managing Director

SRI KISHORE CHHABRIA, Independent & Non-executive Director

SRI JIGNESH L. SHAH, Independent & Non-executive Director

SRI SOURAV BHATTACHARJEE, Independent & Non-executive Director

BANKERS

CANARA BANK

Overseas Branch

2/1, Russel Street, Kolkata - 700 071

AUDITORS

S P SARDA & CO.

Chartered Accountants

'Siddha Weston', 9, Weston Street,

Unit No. 320, Kolkata-700 013

REGISTERED OFFICE

86/2/4, S N Banerjee Road, 1st Floor, Flat No.2

Kolkata-700 014

NOTICE OF THE 73RD ANNUAL GENERAL MEETING

Regd. Office: 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014
CIN NO: L51109WB1946PLC013842
Email id : ysl@yarnsyndicate.in
Website : www.yarnsyndicate.in

NOTICE is hereby given that the Seventy Third Annual General Meeting (AGM) of the Members of Yarn Syndicate Limited will be held at the Orchid Hotel & Restaurant, 123/1, G P Road, Barrackpore, Kolkata-700120 on Friday, the 27th day of September, 2019 at 10.00 A.M. to transact the following business:

AS ORDINARY BUSINESS:

1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Report of the Board and the Auditors thereon.

2. Appointment of Director

To appoint a Director in place of Smt. Sheela Patodia (DIN: 00276269), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

3. Appointment of Sri Jignesh Lakhamshi Shah as a Non-Executive & Independent Director of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149,150,152 read with Schedule IV and section 161(1) read with Companies(Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), Sri Jignesh Lakhamshi Shah (DIN: 00152673) who was appointed as an Additional Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 w.e.f 28th September, 2018 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive and Independent Director of the Company to hold office for five years w.e.f 28th September, 2018 upto 27th September, 2023 whose office is not liable to retire by rotation."

4. Appointment of Sri Sourav Bhattacharjee as a Non-Executive & Independent Director

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149,150,152 read with schedule IV and section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), Sri Sourav Bhattacharjee (DIN: 07833611) who was appointed as an Additional Director of the Company by the Board of Directors on 20th May,2019 as per Section 161(1) of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive and Independent Director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years, i.e. upto 19th May, 2024."

5. Appointment of Special Resolution for Mrs.Sheela Patodia,Executive Chairperson attaining 70 years

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 296(3) read with Schedule V and other applicable provisions, if any, of the Companies Act,2013 and the Companies(Appointment and Remuneration of Managerial Personnel) Rules,2014 (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force,approval of the Members of the Company be and is hereby granted for continuation of holding of office of office of Managing Director cum Chairperson by Mrs.Sheela Patodia (DIN: 00276269) who will be attaining the age of 70(seventy) years as on 13.11.2019 upto the expiry of her present term of office on the existing terms and conditions.

RESOLVED.FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and take all such steps as may be necessary, proper or expedient to give effect to this resolution;

By Order of the Board
For YARN SYNDICATE LIMITED

Bikash Chandra Chatterji
Company Secretary

Place: Registered Office:
86/2/4, S N Banerjee Road,
Kolkata-700014

Date: 20th day of May, 2019

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Items No.3, 4 & 5 to be transacted at the Annual General meeting is annexed hereto.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself through a form enclosed herewith and such proxy need not be a member of the Company. Proxies, in order to be valid, must be lodged at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

3. Members/Joint shareholder(s)/Proxies are requested to:
 - (a) bring the attendance slips duly completed to the meeting and sign the same at the meeting in order to obtain entry.
 - (b) bring their copy of the Annual Report with them to the Annual General Meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
5. Proxy Form(s) and certified copy of Board resolution(s) authorizing representative(s) to attend and vote at the Meeting shall be sent to the registered office of the Company and addressed to the "Secretarial Department".
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 25th day of September 2019 to 27th day of September, 2019 (both days inclusive).

REQUEST TO THE MEMBERS:

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company atleast 7 (seven) days in advance, so as to enable the Company to keep

the information ready.

2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. Members are requested to inform immediately of any change in their address to the Company's Share Transfer Agent.
4. All communications relating to shares are to be addressed to the Company's Share Transfer Agent, 'M/s R & D Infotech Pvt. Ltd., 7A, Bellala Road, 1st Floor, Kolkata-700026.'
5. As the Members are aware, your Company's shares are tradable compulsorily in electronic form and in view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialization.

SEBI amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 wherein it has been intimated that transfer of securities shall not be processed with effect from 1st April, 2019 unless the securities are held in dematerialized form with a depository. Only the requests for transmission and transposition of securities in physical form will be accepted by the company or its RTA on or after 1st April 2019. Shareholders are advised to convert their physical holding(s) of securities in the company to dematerialized form.

6. The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies vide circular dated April 21, 2011 in terms of which a company would have ensured compliance with the provisions of Section 20 of the Companies Act, 2013 if service of documents have been made through electronic mode. In such a case, the company has to obtain email addresses of its members for sending notices / documents electronically by giving an advance opportunity to the members to register their email addresses and changes therein, if any from time to time with the company. Accordingly, documents such as notices for general meetings, Financial Statements, Annual Reports for the year etc. can be sent in electronic form, to the email addresses of those members as available in the Register of Members of the Company. In case a shareholder desires to receive the documents stated above in either physical form or electronic form, they are to convey their preferences to the company.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the company.

8. Voting through electronic means:

In compliance with the provisions of Section 106 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to Members the facility to exercise their right to vote on resolutions proposed to be considered at the 73rd Annual General Meeting (AGM) by remote e-voting and the business may be transacted through remote e-voting services provided by National Securities Depository Limited (NSDL).

The Instructions For Remote E-Voting Are As Under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories):-
- i. Open the e-mail and also open PDF file namely "YSL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of YARN SYNDICATE LIMITED. Now you are ready for remote e-voting as 'Cast Vote' page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm"

when prompted.

- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.

Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sweetypoor53@rediffmail.com with a copy marked to evoting@nsdl.co.in.

- xi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of Notice of AGM (for Members whose email addresses are not registered with the Company / Depositories):-
- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (i) to Sl. No. (xii) Above, to cast vote.
- C. i. In case of any queries, please refer the 'Frequently Asked Questions' (FAQs) and remote e-voting user manual available in the downloads section of NSDL's e-voting website www.evoting.nsdl.com.
- i. If you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password for casting your vote
 - ii. Other instructions:-
 - iii. The e-voting period commences on Tuesday, 24th day of September, 2019 (9. a.m. IST) and ends on Thursday, 26th day of September, 2019 (5 p.m. 1ST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 20th day of September, 2019 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - iv. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 20th day of September, 2019

- v. Ms. Sweety Kapoor, Practicing Company Secretary(C.P.No .5738, FCS;6410) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the polling at the AGM in a fair and transparent manner
- vi. The facility for voting through poll paper shall also be made available at the AGM. Members attending the meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through poll paper.
- vii. Members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting, but shall not be entitled to vote again at the AGM.
- viii. The Scrutinizer shall unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.yarnsyndicate.in and on the website of NSDL www.evoting.nsdl.com within 48 hours of the passing of the resolutions at the 73rd AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No .3

Based on recommendation of Nomination and Remuneration Committee ,the Board of Directors of the Company at its Meeting held on 28th September, 2018 has appointed Sri Jignesh Lakhamshi Shah as an Additional Director designated as Non- Executive and Independent Director of the Company in terms of provisions of the Companies Act, 2013. In the opinion of the Board, the Independent Director of the Company fulfill the conditions specified in the Companies Act,2013 and rules made thereunder ,and SEBI(LODR) Regulations,2015 for his appointment as Independent Director of the Company and are independent of their management and whose office shall not be liable to retire by rotation . He is not debarred by SEBI ,Ministry of Corporate Affairs or any such other Statutory Authority to be appointed as a Director of the Company

As per Section 161 of the Companies Act, 2013 Sri Jignesh Lakhamshi Shah can hold office upto the date of ensuing Annual General Meeting. Consent to act as a Director as well as disclosure for non-disqualification as required under the Companies Act, 2013 have already been received from Sri Jignesh Lakhamshi Shah. Sri Jignesh Lakhamshi Shah has been on the Board of Directors of our Company since September, 2018. He has over 20 years of work experience in marketing. As on the date of notice Sri Jignesh Lakhamshi Shah holds NIL Equity Shares in the Company.

Except the appointee ,Sri Jignesh Lakhamshi Shah none other Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in resolution set out at Item no. 3 of the Notice.

The Board recommends the ordinary resolution set out at Item no. 3 to the Notice for approval of Members.

1.	Name	Jignesh Lakhamshi Shah		
2.	Date of Birth	15.06.1976		
3.	Date of Appointment	28.09.2018		
4.	Qualification	B.Com		
5.	Expertise in Specific Functional Area	20 years expertise in marketing		
6.	Chairman/Director of other Companies	Managing Director 1. Deluxe Roycling India Pvt. Ltd. Partner: 1. Ashapura Recycling System 2. Intensive clothing Care Unit Listed Company-NIL		
7.	No of meeting attended for Board	3 (three)		
8.	Shareholding in the Company	Nil		
9.	Relationship with other directors	N.A.		
10.	inter se Chairman/Member of Committees of the Board of Companies of which he is Director	Name of Company	Committee	Membership
		Yarn Syndicate Ltd.	Type Audit	Status Member w.e.f.
		Yarn Syndicate Ltd.	Committee	28.09.18 Member w.e.f.
		Yarn Syndicate Ltd.	renewation committee	28.09.18
		Yarn Syndicate Ltd.	Stakeholders Relationship Committee	Member w.e.f. 28.09.18

Item No .4

Based on recommendation of Nomination and Remuneration Committee ,the Board of Directors of the Company at its Meeting held on 20th May, 2019 has appointed Sri Sourav Bhattacharjee as an Additional Director designated as Non- Executive and Independent Director of the Company in terms of provisions of the Companies Act, 2013.

As per Section 161 of the Companies Act, 2013 Sri Sourav Bhattacharjee holds office upto the date of ensuing Annual General Meeting. Consent to act as a Director as well as disclosure for non-disqualification as required under the Companies Act, 2013 have already been received from Sri Sourav Bhattacharjee. He has over 9 years of work experience in Purchase, Sales and Finance. As on the date of notice Sri Sourav Bhattacharjee hold NIL Equity Shares in the Company. In the opinion of the Board, the Independent Director of the Company fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder, and SEBI (LODR) Regulations, 2015 for their appointment as Independent Directors of the Company and are independent of their management and whose office shall not be liable to retire by rotation. He is not debarred by SEBI, Ministry of Corporate Affairs or any such other Statutory Authority to be appointed as a Director of the Company. Except the appointee, Sri Sourav Bhattacharjee none other Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in resolution set out at Item no. 4 of the Notice.

