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# **THE YAMUNA SYNDICATE LIMITED**

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**Reports and Accounts for the year ended  
31<sup>st</sup> March, 2014**

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## ANNUAL REPORT 2013-14

### BOARD OF DIRECTORS :

1. **Mr. Ranjit Puri**  
CHAIRMAN
2. **Mr. Manmohan Singh**  
DIRECTOR
3. **Mr. Vinod K. Nagpal**  
DIRECTOR
4. **Mr. D.D. Sharma**  
DIRECTOR
5. **Mr. Aditya Puri**  
DIRECTOR

### AUDIT COMMITTEE :

1. **Mr. Vinod K. Nagpal**  
CHAIRMAN
2. **Mr. Manmohan Singh**  
MEMBER
3. **Mr. Aditya Puri**  
MEMBER

### COMPANY SECRETARY :

**Mr. Ashish Kumar**

### AUDITORS :

**M/s. K.C. Malhotra & Co.**  
**Chartered Accountants**  
**New Delhi.**

### BANKERS :

1. **Punjab National Bank**
2. **State Bank of Patiala**

### REGISTERED OFFICE :

**Yamunanagar, Haryana.**

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## DIRECTORS' REPORT

The Directors hereby present their 60<sup>th</sup> Annual Report together with the audited accounts for the year ended 31<sup>st</sup> March, 2014 :-

### 1. FINANCIAL RESULTS :

The financial results of the Company are given below :

(Rupees in lacs)

|  | <u>Year ended 31.03.2014</u> | <u>Year ended 31.03.2013</u> |
|--|------------------------------|------------------------------|
| Profit including Dividend for the year | 137.78                       | 153.49                       |
| Less : Tax Expense*                    | <u>0.27</u>                  | <u>(3.89)</u>                |
| Profit after Tax                       | 137.51                       | 157.38                       |
| Less :                                 |                              |                              |
| - Dividend including Tax               | 49.52                        | 49.52                        |
| - Transfer to General Reserve          | <u>14.00</u>                 | <u>16.00</u>                 |
|  | <u>63.52</u>                 | <u>65.52</u>                 |
| Balance carried to Profit & Loss A/c   | <u><u>73.99</u></u>          | <u><u>91.86</u></u>          |

\*No provision for taxation is required as there is no taxable income.

### 2. OPERATIONS :

The trading business of all products except Tractors was satisfactory.

During the year, your Company has taken up the Tractor dealership of M/s. New Holland Fiat (India) Pvt. Ltd. in place of M/s. Escorts Ltd.

M/s. New Holland allotted to the Company the areas of district Yamunanagar, Tehsil Pehowa of Kurukshetra district, Tehsil Indri of Karnal district and Tehsil Cheeka of Kaithal district in Haryana state with effect from October, 2013 and Ludhiana (East), Payal, Khanna and Samrala Tehsils of Ludhiana district area in Punjab State with effect from November 2013.

Since New Holland brand of tractor is new in the area, it is likely to take some time to establish the same and all efforts are being made in this direction. Progress so far has been satisfactory.

### 3. INVESTMENT :

During the year, the Company made net investment of Rs. 25.19 lacs in purchase of 2,996 Equity Shares of M/s. Isgec Heavy Engineering Limited. It sold 5429 Equity Shares and purchased 8425 Equity Shares.

### 4. DIVIDEND :

The Directors are pleased to recommend a dividend of Rs. 20/- per share.

### 5. DIRECTORS :

Mr. Aditya Puri, Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

The Board of Directors has recommended to the General Meeting for appointment of Mr. Manmohan Singh, Mr. Vinod K. Nagpal and Mr. D.D. Sharma as Independent Directors for a term of two years upto 31<sup>st</sup> March, 2016.

### 6. AUDITORS :

M/s. K.C. Malhotra & Company, Chartered Accountants, New Delhi, Auditors of the Company, will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

**7. PARTICULARS OF DISCLOSURES UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:**

The particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption are not required to be furnished since the Company is engaged in trading activity only.

There is no foreign exchange earnings and outgo.

**8. PARTICULARS OF EMPLOYEES :**

The Company has not paid any remuneration attracting the provision of Companies (Particulars of Employees) Rules, 1975 read with Section 217 (2A) of the Companies Act, 1956 and hence no information is required to be appended in this regard.

**9. FIXED DEPOSITS :**

The amount of deposits with the Company, as at 31<sup>st</sup> March, 2014, was well within the limits prescribed under the provisions of the Companies Act. 6 (Six) depositors of the Company had, as on 31<sup>st</sup> March, 2014, not claimed their deposits on or from the due dates for repayment. The amount involved was Rs. 1.09 lacs.

**10. DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956 :**

The Statement is annexed hereto.

**11. MANAGEMENT DISCUSSION & ANALYSIS REPORT UNDER CLAUSE 49 OF THE LISTING AGREEMENT :**

Management Discussion & Analysis Report is annexed hereto.

**12. CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT :**

Report on Corporate Governance is annexed hereto.

