



**YANTRA NATURAL RESOURCES LIMITED**

**ANNUAL REPORT  
2011-12**

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## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS:**

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

### **BOARD COMMITTEES:**

#### **1. Audit Committee**

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

#### **2. Investor Grievance Committee**

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

#### **3. Remuneration Committee**

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

### **AUDITORS:**

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

### **SHARE TRANSFER AGENTS:**

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

### **BANKERS:**

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

**YES Bank**  
Fort,  
Mumbai- 400 001

### **REGISTERED OFFICE:**

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

### **LISTED AT:**

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

### **COMPLIANCE OFFICER:**

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

## **MANAGING DIRECTOR'S SPEECH**

**Dear Stakeholders,**

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

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

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

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

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

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

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

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

# NOTICE

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

## ORDINARY BUSINESS:

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

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

## SPECIAL BUSINESS:

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

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

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

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

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

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

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

**Place :** Hyderabad.  
**Date :** 1<sup>st</sup> September, 2012

sd/-  
**Dhiresb Munver**  
**Managing Director**

**NOTES:**

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

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

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

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

**Place :** Hyderabad.  
**Date :** 1<sup>st</sup> September, 2012

sd/-  
**Dhires Munver**  
**Managing Director**

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

### **Item No. 6:**

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

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

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

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

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

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

**Place :** Hyderabad.  
**Date :** 1<sup>st</sup> September, 2012

sd/-  
**Dhires Munver**  
**Managing Director**



## **DIRECTOR'S REPORT**

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

### **FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE:**

(Rupees in Lacs)

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

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

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

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

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

### **FUTURE OUTLOOK:**

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

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

### **DIVIDEND:**

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

### **SUBSIDIARY COMPANIES:**

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

### **ACCEPTANCE OF FIXED DEPOSITS:**

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

### **CHANGES IN THE CAPITAL STRUCTURE OF THE COMPANY**



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

#### **CHANGE IN THE REGISTERED OFFICE OF THE COMPANY**

The Registered Office of the Company has been shifted from

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

to

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

with effect from 14<sup>th</sup> May, 2012.

#### **CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS:**

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

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

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

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

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

#### **OTHER CORPORATE INFORMATION**

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

#### **AUDITORS:**

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

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

#### **AUDITORS' REPORT:**

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

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- i. In the preparation of the Accounts for the financial year ended 31st March, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended 31st March, 2012;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. The Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

**CORPORATE GOVERNANCE:**

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

**MANAGING DIRECTOR'S CERTIFICATION:**

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

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

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

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

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

**PARTICULARS OF EMPLOYEES:**

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

**ACKNOWLEDGEMENT:**

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

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

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

**Place :** Hyderabad.  
**Date :** 1<sup>st</sup> September, 2012

sd/-  
**Dhires Munver**  
**Managing Director**