The Board recommends the ordinary resolution set out at Item no. 4 to the Notice for approval of Members.

1.	Name	Sourav Bhattacharjee		
2.	Date of Birth	16.04.1986		
3.	Date of Appointment	20.05.2019		
4.	Qualification	B.Com & MBA Finance		
5.	Expertise in Specific Functional Area	9 year expertise in Purchase, Sales & Finance		
6.	Chairman/Director of other Companies	Total Financial Limited, Director Listed Company-NIL		
7.	No of meeting attended for Board	Director w.e.f. 01.06.2019		
8.	Shareholding in the Company	Nil		
9.	Relationship with other directors inter se	N.A.		
10.	Chairman/Member of Committees of the Board of Companies of which he is Director	Name of Company	Committee Type	Membership Status
		Yarn Syndicate Ltd.	Audit Committee	Member w.e.f. 01.06.19
		Yarn Syndicate Ltd.	Nomination remuneration committee	Member w.e.f. 01.06.19
		Yarn Syndicate Ltd.	Stakeholders Relationship Committee	Member w.e.f. 01.06.19

ITEM NO.5- The shareholders of the Company at the 70th Annual General Meeting held on 30.09.2016 approved the re-appointment of Mrs. Sheela Patodia as an Executive Chairperson of the Company for a period of 5 years effective from 1st April 2016 through an Ordinary Resolution under the relevant provisions of the Companies Act, 2013. Mrs. Sheela Patodia (DIN:00276269) will be attaining the age

of 70 years on 13.11.2019. In view of the introduction of Companies Act, 2013 with effect from 1st April, 2014 and also for continuation of her holding of existing office after the age of 70 (Seventy) years during the currency of her tenure. The Board are concerned or interested financially as otherwise in Item No.5

Except Mrs. Sheela Patodia the appointee, and Mr. Rishi Patodia (being relatives of the appointee) none of the other Directors or Key Managerial Personnel of the company or their relatives are concerned or interested financially as otherwise in Item No.5

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, are furnished below:-

1.	Name	Sheela Patodia		
2.	Date of Birth	13.11.1949		
3.	Date of Appointment	01.04.2002		
4.	Qualification	Graduate		
5.	Expertise in Specific Functional Area	Expertise in Management		
6.	Chairman/Director of other Companies	Directorships : 1 YS Exports Limited		
7.	No of meeting attended for Board	7 (Seven) out of 7		
8.	Shareholding in the Company	1,302,802		
9.	Relationship with other directors inter se	Sri Rishiraj Patodia, Managing Director is her son.		
10.	Chairman/Member of Committees of the Board of Companies of which he is Director	Name of Company	Committee Type	Membership Status
		Yarn Syndicate Ltd.	Audit Committee	Member upto 28.09.18
		Yarn Syndicate Ltd.	Nomination remuneration committee	Member upto 28.09.18
		Yarn Syndicate Ltd.	Stakeholders Relationship Committee	Member upto 28.09.18

By Order of the Board
For YARN SYNDICATE LIMITED

Bikash Chandra Chatterji
Company Secretary

Place: Registered Office:
86/2/4, S N Banerjee Road,
Kolkata-700014

Date: 20th day of May, 2019.

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

To,
The Shareholders,
Yarn Syndicate Limited.

Your Directors have pleasure in submitting their 73rd Annual Report of the company together with the Audited Accounts for the Year ended on 31st March, 2019.

FINANCIAL RESULTS:

	2018-19		2017-18	
	Rs. in Thousand		Rs. in Thousand	
Revenue from Operations		36537		27325
Other Income		5965		45358
Profit/(Loss) before Interest & Depreciation		7207		30836
Less: Finance Costs	4		390	
Depreciation	664	668	750	1140
Profit/Loss before Exceptional items		6539		29696
Add: Exceptional item		-		-
Profit/Loss before Tax		6539		29696
Less: Current & Deferred Tax Charge		5138		7687
Profit/(Loss) after Tax		1401		22009
Add: Balance brought from last year		(72353)		(94362)
Balance carried forward to next year		(70952)		(72353)

The performance of the Company is quite satisfactory and there is scope for improvement. The Directors are contemplating more avenues for future. Cash flow Statement for the year under review is also attached to the enclosed Annual Accounts.

Implementation of IND AS becomes applicable to the Company with effect from 1st April, 2017 and accordingly the financial statements for the financial year ended 31st March, 2019 have been prepared in compliance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

DIVIDEND:

Your Directors do not recommend dividend on Equity Shares for the Financial Year ended 31st March, 2019 in view of brought forward losses.

TRANSFER TO RESERVES: Your Directors do not propose to transfer any amount to the General Reserves during the year under review.

SHARE CAPITAL:

The paid up equity share capital as on 31st March, 2019 was Rs. 375 lakhs. During the year under review, the company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES: The Company does not have any subsidiaries, joint ventures and associate companies.

MEETINGS OF THE BOARD OF DIRECTORS: The Board of Directors consists at present of 5 Directors. Seven Board Meetings were held during the year. The Board of Directors comprises of Executive and Non-Executive & Independent Directors in keeping with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As of the year ended 31st March, 2019, the Board of Directors includes two Executive Directors and three Non-Executive Independent Directors.

The attendance of each Director along with meeting dates are as follows:

Board meeting dates	Sheela Patodia	Rishi Patodia	Kishore Chhabria	Jignesh L Shah	Kishor P Gada
29.5.2018	Attended	Attended	Attended		
10.8.2018	Attended	Attended	Attended		
28.8.2018	Attended	Attended	Attended		
28.9.2018	Attended	Attended	Attended	Invited	Invited
14.11.2018	Attended	Attended	Attended	Attended	Attended
14.02.2019	Attended	Attended	Attended	Attended	Attended
27.03.2019	Attended	Attended	Attended	Attended	Attended

COMPOSITION, CATEGORY AND DIRECTORSHIP IN OTHER COMPANIES

Name and Director Identification No.	Position	Board Meetings Attended	No. of Shares	Director of Other Public Companies	Number of Committee Positions in Other Companies
Smt. Sheela Patodia DIN : 0027629	Managing Director/ Chairperson	7	1302802	1	NIL
Shri Rishiraj Patodia DIN :00259104	Managing Director executive	7	215500	1	NIL

Shri Kishore Chhabra	Director	Non-executive	Independent	7	NIL	1	NIL
DIN : 00306069							
Shri Jignesh L Shah	Independent Director	Non-executive	Independent	3	NIL	NIL	NIL
(Appointed w.e.f 28.09.2018)							
Shri Kishor P Gada	Independent Director	Non-executive	Independent	3	NIL	NIL	NIL
(Appointed w.e.f. 28.09.2018)							
(Resigned w.e.f. 1.4.2019)							

DIRECTORS :

As per provisions of Section 152 of the Companies Act, 2013, Smt. Sheela Patodia, (DIN No. 00276269) Director of the Company retires by rotation and is eligible for re-appointment. The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

The meeting of the Independent Directors during 2018-2019 were in accordance with the requirements of Section 149 and Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulation. All the Independent Directors attended the meeting.

The Board has complied with the composition of the Board of Directors. On 28th September, 2018 the Board of Directors appointed two new directors, Sri Jignesh Lakhamshi Shah and Sri Kishor Popatlal Gada both of whom were Independent & Non-executive Directors. They were appointed as additional directors of the Company. Due to other engagements and commitments causing him the inability to devote sufficient time to the company & its committees, Sri Kishor Popatlal Gada tendered his resignation from the Directorship (in capacity of Independent & Non-executive Director) vide his letter dated 31.03.2019. The company has duly accepted his resignation. Thereafter, the Board of Directors at their Meeting held on 20th May, 2019 appointed Sri Sourav Bhattacharjee (DIN: 07833611) as an Additional Director (Non-executive & Independent) on the Board with effect from 1st June, 2019. For a term of 5 consecutive years based on the Nomination and Remuneration Committee subject to approval of the Members of the company at ensuing AGM.

The Company has received Notices under Section 160 of the Companies Act, 2013 from the Members of the Company signifying the candidature of Sri Bhattacharjee and Sri Jignesh Lakhamshi Shah for their appointment as Directors of the Company at the ensuing AGM not liable to retire by rotation. A brief profile along with necessary disclosures of the Directors has been annexed to the Notice convening at the AGM. Your Board recommends appointment of Mr. Bhattacharjee and Mr. Shah as an Independent Director of the Company for a term of 5 (five) consecutive years based on the performance evaluation of Independent Directors and as per Nomination and Remuneration Committee considering that given their background and experience the continued association of these Directors would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors.

Your Board recommends re-appointment of Mrs. Sheela Patodia as a Director of the Company retiring by rotation. The appointments of the above-mentioned Additional Directors are subject to the approval of members at the ensuing Annual General Meeting.

The Board also recommends to the shareholders for approval of continuation of appointment of Mrs. Sheela Patodia to hold office on reaching the age of 70 years.

KEY MANAGERIAL PERSONNEL: Smt. Sheela Patodia and Sri Rishraj Patodia are the Managing Director and Whole-time Director of the Company. Sri Bikash Chatterji is the Company Secretary and Sri Bhagathi Biswas was appointed the Chief Financial Officer of the company on 27th March 2019.

AUDIT COMMITTEE-The Audit Committee of the Board of Directors was duly constituted as per provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The details of composition and meeting dates of the Committee are as follows :

Members of the Audit Committee

Members of the Audit Committee	Meetings held	Meetings attended
Chairman & Mr.K.B. Chhabra	5	5
Member & Mr.Rishraj Patodia	5	5
Executive Director		
Member & Mrs. Sheela Patodia	5	4
Executive Director		
Independent Director Mr. Jignesh L. Shah	5	3
Independent Director Mr. Kishor P Gada	5	3

Audit Committee Meetings were held on 28th May 2018, 9th August 2018, 13th November 2018, 13th February 2019 and 27th March 2019.

NOMINATION AND REMUNERATION COMMITTEE is duly constituted by the Board as per provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The details of composition and meeting dates of the Committee are as follows:

Members of the Remuneration and Nomination Committee:

Chairman & Independent Director	Mr K. B. Chhabra
Member & Executive Director	Mr Rishraj Patodia
Member & Executive Director	Mrs Sheela Patodia (upto 28.09.2018)
Independent Director	Mr Jignesh L. Shah (from 28.09.2018)
Independent Director	Mr Kishor P Gada (from 28.09.2018 to 31.03.2019)

There was 3 (three) meetings of the Nomination & Remuneration Committee held during the year under review on 28th May, 2018, 28th September 2018 and 27th March 2019.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted the Stakeholders Relationship Committee in accordance with the provisions of the Companies Act, 2013.

