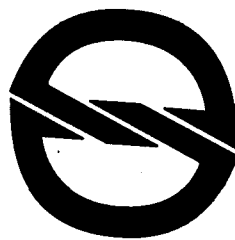


# **10th Annual Report 2002-2003**

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**YOGI SUNG-WON (INDIA) LTD.**

## CONTENTS

Board of Directors .....	1
Notice .....	2
Annexure to the Notice .....	3
Director's Report .....	4
Corporate Governance Report .....	6
Auditor's Report .....	10
Balance Sheet.....	12
Profit & Loss Account .....	13
Schedules .....	14
Cash Flow Statement.....	21

## **YOGI SUNG-WON (INDIA) LIMITED**

### **DIRECTORS**

Rajesh Mulani — Whole time Director  
Amit C. Hakani — Director  
Dilip R. Kanakiya — Director  
Vijay P. Chauhan — Director

### **AUDITORS**

D. Burman & Associates — Chartered Accountants

### **BANKERS**

THE MOGAVEERA CO-OP. BANK LTD.  
UTI BANK LTD.  
THE NEW INDIA CO-OP. BANK LTD.  
PUNJAB NATIONAL BANK

### **REGISTERED OFFICE**

B-404, Alkapuri Arcade,  
R. C. Dutt Road, Alkapuri,  
Baroda-390 007.

### **REGISTRARS & SHARE TRANSFER AGENTS**

SHAREX (I) PVT. LTD.  
17-B, Dena Bank Building, II Floor,  
Horniman Circle, Fort, Mumbai-400 001.



## Yogi Sung-Won (India) Ltd.

### NOTICE OF THE ANNUAL GENERAL MEETING:

Notice is hereby given that the Tenth Annual General Meeting of the Members of Yogi Sung Won (India) Limited will be held on Thursday, the 10th day of July 2003 at 4:00 P.M. at the registered office of the Company at B-404, Alkapuri Arcade, R.C. Dutt Road, Alkapuri, Baroda – 390 007 to transact the following business:

#### Ordinary Business:

1. To consider and adopt the Balance Sheet as at 31 March 2003, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To re-appoint retiring Auditors to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

#### Special Business:

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

"RESOLVED THAT Mr. Dilip R. Kanakiya, who was appointed as an Additional Director by the Board of Directors as on 26th October 2002, in accordance with Article 134 of the Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, up to this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from members proposing his candidature for the office of Directors, be and is hereby appointed as a Non-executive Director of the Company liable to retire by rotation."

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

"RESOLVED THAT Mr. Amit C. Hakani, who was appointed as an Additional Director by the Board of Directors as on 26th October 2002, in accordance with Article 134 of the Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, up to this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from members proposing his candidature for the office of Directors, be and is hereby appointed as a Non-executive Director of the Company liable to retire by rotation."

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

"RESOLVED THAT Mr. Vijay Chauhan, who was appointed as an Additional Director by the Board of Directors as on 28th May 2003, in accordance with Article 134 of the Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, up to this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from members proposing his candidature for the office of Directors, be and is hereby appointed as a Non-executive Director of the Company liable to retire by rotation."

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

"RESOLVED THAT, subject to provisions under sections 198,269,309,310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereof, Mr. Rajesh B. Mulani be and is hereby re-appointed as Whole-time Director, for a further period of one year commencing from 16 June 2003 at the remuneration including all perquisites not exceeding Rs.10,000/- per month and other terms and conditions, the draft of which duly approved by the Board of Directors and placed before this meeting (signed by the Chairman for the purpose of identification) be and is hereby sanctioned with the liberty to the Board to vary, alter, modify the terms and conditions of the said agreement within the permissible limit specified in Schedule XIII to the Companies Act, 1956, as may be mutually agreed by the members of the Board of Directors and Mr. Rajesh B. Mulani."