**13. SECRETARIAL AUDIT:**

In accordance with Section 383A of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2002 your company is required to obtain a Secretarial Compliance Certificate from a Company Secretary in whole time practice. Accordingly, a Compliance Certificate is annexed hereto.

**14. ACKNOWLEDGEMENTS :**

Your Directors take this opportunity to thank the Banks, Government Authorities, Regulatory Authorities, Stock Exchange and the Shareholders for their continued co-operation and support to the Company.

With these remarks, we present the Accounts for the year ended 31<sup>st</sup> March, 2014.

By Order of the Board of Directors

Dated : 19.05.2014  
Place : Noida (U.P.)

**D.D. Sharma**  
Director

**Aditya Puri**  
Director

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## ANNEXURE TO DIRECTORS' REPORT

### Directors' Responsibility Statement under Section 217 (2AA) of the Companies Act, 1956

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 ('the Act') and based on the representations received from the operating management, your Directors hereby confirm that :-

1. in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed and there are no material departures,
2. they have selected such accounting policies with the concurrence of the Statutory Auditors 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 of the Company for the financial year,
3. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
4. they have prepared the Annual Accounts on going concern basis.

### Management Discussion & Analysis

1. In the middle of last year, we gave up our Dealership of Escort Tractors and switched to new Holland Brand. The market perception of these tractors is that they are low on maintenance, have good aesthetic and low fuel consumption. These Tractors are new to the area allotted to us (as mentioned in Para 2 "Operations" of the Directors' Report). We are trying to create a market for these tractors by having extensive road shows, customer and mechanic meets and participating in Tractor fairs. We hope that within the coming year, the sale of Tractors will give us increased turnover and profitability.

At this point in time, the general perception is that the economy will show an upswing, which helps all our other businesses would, also show better sales and profits.

Efforts are also on to improve efficiency in our operations.

Better Financial Results to enhance the sales depends on the normal monsoon season.

#### 2. CAUTIONARY STATEMENT:

The statement may be "forward looking statement" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied depending upon economic conditions, government policies, regulations, environmental laws, tax regimes and other factors.

**REPORT ON CORPORATE GOVERNANCE**  
(Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange)

**1. A brief statement on Company's philosophy on code of governance:**

Clause 49 of the Listing Agreement with Stock Exchange set the benchmark compliance rules for a listed company and the baseline for governance standards. The Company adheres to the prescribed corporate practices as per Clause 49. It also follows transparency in business dealings, timely disclosures, effective internal and external communications.

**2. Board of Directors:**

i. Composition and size of the Board:

The present strength of the Board is Five Directors. The Board comprises of two Non-Executive Directors (one of them is Chairman) and three Non-Executive Independent Directors.

ii. Attendance of each Director at the Board Meetings and at the last Annual General Meeting, and

iii. Number of other Boards or Board Committees in which he is a Member or Chairman:

| Name of the Director                | No. of Board Meetings attended | Whether attended the last Annual General Meeting | Directorships in other companies as disclosed |         |                       |                         |
|-------------------------------------|--------------------------------|--|---|---------|-----------------------|-------------------------|
|                                     |                                |  | Public  | Private | Committee Member Ship | Committee Chairman ship |
| Non-Executive Chairman & Promoter   |                                |  |   |         |                       |                         |
| Mr. Ranjit Puri                     | 4                              | Yes  | 4   | -       | 1                     | -                       |
| Non-Executive Director & Promoter   |                                |  |   |         |                       |                         |
| Mr. Aditya Puri                     | 4                              | Yes  | 8   | -       | 2                     | -                       |
| Non-Executive Independent Directors |                                |  |   |         |                       |                         |
| Mr. Manmohan Singh                  | 1                              | No   | -   | -       | -                     | -                       |
| Mr. Vinod Kumar Nagpal              | 4                              | Yes  | 1   | 3       | -                     | 1                       |
| Mr. D.D. Sharma                     | 2                              | No   | -   | 1       | -                     | -                       |

iv. Number of Board Meetings held, dates on which held :

During the year, four Board Meetings were held as under :-

27<sup>th</sup> May, 2013

12<sup>th</sup> August, 2013

14<sup>th</sup> November, 2013

07<sup>th</sup> February, 2014

**3. Audit Committee :****i. Brief description of terms of reference:**

The Audit Committee was constituted in accordance with the code of Corporate Governance and the terms of reference of the Audit Committee are as per the guidelines set out in Clause 49 of the listing agreement with the Delhi Stock Exchange where the shares of the Company are listed, which briefly are :-

- To discuss with Auditors (a) Internal Control System and suggest modification, and (b) scope of audit including observations of audit;
- To review Quarterly, Half Yearly and Annual Financial Statement;
- To ensure compliance of Internal Controls;
- To discuss with Internal Auditors (a) Periodical Reports (b) Scope of internal audit.