The details of composition and meeting dates of the Committee are as follows

Name of Directors
Mr R. B. Chhabra is the Chairman of the Committee. Mrs Sheela Patodia (upto 28th September, 2018), Mr Rishraj Patodia, Mr Jignesh L Shah & Mr Kishor P Gada (upto 31.03.2019) were/are the other members of the Committee.

Meeting dates of the Stakeholders Relationship Committee are as follows:

16.4.2018; 30.4.2018; 15.5.2018; 31.5.2018; 14.6.2018; 30.6.2018; 16.7.2018; 31.7.2018; 14.8.2018; 31.8.2018; 14.9.2018; 27.9.2018; 28.9.2018; 15.10.2018; 31.10.2018; 15.11.2018; 30.11.2018; 14.12.2018; 31.12.2018; 15.1.2019; 31.1.2019; 15.2.2019; 28.2.2019; 15.3.2019 and 29.3.2019

Remuneration Policy

The Board has on recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and their remuneration. The Nomination and Remuneration Committee identifies and ascertain the integrity, qualification, expertise, skills and knowledge and experience of the person for appointment as Director and Key Managerial Personnel. The appointment of Director as recommended by the Nomination and Remuneration Committee requires approval by the Board.

The policy relating to Nomination and Remuneration Policy duly approved by the Board of Directors of the Company has been placed on the Company website.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS: A familiarization programme about roles, rights and responsibilities of Independent Directors in the Company, nature of industry in which the company operates, business model of the company etc. is in existence in the company.

BOARD EVALUATION: Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Board. The Directors expressed their satisfaction with the evaluation process.

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations of the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing criteria for performance evaluation of the entire Board of the company, its committees and Individual Directors, including independent Directors. The Nomination and Remuneration Committee has also carried out evaluation of every Directors performance.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On basis of performance evaluation done by the Board it is been determined whether to extend or continue their term of appointment whenever the respective term expires. The Directors expressed their satisfaction with the evaluation process.

(16)

FINANCE:

Cash and cash equivalent as at 31st March 2019 was Rs. 7.12 Lakhs (previous year: Rs. 11.44 Lakhs). The company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

The Company has appointed an Internal Auditor Mr Pawan Kumar Sagar, Chartered Accountant of M/S G P Jaju & Co. pursuant to the provisions of Section 139 of the Companies Act, 2013.

PERFORMANCE REVIEW:

During the financial year under review, the company's export performance in yarn has not picked up mainly due to the lack of enquiries from customers. The company undertook the sale of trading goods, being Fabric goods, during the year in the domestic market. The export market remains highly competitive and margins are thin and not lucrative at present. For the financial year under review, the company has traded in fabric products in the Indian market only.

The company has continued to explore newer markets for yarn and other products both in India and abroad and at the same time maintaining the excellent business relations with its existing customers in order to get some orders in the domestic and export business. The sale of products was Rs. 365.37 Lakhs during the FY 2018-19 as compared to sales of Rs. 273.25 lakhs during the previous year. The company hopes that the overall market conditions will be more favorable the coming year.

CORPORATE SOCIAL RESPONSIBILITY:

Since the company does not fall within the purview of provisions as mentioned in Section 135 of the Companies Act, 2013. So the provisions of Section 135 are not applicable to the Company.

OCCUPATIONAL HEALTH AND SAFETY:

The company believes in the safe and healthy working conditions and has provided safety equipments in the offices.

PARTICULARS OF EMPLOYEES:

Your Company did not employ any person whose particulars are required to be attached to this Report under Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:

Details of loans and guarantees given and investments made if any under Section 185 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

PUBLIC DEPOSITS:

The company has not accepted any deposit from the public under Chapter V of the Companies Act, 2013 or the corresponding provisions of Section 58A of the Companies Act, 1956 and there is no amount outstanding on the Balance Sheet date.

(17)

BOARD EVALUATION: Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out annual performance evaluation on its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committee. The evaluation of all the Directors and the Board as a whole was conducted and the Board approved the evaluation results as collated by the concerned Committee.

NOMINATION AND REMUNERATION POLICY: The Company has a policy for selection and appointment of Directors, Senior Management and their remuneration. For maintaining the independence of the Board and separate its functions, the Company's policy is to have an appropriate combination of Executive and Independent Directors.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

During the year under review, all contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and hence do not fall under the ambit of Section 186(1) of the Act. There was no material Related Party Transactions entered into by the company with promoters, directors, KMP or other designated persons during FY 2018-19. Your Directors draw attention of the members to Note No. 28 to the Financial Statement which sets out related party disclosures. In view of the above, the disclosure under the Act in Form AOC-2 is not applicable for FY 2018-19.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

DECLARATION BY INDEPENDENT DIRECTORS: The Company has received declaration of independence in terms of Section 149(7) of the Companies Act, 2013 from the above mentioned independent directors.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 & Section 134 of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the Annual Accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2019 on a 'going concern' basis.

- (v) and that we, had laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and operating effectively.
- (vi) That we had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE:

The Company is having a paid up equity share capital not exceeding Rs. 10 crore and net worth not exceeding Rs.25 crore and hence as per SEBI (LODR) Regulations 2015, Corporate Governance Requirements provided under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations are not applicable to your Company.

The Management Discussion and Analysis is attached as part of Directors Report.

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

The information required to be given under Rule 8 (3) of the Companies (Accounts) Rules, 2014 is provided below:

- (A) Conservation of energy- Your Company constantly and continuously applies all effort for optimum utilization of the resources.
 - (i) the steps taken or impact on conservation of energy : Power shut down on idle monitors, shutting off all the lights when not in use
 - (ii) the steps taken by the company for utilizing alternate sources of energy : Nil
 - (iii) the capital investment on energy conservation equipments; Nil
- (B) Technology absorption-
 - (i) the efforts made towards technology absorption – Latest technology is being used
 - (ii) the benefits derived like product improvement, cost reduction, product development or import substitution – Reduction in specific energy consumption
 - (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) Expenditure incurred on Research and Development . Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no foreign exchange earnings or outgo during the year under review.

EXTRACT OF ANNUAL RETURN: Extract of Annual Return in form MGT-9 is attached as an Annexure to this Report.

VIGIL MECHANISM: The company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement.

COST RECORDS AND COST AUDIT: Pursuant to Section 148 of the Companies Act, 2013, the Central Government has prescribed maintenance and audit of cost records vide the Companies (Cost Records and Audit) Rules, 2014 to such class of companies as mentioned in the Table appended to Rule 3 of the said Rules. These rules are not applicable to the Company.

SECRETARIAL AUDIT: Secretarial Audit Report dated 20th May, 2019 issued by M/s. Ekta Goswami & Associates, Practicing Company Secretary is attached as an Annexed to this Report. The observations made by the Secretarial Auditor are self-explanatory and do not require further comments. The promoters are in the process of dematerialisation of remaining 3,300 shares in demat form which could not be done due to technical problems. The Company is constantly making full efforts to comply with Secretarial Standards -SS-1 and SS-2

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND: The Company has no amount lying under unpaid dividend or unpaid interest account or such other amount as mentioned under Section 125 of the Companies Act 2013 and hence no amount is required to be transferred to the Investor Education and Protection Fund.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION AND REDRESSAL) ACT, 2013: Your Company has zero tolerance towards sexual harassment at workplace. It has in place a policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

The Company has not received any complaint of sexual harassment during the financial year 2018-2019.

RISK MANAGEMENT

The Company has a Risk Management Policy to deal with perceived risks in its business by identifying and evaluating business risks and opportunities.

GOING CONCERN STATUS

There were no significant or material orders passed by regulators /courts/tribunals impacting or influencing the Company going concern status and/or its future operations.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has generally complied with requirements of Secretarial Standards -SS-1 and SS-2 issued by the Institute of Company Secretaries of India during the year.

AUDITORS

Pursuant to the amendment of Section 139 of the Companies Act, 2013 effective from May 7, 2018 the requirement related to ratification of appointment of Statutory Auditors by the members of the Company at every AGM was omitted. In view of the above the shareholders had resolved at the 72nd Annual General Meeting held on 28th September, 2018 to delete the requirement of seeking ratification of appointment of the M/s SP Sarda & Co., Statutory Auditors at every AGM.

AUDITORS' OBSERVATIONS

The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant are self explanatory.

ACKNOWLEDGEMENTS:

The Board is grateful to Canara Bank for their continued co-operation and timely assistance as and when required. The Board is grateful to the Reserve Bank of India, State Bank of India, HDFC Bank, Dr.U.N.Brahmachari Street Branch, The Cotton Textiles Export Promotion Council, Textile Committee, Export Credit Guarantee Corporation of India Ltd, Collector of Central Excise, Director General of Foreign Trade, New Delhi, Joint Director General of Foreign Trade, Kolkata, Registrar of Companies, the Federation of Indian Export Organizations, The Commercial Tax Office, Kolkata and other institutions for their kind co-operation in day to day activities of the Company. Your Directors are thankful to all the executives and staff members of the Company for their wholehearted co-operation.

Registered Office :

86/2/4, S N Banerjee Road
Kolkata-700014

Dated : The 20th day of May 2019.