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII of the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase/decrease the remuneration (including salary, commission, perquisites, allowances, benefits, etc. within such prescribed limits/ceiling and the aforesaid agreement between Mr. Rajesh B. Mulani and the Company be suitably amended/modified to give effect to such amendment or modification or relaxation without any further reference to the Company in the General Meeting."

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting, is given below and forms part of the Notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 05 July 2003 to Thursday, 10 July 2003 (both days inclusive) in connection with the Annual General Meeting.
4. The Members are requested to forward all applications for transfer and all other shares related correspondence, including intimation for change of address, if any, to the Registrars and Share Transfer Agent of the Company at the following address:

#### Sharex (India) Private Limited

(Unit: Yogi Sung-Won (India) Ltd.)

17-B, Dena Bank Building, 2nd Floor,

Horniman Circle, Fort, Mumbai- 400 001

Tel: (022) 22702485, Fax: (022) 22641349

Contact Person: Mr. T. Sashikumar

**10th Annual Report 2002-2003**

By Order of the Board of Directors  
For Yogi-Sung Won (India) Limited

Sd/-

**Rajesh B. Mulani**  
**Director**

**Place :** Baroda

**Date :** 20.05.2003

**Registered Office:**

B-404, Alkapuri Arcade,  
R.C. Dutt Road, Alkapuri, Baroda-390 007.

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**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

The following Explanatory Statements set out all the material facts relating to the business mentioned in the accompanying notice dated 20 May 2003.

**Item No. 3:**

Mr. Dilip R. Kanakiya was appointed as an Additional Director of the Company on 26 October 2002. According to the provisions of Section 260 of the Companies Act, 1956 read with Article 134 of the Articles of Association of the Company, he holds office only upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from some of the Members of the Company proposing his appointment as Director under the provisions of Section 257 of the Companies Act, 1956 along with requisite deposit.

Mr. Dilip R. Kanakiya is a science graduate having more than ten years relevant experience in the industry. The Board feels that his wide and varied experience would indeed strengthen and broad base the Board of the Company.

Mr. Dilip R. Kanakiya is interested in the above resolution. None of the other Directors are interested in the above resolution except to the extent of their shareholding in the Company.

**Item No. 4:**

Mr. Amit C. Hakani was appointed as an Additional Director of the Company on 26 October 2002. According to the provisions of Section 260 of the Companies Act, 1956 read with Article 134 of the Articles of Association of the Company, he holds office only upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from some of the Members of the Company proposing his appointment as Director under the provisions of Section 257 of the Companies Act, 1956 along with requisite deposit.

Mr. Amit C. Hakani is a science graduate with post-graduate qualification in Business Management and having more than five years relevant experience in the industry. The Board feels that his appointment will further professionalize the Board and propose the resolution for shareholders' approval.

Mr. Amit C. Hakani is interested in the above resolution. None of the other Directors are interested in the above resolution except to the extent of their shareholding in the Company.

**Item No. 5:**

Mr. Vijay Chauhan was appointed as an Additional Director of the Company on 28 May, 2003. According to the provisions of Section 260 of the Companies Act, 1956 read with Article 134 of the Articles of Association of the Company, he holds office only upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from some of the Members of the Company proposing his appointment as Director under the provisions of Section 257 of the Companies Act, 1956 along with requisite deposit.

Mr. Vijay Chauhan is a first class commerce graduate and having more than ten years relevant experience in the field of accounts, audit, costing and budgeting. The Board feels that his appointment will further professionalize the Board and propose the resolution for shareholders' approval.

Mr. Vijay Chauhan is interested in the above resolution. None of the other Directors are interested in the above resolution except to the extent of their shareholding in the Company.

**Item No. 6:**

Your Directors informed that appointment of Mr. Rajesh B. Mulani as Whole-time Director have been extended in the Board Meeting dated 20 May 2003 by further period of one year from 16 June 2003 (the date of expiry of the previous agreement of his appointment as approved in the last Annual General Meeting) at a monthly remuneration of Rs.10,000/- (including all perquisites).