**ii. Composition, Name of Members and Chairman :**

| S. No. | Name of the Committee Member | Position | No. of Meeting attended |
|--------|------------------------------|----------|-------------------------|
| 1.     | Mr. Vinod K. Nagpal          | Chairman | 4                       |
| 2.     | Mr. Manmohan Singh           | Member   | 4                       |
| 3.     | Mr. Aditya Puri              | Member   | 4                       |

Mr. Rajiv Mago was the Secretary of the Audit Committee during the year.

**iii. Meeting and attendance during the year:**

During the year, four meetings of the Audit Committee were held on 27<sup>th</sup> May, 2013, 09<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013 and 07<sup>th</sup> February, 2014. Detail of attendance by each Member is given in the above table.

**4. Remuneration Committee :**

The Board has not constituted a Remuneration Committee as it was not mandatory.

**5. Shareholders/Investors Grievance Committee :****i. Composition, Name of Members and Chairman :**

| S. No. | Name of the Committee Member | Position |
|--------|------------------------------|----------|
| 1.     | Mr. Vinod K. Nagpal          | Chairman |
| 2.     | Mr. Manmohan Singh           | Member   |
| 3.     | Mr. Aditya Puri              | Member   |

**ii. Name and designation of Compliance Officer:**

Mr. Rajiv Mago was the Compliance Officer during the year.

**iii. Number of Shareholders' Complaints received :**

Nil

**iv. Number of Complaints not solved to the satisfaction of Shareholders :**

Nil

**v. Number of pending Complaints :**

Nil



**6. General Body Meetings :**

- i.
- Location and time of last three Annual General Meetings (AGM) held:

| Date                          | Location   | Time       |
|-------------------------------|--|------------|
| 30 <sup>th</sup> July, 2011   | Office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamuna Nagar-135001 (Haryana) | 12.00 Noon |
| 9 <sup>th</sup> August, 2012  |  | 12.00 Noon |
| 12 <sup>th</sup> August, 2013 |  | 12.00 Noon |

- ii.
- Whether any Special Resolution passed in the previous three AGM:

Yes, Special Resolution regarding acquisition of further securities under section 372A of the Companies Act, 1956 was passed in the AGM held on 30<sup>th</sup> July, 2011.

- iii.
- Whether any Special Resolution passed last year through postal ballot-details of voting pattern:

No.

- iv.
- Person who conducted the postal ballot exercise:

Not applicable.

- v.
- Whether any Special Resolution is proposed to be conducted through postal ballot:

No.

- vi.
- Procedure for Postal Ballot:

Not applicable.

**7. Disclosures :**

- i.
- Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large :

Nil.

- ii.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Delhi Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years :

None.

- iii.
- Code of Conduct for Directors and Senior Executives :

The Company has laid down a Code of Conduct for all Board Members and Senior Executives of the Company. The Code of Conduct is available on the Company's website **www.yamunasyndicate.com**. Mr. R.N. Wakhloo, Chief Executive has given a declaration that all the Directors and concerned Executives have affirmed compliance with the Code of Conduct.

- iv.
- CEO/CFO certification :

A certificate, duly signed by the Chief Executive and Manager (Accounts) relating to financial statements, internal controls and internal control system for financial reporting as per the format provided in Clause 49(V) of the Listing Agreement, was placed before the Board, who took the same on record.

- v. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause :

Complied with all mandatory requirements as detailed above. Company has not adopted non-mandatory requirements.

#### 8. Means of Communication :

- i. Quarterly results :

Yes, Published in Newspapers.

- ii. Newspapers wherein results normally published :

(a) Business Standard or Financial Express (English)

(b) Business Standard or Jansatta (Hindi).

- iii. Any website, where displayed :

On Company's website : www.yamunasyndicate.com

- iv. Whether it also displays official news release :

There was no official news release.

- v. The presentations made to institutional investors or the analysts :

No presentation was made to institutional investors or the analysts.

#### 9. Shareholding of Non-executive Independent Directors :

| S. No. | Name of the Director | Number of Shares held |
|--------|----------------------|-----------------------|
| 1.     | Mr. Vinod K. Nagpal  | 116                   |
| 2.     | Mr. Manmohan Singh   | 50                    |
| 3.     | Mr. D.D. Sharma      | 50                    |

#### 10. General Shareholder information :

- i. Annual General Meeting date, time and venue :

Annual General Meeting will be held on 04<sup>th</sup> August, 2014 at 12:30 p.m. at the Office premises of Saraswati Sugar Mills Limited, Radaur Road, Yamuna Nagar-135001 (Haryana).

- ii. Financial Year :

1<sup>st</sup> April to 31<sup>st</sup> March.

- iii. Dates of Book Closure:

28<sup>th</sup> July, 2014 to 04<sup>th</sup> August, 2014 (both days inclusive).

- iv. Dividend Payment date :

By 18<sup>th</sup> August, 2014.

- v. Listing on Stock Exchange :

Listed on Delhi Stock Exchange (DSE).

- vi. Scrip Code :

Delhi Stock Exchange has allotted Scrip Code as 25002.