For and on behalf of the Company

SHEELA PATODIA
Chairperson and Managing Director

Annexure A
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.3.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014]

Name of the Company : YARN SYNDICATE LIMITED

Category/Sub-category of the Company : MERCHANT EXPORTER

Address of the Registered Office & Contact details : 86/2/4, S N BANERJEE ROAD, 1ST FLOOR, FLAT NO.2, KOLKATA-700 014

Whether listed Company Yes/No : YES

Name, Address and Contact details of Registrar and Transfer Agent, if any : R & D INFOTECH PVT. LTD., 7A, BELTALA ROAD, 1ST FLOOR, KOLKATA-700 026

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

Sl. No.	Description and NIC Code of the product/service	% to total turnover of the company
1.	Fabrics	100

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES :

Yarn Syndicate Limited has no Subsidiary or Associate Company and is not a Holding Company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category wise Share

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31 March 2018)				No. of Shares held at the end of the year (As on 31 March 2019)				% Change
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(i) Indian									
(a) Individual HUF	354979	1174960	1529929	40.80%	1529329	3200	1532529	40.87%	0.07%
(b) Central Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
(c) State Govt.(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
(d) Bodies Corp.	15000	979950	994950	26.53%	994850	100	994950	26.53%	0.00%
(e) Banks / FI			0	0.00%			0	0.00%	0.00%
(f) Any other			0	0.00%			0	0.00%	0.00%
Total shareholding of	369979	2154909	2524879	67.33%	2524179	3300	2527479	67.40%	0.07%
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	20700	500	21200	0.57%	20700	500	21200	0.57%	0.00%
(b) Banks / FI		1300	1300	0.03%		1300	1300	0.03%	0.00%
(c) Central Govt.				0.00%				0.00%	0.00%
(d) State Govt.(s)				0.00%				0.00%	0.00%
(e) Venture Capital Funds				0.00%				0.00%	0.00%
(f) Insurance Companies				0.00%				0.00%	0.00%
Foreign Institutional Investors (SEBI-registered)		2500	2500	0.07%		2500	2500	0.07%	0.00%
(h) Foreign Venture Capital Funds				0.00%				0.00%	0.00%
(i) Others (specify)			0	0.00%			0	0.00%	0.00%
Sub-total (B) (1) :	20700	4300	25000	0.67%	20700	4300	25000	0.67%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	75430	2300	77730	2.07%	65061	2300	67361	1.80%	0.00%
(ii) Overseas				0.00%				0.00%	0.00%
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	350066	0	350066	9.34%	645154	211841	856995	22.85%	13.52%
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	547232	224241	771473	20.57%	272213	0	272213	7.26%	-13.31%
(c) Director Relation		0	0	0.00%		0	0	0.00%	0.00%
(c) Others (specify)									0.00%
NRD's	852		852	0.02%	952		952	0.03%	0.00%
Sub-total (B) (2) :	973580	226541	1200121	32.00%	983380	214141	1197521	31.93%	0.20%
Total Public Shareholding	994280	230841	1225121	32.67%	1004080	210441	1222521	32.60%	0.20%
C. Shares held by				0.00%			0	0.00%	0.00%
Grand Total (A+B+C)	1364259	2385741	3750000	100.00%	3528259	221741	3750000	100.00%	0.27%

IV. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year, i.e. 01.04.2018		Shareholding at the end of the year, i.e.31.03.2019		
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company	
	1				
PRITHVI FINLEASE INDIA LIMITED	55256	1.47	55256	1.47	
Date	Reason				
4/5/2018	SELL	450	0.01	54805	1.46
4/13/2018	SELL	225	0.01	54581	1.46
4/20/2018	SELL	225	0.01	54356	1.45
6/9/2018	SELL	4500	0.12	49856	1.33
7/13/2018	SELL	1	0.00	49855	1.33
9/14/2018	SELL	1802	0.05	48053	1.28
9/28/2018	SELL	5441	0.15	42612	1.14
1/18/2019	SELL	9	0.00	42603	1.14
3/15/2019	SELL	3720	0.10	38883	1.04
		Closing Balance :	38883	1.04	
		2			
REKHA JAIN		34207	0.91	34207	0.91
Date	Reason				
		Closing Balance :	34207	0.91	
					NO CHANGE DURING THE PERIOD
		3			
NILESH KUMAR MULJIBHAI KOTHARI		33503	0.89	33503	0.89
Date	Reason				
			0.00		0.00
			0.00		
		Closing Balance :	33503	0.89	
					NO CHANGE DURING THE PERIOD
		4			
RAJESHKUMAR RAJNIKANT SHAH		32331	0.86	32331	0.86
Date	Reason				
			0.00		
		Closing Balance :	32331	0.86	
					NO CHANGE DURING THE PERIOD
		5			
SURAV GUPTA		22963	0.61	22963	0.61
Date	Reason				
			0.00		
		Closing Balance :	22963	0.61	
					NO CHANGE DURING THE PERIOD
		6			
HARSAHAI BHAI RAYA MEENA		22010	0.59	22010	0.59
			0.00		
		Closing Balance :	22010	0.59	
					NO CHANGE DURING THE PERIOD

IV. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year, i.e. 01.04.2018		Shareholding at the end of the year, i.e.31.03.2019		
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company	
	7				
CANARA ROBECO MUTUAL FUND A/C GAD	20700	0.55	20700	0.55	
Date	Reason				
		Closing Balance :	20700	0.55	
				NO CHANGE DURING THE PERIOD	
	8				
ASHOK KUMAR	18879	0.50	18879	0.50	
Date	Reason				
		Closing Balance :	18879	0.50	
				NO CHANGE DURING THE PERIOD	
	9				
MAMTA SANCHETI	15957	0.43	15957	0.43	
Date	Reason				
			0.00		
		Closing Balance :	15957	0.43	
				NO CHANGE DURING THE PERIOD	
	10				
SUSHIL BASUDEO GADODIA		0	0.00	0.00	
Date	Reason				
4/13/2018	BUY	6181	0.16	6181	0.16
4/20/2018	BUY	610	0.02	6791	0.18
4/27/2018	BUY	100	0.00	6891	0.18
5/4/2018	BUY	175	0.00	7066	0.19
5/18/2018	BUY	3000	0.08	10066	0.27
6/22/2018	BUY	4600	0.12	14666	0.39
7/6/2018	BUY	200	0.01	14866	0.40
			0.00		
		Closing Balance :	14866	0.40	

V. Shareholding of Directors and Key Management Personnel :

Sl.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year Date-wise increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g.: allotment/transfer/bonus/sweat equity etc.) At the end of the year				

NO CHANGE DURING THE YEAR

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding	Insecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	DEPOSITS			
i) Principal Amount		13146616	NIL	13146616
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		13146616		13146616
Change in indebtedness during the financial year				
Addition		13146616		13146616
Reduction		13146616		13146616
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

V. REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

Sl. No.	Particular of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ms. Sheela Patodia	Mr. Rishiraj Patodia	
1.	Gross Salary a) Salary as per provision contained in Section 17(1) of the income-tax Act, 1961 b) Value ofquisites u/s 17(2) Income Tax Act, 1961 c) Profits in lieu of salary under Section 17(2) income Tax Act, 1961	NIL	NIL	NIL
2.	Stock Option			
3.	Sweat Equity			
4.	Commission as percent of profit other specify			
5.	Others please specify			
	Total (A)	NIL	NIL	NIL
	Celling as per Act			

B. Remuneration to other Directors :

Sl. No.	Particular of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Kishore B Chhabria	Mr. Jignesh L Shah	
		Mr. Kishore B Chhabria	Mr. Jignesh L Shah	Mr. Kishore P Gada
1.	Independent Directors a) Fee for attending board/ committee meetings b) Commission c) Others, please specify	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
	Total (1)	NIL	NIL	NIL
2.	Other Non-Executive Directors a) Fee for attending board/committee meetings b) Commission c) Others, please specify	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
	Total (2)	NIL	NIL	NIL
	Total (B) = (1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall ceiling as per the Act			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particular of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Bikash Chatterj Secretary	Mr. Bhagirath Biswas Chief Financial Officer	
1.	Gross Salary a) Salary as per provisions contained in Section 17(1) of the income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income Tax Act, 1961 c) Profits in lieu of salary under Section 17(3) income Tax Act, 1961	204782	153443	358225
2.	Stock Option			
3.	Sweat Equity			
4.	Commission as percent of profit others, specify			
5.	Others, please specify			
	Total	204782	153443	358225

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made if any (give details)
A. COMPANY		NOT	APPLICABLE		
Penalty					
Punishment					
Compounding					
B. DIRECTOR					
Penalty					
Punishment					
Compounding					
C. OTHER OFFERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To
The Members,
Yarn Syndicate Limited
86/2/4, S.N. Banerjee Road, 1st Floor, Flat No. 2
Kolkata – 700 014
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Yarn Syndicate Limited having its Registered Office at 86/2/4, S.N. Banerjee Road, 1st Floor, Flat No. 2, Kolkata – 700 014 West Bengal (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on Our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2019 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015; (Not applicable to the Company during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; (Not applicable to the company during the audit period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) The laws specifically applicable to the industry to which the Company belongs as identified by the management are
1. Textile (Development and Regulation) Order, 2001

Wherever required, We have obtained the Management Representation about the compliance of laws, rules, and regulation and happening of events. The compliance of provisions of Corporate and other applicable laws, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on text laws.

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

- i. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- ii. Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;

We further confirm that compliance of applicable financial laws including Direct & Indirect Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Despite the fact that the Company has generally complied with the provisions, rules, regulations guidelines to some extent, it is felt that the compliance mechanisms systems, procedures need to be further strengthened in applicability of SS-1, SS-2, SEBI (LODR) Regulations, 2015 and Companies Act, 2013.
2. All the shares of the promoters are not in dematerialized form.

We further report that

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes, in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- B. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- C. None of the Directors in any meeting dissented on any resolution and hence there were no instances of recording any dissenting member's view in the Minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that during the audit period there were no instances of:

- Public/Rights/Preferential Issue of Shares/ Debentures/Sweat Equity, etc
- Redemption/ Buy Back of Securities
- Major decisions taken by the members in pursuance of section 180 of the Companies Act, 2013
- Merger/Amalgamation/ reconstruction, etc.

Date: 20th May, 2019
Place: Kolkata

For **EKTA GOSWAMI & ASSOCIATES**

EKTA GOSWAMI
Practising Company Secretary
ACS: 40657, COP: 16778

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

The Members,
Yarn Syndicate Limited
86/2/4, S.N. Banerjee Road, 1st Floor, Flat No. 2
Kolkata – 700 014
West Bengal

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, We followed provide a reasonable basis for Our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 20th May, 2019
Place: Kolkata

For **EKTA GOSWAMI & ASSOCIATES**

EKTA GOSWAMI
Practising Company Secretary
ACS: 40657, COP: 16778

MANAGEMENT DISCUSSION AND ANALYSIS

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

A) INDUSTRY STRUCTURE AND DEVELOPMENTS

During the year under review, the Company has diversified its business portfolio from export of yarn to trading in the domestic market in various kinds of fabrics which has been its business in the last few years. The export of yarn continues to be the company's principal focus of business but due to very competitive export market conditions, the company has not done any export business for several years but is always on the look-out for lucrative export deals. The company has moved into the business of dealing in various kinds of fabric products in the Indian market.

During the year under review, the company surveyed the yarn and fabrics domestic market and it looks promising. India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. The Government's new textile policy aims to achieve US\$ 300 billion worth of textile exports by 2024-25 and create an additional 35 million jobs. The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Even though the company has not ventured into the export market, we are constantly searching for customers in lucrative export markets for yarn and at the same time on the lookout for the export of other products whose exports will benefit us in the long run and also doing business in the domestic market.

B) OPPORTUNITIES AND THREATS

With India having a strong yarn and textile industry, the global yarn market will always continue to be an opportunity for Indian exporters like your company with decades of experience in the yarn export business. Similarly the domestic market in various kinds of fabrics and non-wovens is an opportunity as the market is a stable and growing one.

India is rich in traditional workers adept at value-adding tasks, which could give Indian companies significant margin advantage. However, India's inflexible labor laws have been a hindrance to investments in this segment. Unlike in home textiles, garment capacities are highly fragmented and leading Indian textile companies have been slow to ramp up their apparel capacities, despite strong order flows from overseas buyers who are trying to diversify out of China.

C) SEGMENT-WISE PERFORMANCE

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

D) RISKS AND CONCERNS

The biggest risk and concern for the Indian yarn exporters is the dominance of the Chinese market. Another area of concern is the emerging markets like Bangladesh, Pakistan and Vietnam. Also continued economic stability is a crucial factor for further growth of the industry. In the export market, the competition from these and other low cost producing nations is likely to intensify.

Despite some pick-up in demand from both global and domestic markets, most new capacities in the apparel and home textile segments are not operating at full capacities. Also, because of oversupply in the unorganised market, suppliers have little bargaining power. The market for premium products and branded players continue to garner higher margins.

E) OUTLOOK

The global market for yarn is highly competitive with many established players like China, USA and EU countries. Furthermore, many smaller countries are emerging for their share in the export market and this has led to very slim margins.

The domestic market in fibres and fabrics is very promising. Huge investments are being made by Government under Scheme for Integrated Textile Parks (SITP) and Technology Upgradation Fund Scheme (TUF) to encourage more private equity and to train workforce. There is an increased penetration of organised retail, favourable demographics and rising income levels to drive textile demand. The growth in private consumption is expected to create strong domestic demand for textiles. Textile and apparel exports from India are expected to increase as well.

F) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

Moreover, an audit committee of the Board of Directors regularly review the audit plans, adequacy of internal control as well as compliance of accounting standards. The company has also appointed an Internal Auditor and Chief Financial Officer to report on and oversee the Internal Control Systems.

G) FINANCIAL AND OPERATIONAL PERFORMANCE

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

H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

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

Your organization appreciates the constructive support of Banks, Institutions, Suppliers, Export Promotion Organisations, executives, employees, creditors, service providers and the confidence shown by them in the company. Employer-Employee relations in all the offices of the company were cordial throughout the year under review.

The total numbers of people employed by the Company are 6.

I) CAUTIONARY STATEMENT

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

Registered Office:
86/2/4, S N Banerjee Road,
Kolkata - 700014
Dated: The 20th day of May, 2019
Director

For and on behalf of the Board

SHEELA PATODIA
Chairperson & Managing
Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YARN SYNDICATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters are addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sn No.	Key Audit Matters	Auditor's Response
1.	Going Concern assumption	As per our observation of the Financial Statements of the Company it is seen that they Company has accumulated losses and its net worth has become almost negative as on the Balance Sheet date. These conditions, along with other matters, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis as the management is exploring new business opportunities to sustain the Company and is of the view that the promoters have agreed to infuse funds as and when required in the foreseeable future.

Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the

accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit we report that :
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representation received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - The Company has no pending litigations as on the Balance Sheet date.
 - The Company has no material foreseeable losses on any long-term contracts including derivative contracts.
 - No amount was required to be transferred, to the Investor Education and Protection Fund by the Company.

- As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S P Sarda & Co
Chartered Accountants
Firm's registration No. 323054E

Ankil Agarwal
Partner
Membership No. 305132

Place : Kolkata
Dated : 20th May, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Yarn Syndicate Limited of even date)

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

We have audited the internal financial controls over financial reporting of **YARN SYNDICATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involve performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S P Sarda & Co
Chartered Accountants
Firm's registration No. 323054E

Ankit Agarwal
Partner
Membership No. 305132

Place : Kolkata
Dated : 20th May, 2019

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Yarn Syndicate Limited of even date)

- i) (a) The Company is maintaining proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification during the year by the management.
- (c) According to the information and explanations given to us and the verifications made by us, the title deeds for all immovable property are held in the name of the company.
- ii) The Inventory of the Company has been physically verified by the management at reasonable intervals during the year/at the year-end. In our opinion and according to the information and explanations given to us, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material.
- iii) The Company has not granted any loans, secured or unsecured, from companies, firms, and limited liability partnerships or other parties listed in the register maintained under Section 189 of the Companies Act 2013. Accordingly, clause (iii) is not applicable to the company.
- iv) According to the information and explanations given to us and records examined by us, the company has not given loan, investment or guarantee under section 185 and 186 of the Companies Act 2013 during the year. Accordingly, clause 3 (iv) of the Order is not applicable to the company.
- v) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 to 76 of the Companies Act, 2013 and rules made there under. Hence, the clause (v) of the order is not applicable.
- vi) The clause relating to the maintenance of cost records U/s 148 of the Companies Act, 2013 and as such, para 3(vi) of the Order is not applicable to the Company.
- vii) a) According to the information and explanation given to us and the records of the company examined by us, in our opinion, the Company has generally been regular in depositing

- with appropriate authorities undisputed statutory dues including, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, Cess and other material statutory Dues, as applicable, with the appropriate authorities. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on 31.03.2019 for the period of more than 6 months from the date they become payable.
- b) According to the information and explanation given to us and the records of the company examined by us, in our opinion, there were no disputed dues in respect of Income Tax, Sales Tax, Service tax, Customs Duty, Excise Duty and Value Added Tax.
- viii) The Company does not have any borrowing from any financial institutions or bank nor have they issued any debentures as at the Balance Sheet date. Accordingly the provision of Clause 3(viii) of the Order is not applicable.
- ix) The Company have not raised money by way of IPO/Further public offer/Debt Instruments. As per the information the Company has not availed any fresh term loan during the year. Accordingly, the provision of Clause 3 (ix) of the Order is not applicable.
- x) On the basis of our examination and according to information and explanation given to us, no material fraud by company or any fraud on the company by its officer/employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Sec 197 read to the Schedule V to the Act.
- xii) According to the information and explanation given to us and the records of the company examined by us, the company is not Nidhi Company. Accordingly, the provision of Clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanation given to us and the records of the company examined by us, all transactions with the related parties are in compliance with the Section 188 and 177 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standard.
- xiv) The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debenture during the year under review. Hence the clause the provision of Clause 3 (xiv) of the Order is not applicable.

- xv) According to the information and explanation given to us and the records of the company examined by us, the company has not entered into any non cash transactions with directors or persons connected with him. Hence the clause the provision of Clause 3 (xv) of the Order is not applicable.
- xvi) According to the information and explanation given to us and the records of the company examined by us, the company is not required to register under section 45 IA of the Reserve Bank of India Act, 1934.

For S P Sarda & Co
Chartered Accountants
Firm's registration No. 323054E

Ankit Agarwal
Partner
Membership No. 305132

Place : Kolkata
Dated : 20th May, 2019

Balance Sheet as on 31st March 2019

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
a) Property plant and equipment	3	893,129	1,557,089
b) Financial assets			
i) Investments	4	-	1,520,534
c) Advance tax assets (net)	5	-	442,000
d) Deferred tax assets (net)	6	1,827,570	5,655,775
Total non-current assets		2,720,699	9,175,398
Current assets			
a) Financial assets			
i) Trade receivables	7.1	7,330,139	-
ii) Cash and cash equivalents	7.2	711,747	1,143,557
iii) Bank balances other than (ii) above	7.3	-	-
iv) Other financial assets	7.4	120,000	120,000
b) Other current assets	8	8,851,101	13,020,257
Total current assets		17,012,987	14,283,814
Total assets		19,733,686	23,459,212
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	9	37,500,000	37,500,000
b) Other equity		27,226,009	28,627,270
Total equity		10,273,991	8,872,730
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Long term borrowings	10	-	13,146,616
b) Provisions	11	690,618	625,437
Total non-current liabilities		690,618	13,772,053
Current liabilities			
a) Financial liabilities			
i) Short term borrowings	12	7,542,616	-
ii) Trade payables	13	171,130	170,452
b) Provisions	14	868,000	-
c) Other current liabilities	15	187,330	643,976
Total current liabilities		8,769,077	814,428
Total liabilities		9,459,695	14,586,481
Total equity and liabilities		19,733,686	23,459,212

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For S P Sarda & Co
Chartered Accountants
Firm's registration No. 323054E
Ankit Agarwal
Partner
Membership No. 305132
Place : Kolkata
Date : 20th May, 2019

Rishiraj Patodia
(Managing Director)
DIN : 00259104

Sheela Patodia
(Management Director)
DIN : 00276269

K. Chhabria
(Director)
DIN : 00306069
B. C. Chatterji
(Company Secretary)
Bhagirath Biswas
(Chief Financial Officer)

Statement of Profit and Loss for the year ended 31st March 2019

	Notes	Year Ended	
		As at 31 March 2019	As at 31 March 2018
i) Revenue from operations	16	36,537,525	27,324,830
ii) Other income	17	5,964,752	45,358,132
iii) Total Income (I+II)		42,502,277	72,682,962
iv) Expenses			
Purchases of Stock-in-Trade	18	33,340,625	25,734,064
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	19	-	-
Employee benefits expense	20	602,248	1,702,649
Finance costs	21	3,990	390,066
Depreciation expense	22	663,960	750,165
Other expenses	23	1,351,989	14,410,297
Total expenses (IV)		35,962,812	42,987,240
v) Profit before tax (III-IV)		6,539,465	29,695,721
vi) Tax expense			
Current tax	5	1,310,000	3,000,000
Deferred tax	5	3,628,205	4,687,389
Total tax expense (VI)		5,138,205	7,687,389
vii) Profit for the year (V-VI)		1,401,261	22,008,332
viii) Other comprehensive income			
A) Items that will not be reclassified to profit or loss - Remeasurement of the employee defined benefit plans income (net of tax)			
B) Items that may be reclassified to profit or loss Effective portion of gains/(loss) on cash flow hedges			
Total other comprehensive income (net taxes)			
ix) Total comprehensive income for the year (VII + VIII)		1,401,261	22,008,332
Earnings per equity share of (10 each)			
(1) Basic (in %)		0.37	5.87
(2) Diluted (in %)		0.37	5.87

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.

For S P Sarda & Co
Chartered Accountants
Firm's registration No. 323054E
Ankit Agarwal
Partner
Membership No. 305132
Place : Kolkata
Date : 20th May, 2019

Rishiraj Patodia
(Managing Director)
DIN : 00259104

Sheela Patodia
(Management Director)
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K. Chhabria
(Director)
DIN : 00306069
B. C. Chatterji
(Company Secretary)
Bhagirath Biswas
(Chief Financial Officer)

Statement of Cash Flows for the year ended 31st March 2019

Particulars	As on year ended 31 March 2019	As on year ended 31 March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit for the year	6,539,465	29,695,721
Adjustment to reconcile net profit to net cash provided by Operational Activities		
Depreciation	663,960	750,163
Interest expense	3,990	390,066
Interest income	(367,964)	(588,514)
Gain on Mutual Fund	(5,122)	(220,534)
Provision/Bad Debts/Sundry Bal. Wback	5,448,252	1,543,982
Loss on sale of property	-	406,085
Profit on disposal of property plant and equipment	-	(37,228,847)
Change In Assets & Liabilities:	12,282,582	(5,251,878)
Trade Receivables :	(7,330,139)	43,216,388
Other Financial Assets :	-	(120,000)
Other Current Assets :	4,169,156	(7,034,969)
Inventories	-	50,450
Short Term Borrowings :	7,542,616	(5,500,000)
Trade payables :	679	(40,883,633)
Short Term Provisions :	65,181	(1,094,474)
Other Current Liabilities	(5,904,898)	(17,998,416)
CASH GENERATED FROM OPERATIONS	10,825,177	(3,442,000)
Direct Taxes Paid :		
NET CASH GENERATED BY OPERATIONS (A)	10,825,177	(38,058,532)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from disposal of property, plant and equipments	-	39,870,829
Loan & inter corporate Deposits :	-	4,785,000
Investments	1,520,534	(1,520,534)
Gain on Mutual Fund	5,122	220,534
Interest income	367,964	588,514
NET CASH GENERATED / (USED) IN INVESTING ACTIVITIES (B)	1,893,620	43,944,342
C. CASH FLOW FROM FINANCE ACTIVITIES:		
Long Term Borrowings repaid	(13,146,616)	(8,750,228)
Interest expense	(3,990)	(390,066)
NET CASH GENERATED/(USED) IN FINANCING ACTIVITIES (C)	(13,150,606)	(9,149,293)
NET DECREASE IN CASH AND CASH EQUIVALENT (A+B+C)	(431,810)	(3,263,483)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,143,557	4,407,039
CASH AND CASH EQUIVALENT AS PER NOTE 12.1	711,747	1,143,557

Note : The above cash flow statement has been prepared in under the indirect method as set out in the Indian Accounting Standard-7 on Cash Flow Statements prescribed under C os. Act 2013

This Cash Flow Statement referred to in our report of even date attached for and on Behalf of the Board of Directors

For S P Sarda & Co
Chartered Accountants
Firm's registration No. 323054E
Ankit Agarwal
Partner
Membership No. 305132
Place : Kolkata
Date : 20th May, 2019

Rishiraj Patodia
(Managing Director)
DIN : 00259104

Sheela Patodia
(Managing Director)
DIN : 00276269

K. Chhabria
(Director)
DIN : 00306069
B. C. Chatterji
(Company Secretary)
Bhagirath Biswas
(Chief Financial Officer)

YARN SYNDICATE LIMITED – ANNUAL REPORT 2018-19

Particulars	Other Equity										Total Equity attributable to Equity holders
	Equity Share Capital	Reserves and Surplus					Retains of OCI				
		Capital Reserve	Securities Premium Account	Fixed Assets Revaluation Reserve	General Reserve	Retained Earnings	Debt Instruments through OCI	Equity Instruments through OCI	Effective Portion of Cash Flow hedges	FVTOCI reserve	
As at 1 April 2018	37,500,000	-	43,750,000	-	-	(72,377,270)	-	-	-	-	8,672,730
Profit for the year	-	-	-	-	-	1,401,261	-	-	-	-	1,401,261
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	37,500,000	-	43,750,000	-	-	(70,976,009)	-	-	-	-	10,273,991
Dividends	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2019	37,500,000	-	43,750,000	-	-	(70,976,009)	-	-	-	-	10,273,991

(50)

Notes to Financial Statements

1. Company overview

Yarn Syndicate Limited (the Company) is a public limited company domiciled in India and has its Registered office at 66/2/4 S. N. Banerjee Road, 1st Floor, Flat No. 2, Kolkata 700 014. Its equity shares are listed on BSE stock exchange in India. The Company is engaged in trading and export of yarn.

2A. Basis of preparation of financial statements

Basis of preparation and Compliance with Ind AS

For all periods upto and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013. In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind AS") with effect from April 1, 2017 and the Company is required to prepare its financial statements in accordance with Ind AS for the year ended 31st March, 2019.

The Company had prepared its financial statements for the year ended 31st March, 2017 and March 31, 2016 in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "Audited Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company on May 25, 2016 and May 25, 2015 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

Fair value measurement

A number of company's accounting policies and disclosures require the measurement of fair values for both financial and non financial assets and liabilities.

The company has established policies and procedures with respect to the measurement of fair values.

(51)

The chief financial officer and the persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and assessments that these valuations meet the requirements of IND AS.

2B. Significant accounting policies

The Company has applied the following accounting policies to all periods presented in the Ind AS financial statements.

a. Current versus non-current classification :

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current only.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

b. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty. Excise duty is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to Company on its own account, revenue includes excise duty. Ind As 115, "Revenue from Contracts with customers" has been considered wherever applicable.

The specific recognition criteria described below must also be met before revenue is recognized :

Sale of goods

Revenue from the sale of goods is recognized when all significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Export benefits are accounted on recognition of export sales.

Interest income

Interest income is included in other income in the statements of profit and loss. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate when there is a reasonable certainty as to realization.

c. Property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchases taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

Depreciation :

Depreciation is provided on WDV basis for property, plant and equipment so as to expense the depreciable amount as per schedule II of the companies act 2013. Depreciation on additions to assets during the year valuing upto Rs. 5,000/- are fully depreciated in the year of acquisition.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of accounts and resultant profit or loss, if any, is reflected in the statement of Profit & Loss.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

e. Foreign currencies

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and

liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in other comprehensive income.

f. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related.

g. Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax :

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

j. Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows :

> Stock-in-trade : These are valued at lower of cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Obsolete inventories are identified and written down to net realizable value. Slow moving and defective inventories are identified and provided to net realizable value.

k. Impairment

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

i. Investments

Long term investments are stated at cost less provision for diminution in value other than temporary, if any. Current investments are valued at lower of cost and fair value determined on an individual investment basis.

m. Employee Benefits :

Defined benefit plan : The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of respect of post employment are charged to the Other Comprehensive Income. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be re-classified to statement of Profit and loss.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plan : Payments to defined contribution plans are recognized as an expense when employees have rendered service entitling them to the contributions.

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the Government Provident Fund monthly.

Short-term employee benefits : A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

n. Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects current market assessment of time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one of more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlements is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

o. Cash and cash equivalent :

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand that are readily convertible into cash which are subject to insignificant risk of changes in value are held for the purpose of meeting short-term cash commitments.

p. Earnings per Share :

The basic Earnings per Share ("EPS") are computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes to the financial statements for the year ended 31 March 2019
All amounts are in Rs. unless otherwise stated

3 : Property, Plant and Equipment

Cost	Freehold Land	Buildings*	Office Equipment	Computer	Furniture & Fixings	Vehicles	Total
Balance at 1 April 2017	620,000	16,130,151	1,070,290	259,979	379,435	11,234,231	29,702,086
Additions/Adjustment	61,698.00	61,698.00	-	-	-	-	-
Disposals	-	2,960,654.00	46,231.00	-	41,160.00	-	3,048,067
Balance at 31 March 2018	558,302	19,160,503	1,116,523	259,979	420,615	11,234,231	26,654,019
Additions/Adjustment	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance at 31 March 2019	558,302.00	19,160,503.00	1,116,523.00	259,979.00	420,615.00	11,234,231.00	26,654,019.00
Accumulated depreciation and impairment	Freehold Land	Buildings*	Office Equipment	Computer	Furniture & Fixings	Vehicles	Total
Balance at 1 April 2017	-	13,120,507	1,009,329	99,241	323,771	9,633,919	24,346,767
Depreciation expense	-	56,990	14,728	-	14,487	663,960	750,165
Estimated on disposal of assets	-	-	-	-	-	-	-
Balance at 31 March 2018	-	13,177,497	1,024,057	259,241	338,258	10,297,879	25,096,932
Depreciation expense	-	-	-	-	-	663,960	663,960
Others	-	-	-	-	-	-	-
Balance at 31 March 2019	-	13,177,497.00	1,024,057.00	259,241.00	338,258.00	10,961,839.00	25,760,892.00
Carrying amount	Freehold Land	Buildings*	Office Equipment	Computer	Furniture & Fixings	Vehicles	Total
Balance at 1 April 2017	620,000	3,017,644.00	60,961.00	738.00	55,664.00	1,610,312.00	5,355,339.00
Additions/Deposits	(61,698.00)	61,698.00	-	-	41,160.00	-	3,048,067.00
Effect of foreign exchange differences	-	-	-	-	-	-	-
Balance at 31 March 2018	558,302.00	61,698.00	60,961.00	738.00	96,824.00	1,610,312.00	1,557,087.00
Balance at 31 March 2019	558,302.00	61,698.00	60,961.00	738.00	96,824.00	1,610,312.00	1,557,087.00

(58)

Notes to the financial statements for the year ended 31 March 2019

4 : Investments

Non-current	31/03/2019	31/01/2018
4. Financial assets		
Investment in Mutual Funds		
Unquoted:		
(Carried at Fair value through Profit or Loss (FVTPL))		
Nil (March 2018-41,636,102 units) of HDFC Cash management Fund	15,20,534	15,20,534

5 : Advance Tax

Advance tax assets (Non current)	31 March 19	31 March 18
Advance income tax net of provision 31.03.2019 : Nil 31.03.2018 Rs. 30,00,000	4,42,000	4,42,000
Advance tax assets (Current)	-	4,42,000
Advance income tax (net of provisions)	-	-

The income tax expense for the year can be reconciled to the accounting profit as follows :

For the year ended 31 March 19	For the year ended 31 March 18	
Profit before tax	65,39,465	2,96,95,721
Income tax expense calculated	13,10,000	30,00,000
Income tax expense recognised in the Statement of Profit and Loss	13,10,000	30,00,000

6 : Deferred Tax balances

The following is the analysis of deferred tax assets presented in the Balance Sheet :

31 March 19	31 March 18
Deferred tax assets relates to the following :	56,55,775
Deferred tax liabilities	18,27,570
Total	56,55,775

(59)

7.1 : Trade receivables

Unsecured
Considered good
Considered Doubtful
Credit impaired

	31 March 19	31 March 18
	73,30,139	-
	1,45,01,118	1,45,01,118
	2,18,31,257	1,45,01,118
Less : Allowance for Doubtful Receivables	1,45,01,118	1,45,01,118
Total	73,30,139	-

Footnotes :

i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or member.

ii) The credit period ranges within 30 days to 90 days.

iii) In respect of certain Oversease Customers amounting to Rs. 145,01,118 even though steps have been taken for recovery of such dues, pending outcome of the matter, as an abundant caution, provision of Rs. 145,01,118 was made in earlier years and is being continued.

7.2 Cash and Cash equivalents

a. Balances with banks in current accounts
b. Cash on hand

	31 March 19	31 March 18
	1,07,896	6,55,788
	6,03,851	4,87,769
Total cash and cash equivalents as per Balance Sheet	7,11,747	11,43,557
Bank overdrafts and cash credit facility (secured)	-	-
Total cash and cash equivalents as per Statement of Cash flows	7,11,747	11,43,557

7.3 Other bank balances

a. in other deposit accounts - original maturity more than 3 months and less than 12 months
b. in other deposit accounts - original maturity more than 12 months

in earmarked accounts :

Bank deposits as margin money against bank guarantee

Total other bank balance

Non cash transactions

During the current year, the Company has not entered into any non cash transaction.

7.4 Other Financial Assets

Current

Security Deposits

Total

	31 March 19	31 March 18
	1,20,000	1,20,000
Total	1,20,000	1,20,000

8 : Other Current assets

Advance to vendors

Advance recoverable - advances to employees

Other Advances Recoverable

Less : Provision for Doubtful Advances

Total

	31 March 19	31 March 18
	36,42,344	70,00,000
	-	18,500
	54,84,489	1,16,27,489
	(2,75,732)	(56,25,732)
Total	88,51,101	1,30,20,257

Footnotes :

i) In respect of certain overdue balance in respect of loan given to a Company amounting to Rs. 275,232 (PY 56,25,732) pending outcome of the steps taken for recovery, as an abundant caution, provision of Rs. 275,232 had been made in earlier years. The same is being continued.

9. Equity Share capital

Equity share capital

Authorised share capital :

5,000,000 Equity Shares of Rs. 10/- each with voting rights

Issued, subscribed and fully paid up equity capital :

Issued shares

3,750,000 (31st March 2018 : 3,750,000 : 1st April 2017 : 3,750,000) Equity Shares of Rs. 10/- each with voting rights

As on 31.03.2019

Less : Reclassified to financial liabilities (at amortised cost)

	31 March 19	31 March 18
	3,75,00,000	3,75,00,000
	3,75,00,000	3,75,00,000
	5,00,00,000	5,00,00,000
	5,00,00,000	5,00,00,000
	3,75,00,000	3,75,00,000
	3,75,00,000	3,75,00,000
	3,75,00,000	3,75,00,000
	-	-
	3,75,00,000	3,75,00,000

Footnotes :

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :

Equity shares

Balance at 1 April 2018

Movements

Balance at 31st March 2019

	Number of Shares	Share capital
	37,50,000	3,75,00,000
	-	-
Balance at 31st March 2019	37,50,000	3,75,00,000

b) Details of shares held by each shareholder holding more than 5% shares in the Company :
Equity shares

	Number of equity shares	% holding of equity shares
Mrs. Sheela Patodia		
As at 31 March 2018	13,02,802	34.74%
As at 31 March 2019	13,02,802	34.74%
Mr. Rishiraj Patodia		
As at 31 March 2018	2,15,500	5.75%
As at 31 March 2019	2,15,500	5.75%
Y S Exports Limited		
As at 31 March 2018	9,94,950	26.53%
As at 31 March 2019	9,94,950	26.53%

9.1 As per records of the Company as at 31 March 2019 no calls remain unpaid by the directors and officers of the Company.

9.2 Rights preference and restrictions attached to the class of shares.

A) Equity Shares

Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

10. Borrowings

	31 March 19	31 March 18
Long term borrowings		
Secured at amortised cost		
Term loan from bank	-	-
From others	-	1,31,46,616
Total	-	1,31,46,616

11 : Provisions

	31 March 19	31 March 18
Non Current		
Employee benefits (See note below)		
Gratuity	6,90,618	6,25,437
Compensated absences	-	-
Total	6,90,618	6,25,437

12. Short term borrowings

	31 March 19	31 March 18
Unsecured at amortised cost		
Loans from Related Parties	41,88,414	-
Loans from Body Corporates	33,54,202	-
Total	75,42,616.40	-

Footnotes : The above loans are interest free loans & are repayable on demand.

13 : Trade and other payables

	31 March 19	31 March 18
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,71,130.25	1,70,451.75
Other payables	-	-
Total	1,71,130.25	1,70,451.75

Footnotes :

- The average credit period on purchases of goods and services are within 90 days. The trade and other payables are non interest bearing.
- There are no micro, small and medium enterprises identified to whom payment is due.

14. Short Term Provisions

	31 March 19	31 March 18
Provision for income Tax : Net off TDS - Rs. 34,42,000	8,68,000	-
Total	8,68,000	-

15 : Other current liabilities

	31 March 19	31 March 18
Interest accrued and due on loan from Bodies Corporate	-	-
Others	1,87,330	6,43,976
Total	1,87,330	6,43,976

16. Revenue from operations

	For the year ended 31 March 19	For the year ended 31 March 18
Sale of Trading Goods	3,65,37,525	2,73,24,830
Other Operating Income	-	-
Total	3,65,37,525	2,73,24,830

	For the year ended 31 March 19	For the year ended 31 March 18
17. Other Income	3,67,964	5,87,654
a) Interest Income		660
Interest Income on income tax refunds		
b) Other non-operating income		
Gain on Mutual Fund	5,122	2,20,534
Refund of Electricity Security deposit	35,350	-
Misc. Receipts	67,772	12,119
Prize Period income	-	25,902
Provision no Longer required written back	54,48,252	66,73,646
Facility Charges	40,292	-
Sundry Balance W / off	-	6,08,570
c) Other gains		
Profit on disposal of property plant and equipment	-	3,72,28,847
Total	59,64,752	4,53,58,132

Footnotes :
 i) In respect of Loan given to a Company a provision of Rs. 56,25,732 had been made in prior years. An amount of Rs. 54,48,252 has been recovered from this Company in the current year. Accordingly the provision created earlier has now been reversed to the extent of Rs. 54,48,252 and has been shown under the head 'Other non-operating income'.

This items will not be considered for normal tax or minimum alternate tax computation purposes as the same was not claimed as an Expenditure in the year when the provision was created.

	For the year ended 31 March 19	For the year ended 31 March 18
17. Other Income	3,33,40,625	2,57,34,064
a) Interest Income		
Interest Income		
b) Other non-operating income		
Gain on Mutual Fund	5,122	2,20,534
Refund of Electricity Security deposit	35,350	-
Misc. Receipts	67,772	12,119
Prize Period income	-	25,902
Provision no Longer required written back	54,48,252	66,73,646
Facility Charges	40,292	-
Sundry Balance W / off	-	6,08,570
c) Other gains		
Profit on disposal of property plant and equipment	-	3,72,28,847
Total	3,33,40,625	2,57,34,064
18. Purchase of Stock-in-Trade	3,33,40,625	2,57,34,064
Purchase of stock of Trading Goods		
Total	3,33,40,625	2,57,34,064
19. Changes in Inventories of Finished Goods		
Opening Stock	-	-
Less : Closing Stock	-	-
Total	-	-

	For the year ended 31 March 19	For the year ended 31 March 18
20. Employee benefits expense	471,106	1,143,818
Salaries, wages and bonus		
Contribution to provident and other funds (refer note 26)	131,142	480,468
Staff welfare expenses	-	78,363
Total	471,106	1,702,649
21. Finance costs	3,990	234,617
Interest on bank overdrafts and loans		
Interest on TDS	3,990	-
Other interest expense	-	234,617
Interest on IT	-	114,142
Interest on Sales Tax	-	41,192
Interest on Sales Tax	-	115
Total	3,990	390,066
22. Depreciation and Amortisation expense	663,960	750,165
Depreciation (refer note 3)		
Total	663,960	750,165
23. Other expenses		
Rates and taxes	5,012	2,450
Electricity Charges	12,755	287,215
Rent	392,926	352,636
Legal and professional fees	345,094	734,540
Repairs and maintenance of others	5,899	1,349,642
Brokerage on sale of Property	-	507,400
Loss on Sale of Fixed Assets	-	406,085
Telephone Exp	6,064	116,630
Charity & Donations	6,500	3,000
Insurance expenses	-	22,735
Travelling and conveyance expenses	12,522	142,901
Bad debts written off	-	8,820,078
Prior Period Expenses	-	426,696
Payment to statutory auditors	83,365	60,000
Audit fee	-	6,519
Net loss on foreign currency transactions and translation	-	1,171,770
Others	481,850	14,410,297
Total	1,351,989	14,410,297

26) Contribution to provident and other funds (refer note 26)

24. Earnings per share

Particulars	31 March 19	31 March 18
Basic earnings per share (in)	0.37	5.87
Diluted earnings per share (in)	0.37	5.87

Note to the financial statements for the year ended 31 March 2019

Basic / diluted earnings per share

The earnings and weighted average number of equity share used in the calculations of basic/diluted earnings per share are as follows :

Particulars	31 March 19	31 March 18
Profit after tax	1,401,261	22,008,332
Dividend including dividend distribution tax on CCPS	-	-
Profit for the year used in the calculation of basic earnings per share	1,401,261	22,008,332
Profit for the year used in the calculation of diluted earnings per share	1,401,261	22,008,332
Weighted average number of equity shares for basic earning per share	3,750,000	3,750,000
Weighted average number of equity shares for diluted per share	3,750,000	3,750,000

25. Contingent Liabilities & Contingent Assets and Commitments

The Company does not have any Contingent Liabilities & Contingent Assets and Commitments at the Balance Sheet date
NIL
NIL

26. Employee Benefit

A) Contributions to Defined Contribution plan recognised as expenses for the year are as under :

Employer's Contribution to Provident Fund :	31 March 19	31 March 18
	162,020	106,759

B) The disclosure as per the Indian Accounting standard 19 (Ind AS 19) 'Employee Benefits' are given below :

1. Gratuity Plan

The Company has defined benefit plan comprising of gratuity. The present value of obligation is determined on the basis of Actuarial valuation using the Projected Unit Credit (PUC) actuarial method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

(66)

a) Change in the Present Value of the defined benefit

31 March 19	31 March 18
1,719,911	1,147,862
63,996	37,000
728,727	40,332
1,213,487	1,147,862

Obligation during the year :

1. Present Value of the Obligation at the beginning : 1,147,862
2. Interest Cost : 63,996
3. Current Service Cost : 37,000
4. Benefit Paid : 728,727
5. Actuarial (Gain) / Loss on the Obligation at the end of the year : 1,213,487

b) Change in the Fair Value of Plan Assets during the Year :

31 March 19	31 March 18
522,425	522,425
40,570	40,570
37,643	39,000
40,276	40,276
522,869	522,425

Change in the Fair Value of Plan Assets at the beginning : 522,425

1. Fair Value of Plan Assets at the beginning : 522,425
2. Expected Return on Plan Assets : 40,570
3. Employer's Contribution : 37,643
4. Benefit Paid : 39,000
5. Actuarial Gain/(Loss) on the Plan Assets : 40,276

c) Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets

31 March 19	31 March 18
1,147,862	522,425
690,518	625,437

Present Value of Defined Benefit Obligation : 1,147,862

Fair Value of Plan Assets : 690,518

Net Asset (Liability) recognised in the Balance Sheet : 522,425

d) Expenses recognised in the statement of Profit & Loss :

31 March 19	31 March 18
63,996	63,996
131,702	131,702
86,961	86,961
40,570	40,570
8,735	8,735
101,995	533,343

1. Current Service Cost : 63,996

2. Interest Cost : 131,702

3. Expected Return on Plan Assets : 40,570

4. Net Actuarial (Gain)/Loss recognised in the Period : 8,735

Expenses recognised in the statement of Profit & Loss : 101,995

e) Actuarial Assumptions :

31 March 19	31 March 18
7.75%	7.75%
6.00%	6.00%
7.75%	7.75%

1. Discount Rate : 7.75%

2. Salary Growth Rate : 6.00%

3. Expected rate of return on Plan Assets : 7.75%

f) Maturity Profile of the defined benefit obligation :

31 March 19	31 March 18
1,020,277	970,696
192,720	177,166
1,213,487	1,147,862

1. Amount due within One year (Current Liability) : 1,020,277

2. Amount due over One year (Non Current Liability) : 192,720

Total Expected payments : 1,213,487

(67)

g) Risk Analysis :

Company is exposed to a number of risk in the defined benefit plans, Most significant risk pertaining to defined benefit plans and management's estimation of the impact of these risk's are as follows :

- i) Interest Risk
A decrease in the interest risk on Plan Assets will increase the plan liability.
- ii) Longevity Risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the Mortality of plan participants both during and at the end of the Employment. An increase in the life expectancy of the plan participants will increase plan liability.
- iii) Salary Growth Risk :
The Present value of the defined benefit plan liability is calculated by reference to the future salaries of Plan participants. An increase in the salary of the plan participants will increase the plan liability.
- iv) Investment Risk :
The Present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government Bonds.

27. Segment Reporting

The Company is engaged in the business of exporting yarn and fabric and any other activities incidental thereto. The Company has only one reportable business segment, which is trading of Yarn and Fabric and only one reportable geographical segment. Accordingly, these financial statements are not reflective of the information required under Ind AS 108.

28. Related Party Disclosure

i) Related Party

- a) Key Management Personnel :
Smt. Sheela Patodia - Chairperson & Managing Director
Sri Rishiraj Patodia - Joint Managing Director
- b) Relative of Key Management Personnel :
NIL
- c) Enterprise where Key Management Personnel & their relatives exercise significant influence :
Y. S Exports Limited

ii) Details of transactions made with Related Parties during the year :

Nature of Transaction	Smt. Sheela Patodia		Sri Rishi Raj Patodia		Y S Exports Ltd.	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Remuneration Paid						
Loan Taken	546,000	1,813,001	532,000	349,000	56,000	2,420,000
Loan Repaid	1,160,000	23,423,143	793,000	7,141,200	4,776,000	125,000
Loan Given						
Loan Recovered						
Outstanding						
Loan Taken	1,672,702	2,295,702	2,515,711	2,776,713	117,230	4,837,230
Loan Given						

iii) The above related party information have been disclosed to the extent such parties have been identified by the management on the basis of information available. This has been relied upon by the Auditors.

29. Due to substantial losses incurred in earlier years, the networth of the company has been almost eroded as at the Balance Sheet date. In view of the above and the unfavourable sales orders received from the customers, steps have been taken by the management to get the favourable orders from the customers.

Taken the above into consideration, the management of the company believes that the company has the ability to continue its operations as a going concern in the foreseeable future and promoters of the company have agreed to infuse the funds as and when required and accordingly the financial statements for the year ended 31st March 2019 have been prepared on the basis that the Company is a going concern.

30. Fair Value measurement

Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring)

Particulars	As at 31st March 2019	
	Carrying amount	Fair value
Financial Assets		
Financial assets carried at amortised cost		
(a) Cash and bank balances	711,747	711,747
Financial liabilities		
Financial liabilities at amortised cost		
(a) Borrowings 7,542,616	7,542,616	

Note :

The carrying values of financial assets and liabilities represent their approximate fair value.

31. Financial instruments :

i) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 10 and 12 offset by cash and bank balances) and total equity of the Company.

The Company uses net debt equity ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

Net debt to equity ratio as of 31 March 2019

Short Term Borrowings	7542616.40
Gross Debt : (A)	7542616.40
Less : Cash & Bank Balance	711746.70
Net Debt : (B)	6830869.70
Total Equity	10273990.80
Net Debt to Equity Ratio	66.49%

ii) Categories of financial instruments :

Particulars	31 March 19	31 March 18
Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	711,747	1,143,557
Measured at FVTOCI		
(a) Investment in equity instruments designed upon initial recognition	-	-
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	7,542,616	13,146,616
Measured at FVTPL		
Other financial liabilities	-	-

iii) Credit Risk

Credit risk arises when a customer defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of categorising the customers based on the performance and accordingly credit limit ceiling of each category is defined. The Company's exposure and categorisation of its customers are continuously monitored. Credit exposure is controlled by customer credit limits which are reviewed and approved.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. There is no significant Credit arising the financial year which would attract Credit Risk.

There is no change in estimation techniques or significant assumptions during the reporting period.

iv) Liquidity Risk

(a) Liquidity risk management

The board of directors has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cashflows, and by matching the maturity profiles of financial assets and liabilities.

32. Standards issued but not yet effective

Ind AS 116-Leases

Ministry of Corporate Affairs (MCA) has notified Ind AS 116 on 30 March 2019, effective from financial periods commencing on or after 1 April 2019. Ind AS 116 replaces the previous guidance in Ind AS 17 Leases. Under this revised guidance, leases will be brought onto companies' balance sheets, increasing the visibility of their assets and liabilities. It further removes the classification of leases as either operating leases or financial leases treating all leases as financial leases from the perspective of the lessee, thereby eliminating the requirement for a lease classification test. The revised guidance has an increased focus on who controls the asset and may change which contracts are leases.

Management is currently in the process of assessing the impact of the new standard to the accounting disclosures and presentation requirement in the financial statements.

The following amendments to the existing Ind AS standards are not expected to have a significant impact on the Company's financial statements.

- Appendix C to Ind AS 12, Income taxes (corresponding to IFRIC 23, Uncertainty over Income Tax Treatments issued by IASB)
- Amendments to Ind AS 12 Income taxes.
- Amendments to Ind AS 19, Employee Benefits.
- Amendments to Ind AS 23, Borrowing Costs.
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures.
- Amendments to Ind AS 103, Business Combinations.
- Amendments to Ind AS 109, Financial Instruments.
- Amendments to Ind AS 111, Joint Arrangements.
- The figures for the previous year have been regrouped/reclassified to correspond with the current year's classification/disclosures that include charges consequent to the issuance of 'Guidance Note on Division II – Ind As Schedule III to the companies Act, 2013.

As per our report of even date attached.

For S. P. Sarda & Co.

Chartered Accountants

ICAI Firm's Registration No. 823054E

Ankit Agarwal

(Partner)

Membership No. : 305132

Place : Kolkata

Date : 30th May, 2019

for and on behalf of the Board of Directors

Rishiraj Patodia
(Managing Director)

DIN : 00259104

Sheela Patodia
(Managing Director)

DIN : 00276269

Bhagirath Biswas
(Chief Financial Officer)

K. Chhabria
(Director)

DIN : 00306069

B.C. Chatterji
(Company
Secretary)

YARN SYNDICATE LIMITED

CIN NO. L51109WB1946FLC013842

REGD. OFF.: 86/2/4, S-N BANERJEE ROAD, KOLKATA - 700014

EMAIL: yarncat@vsnl.com; ysi@yarnsyndicate.in, Website: www.yarnsyndicate.in

FORM OF PROXY

Annual General Meeting on 27th September, 2019 at 10.00 A.M.

Name of the Member(s):

Registered Address:

Email ID:

Regd. Folio No./DP ID No. & Client ID:

I/We, being the member(s) of _____ share(s) of the above named company, hereby appoint:

1. _____ of _____ having email ID _____ or failing him
2. _____ of _____ having email ID _____ or failing him
3. _____ of _____ having email ID _____ or failing him
4. _____ of _____ having email ID _____ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my behalf at the Annual General Meeting of the company to be held on Friday, the 27th September, 2019 at 10.00 A.M. at Orchid Hotel & Restaurant, 123/1, G P Road, Barrackpore, Kolkata - 700120 or at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolution	
	For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Report of the Board and the Auditors thereon.	
2.	To appoint a Director in place of Smt. Sheela Patodia (DIN: 00276269), who retires by rotation and being eligible, offers herself for re-appointment.	
3.	Appointment of Sri Jignesh Lakhamsi Shah (DIN: 00152673) as a Non-Executive & Independent Director of the Company	
4.	Appointment of Sri Sourav Bhattacharjee (DIN: 07833611) as a Non-Executive & Independent Director	
5.	Appointment of Special Resolution for Mrs. Sheela Patodia (DIN: 00276269), Executive Chairman attaining 70 years	

YARN SYNDICATE LIMITED

CIN NO. L51109WB1946FLC013842

REGD. OFF.: 86/2/4, S N BANERJEE ROAD, KOLKATA - 700014

EMAIL: yarncat@vsnl.com; ysi@yarnsyndicate.in, Website: www.yarnsyndicate.in

ATTENDANCE SLIP

Annual General Meeting on 27th September, 2019 at 10.00 A.M.

Name of the Member(s) :		
Registered Address :		
Email ID :		
Folio No./Client ID No. & DP ID :		
EVEN No.	USER ID	PASSWORD
111327	YOUR FOLIO NO.	USE EXISTING USER ID & PASSWORD

I certify that I am a registered shareholder/proxy for the registered shareholder of the company.

I hereby record my presence at the Annual General Meeting of the Company at Orchid Hotel & Restaurant, 123/1, G P Road, Barrackpore, Kolkata-700120 on 27th September, 2019 at 10.00 A.M.

Members' Signature

Proxy's Signature

Note: Please complete this and hand it over at the entrance of the hall

Signed this _____ day of _____ 2019

Signature of the Shareholder: _____

Signature of the Proxy holder(s): _____

Note:

1. The form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statement and notes please refer to the Notice of the Annual General Meeting.
3. It is optional to put a "X" in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/She thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

Please Affix
Rs. 1
Revenue Stamp