The Board recommends this resolution for approval of the shareholders.

The draft copy of the renewed agreement between the Company and Mr. Rajesh B. Mulani is available for inspection at the registered office of the Company on any working day.

Mr. Rajesh B. Mulani is interested in the above resolution. None of the other Directors are interested except to the extent of their shareholding in the Company.

By Order of the Board of Directors  
For Yogi-Sung Won (India) Limited

Sd/-

**Rajesh B. Mulani**  
**Director**

**Place :** Baroda

**Date :** 20.05.2003

**Registered Office:**

B-404, Alkapuri Arcade,  
R.C. Dutt Road, Alkapuri, Baroda-390 007.



## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Tenth Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the year ended March 31, 2003.

### 1. FINANCIAL RESULTS:

(All Rs. In Lacs)

Particulars	Year Ended 31 March 2003	Year Ended 31 March 2002
Profit before Depreciation	(46.50)	1.85
Less: Depreciation	1.31	1.31
Profit Before Tax	(47.81)	0.54
Less: Brought forward loss of previous year	54.13	54.66
Less: Loss from Leased Assets	107.84	0.00
Less: Provision for Taxation	0.00	0.00
Profit After Tax	(209.78)	(54.12)

### 2. COMPANY'S BUSINESS GROWTH AND PROSPECTS

Due to unfavorable market conditions, your company had incurred heavy loss during the year under review. The downslide of the economy is of late seems to be over and the economy is showing signs of recovery. With favorable economic condition, your company is confident to do profitable business in the financial year 2003-04.

### 3. DIVIDEND

Your Directors regret their inability to recommend payment of any dividend for the year ended 31st March 2003.

### 4. DEPOSITS

The Company did not accept any deposits from the public and the provisions of Section 58A of the Companies Act, 1956 are not applicable to the Company.

### 5. PERSONNEL

None of the employees of the Company come under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### 6. DIRECTORS

Mr. Bhavesh Goradia and Mrs. Jaya Parasher ceased to be Directors of the Company with effect from October 28, 2002 due to their other preoccupations. The Board placed on record its appreciation of the valuable services rendered by both Mr. Bhavesh Goradia and Mrs. Jaya Parasher during their respective tenure as Directors of the Company.

Mr. Dilip R. Kanakiya and Mr. Amit C. Hakani were appointed as Additional Directors of the Company with effect from October 26, 2002. Mr. Vijay P. Chauhan was also appointed as an Additional Director w.e.f. 28 May, 2003. Pursuant to Section 260 of the Companies Act, 1956, they retire at the conclusion of the ensuing Annual General Meeting. The Company has received notices in writing under Section 257 of the Companies Act, 1956, along with the requisite deposits proposing their respective candidatures for the offices of Director of the Company. Your Directors recommend their appointments as Directors vide resolution no. 3, 4 and 5 of the notice of the Tenth Annual General Meeting respectively.

### 7. AUDITORS

M/s. D. Burman & Associates, Chartered Accountants retire at the conclusion of the Annual General Meeting. They have indicated their willingness to continue as Auditors if re-appointed. The Company has received a certificate from them to the effect that their appointment, if made, will be within the prescribed limits under section 224(1B) of the Companies Act, 1956. Members are requested to appoint Auditors and fix their remuneration.

### 8. DEPOSITORY SYSTEMS

Your Company has entered into an arrangement with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of your Company's Securities in accordance with the provisions of the Depositories Act 1995, which are now fully operational and members may avail of such facilities. With this, the Members have

**10th Annual Report 2002-2003**

the option /discretion to hold their Demat shares in the Company through the National Securities Depository Limited or the Central Depository Services (India) Limited.

**9. CORPORATE GOVERNANCE**

The Company has complied with all the recommendations of the Corporate Governance Code as provided in Clause 49 of the Listing Agreement. A Report on Corporate Governance is given as Annexure to this Report.

**10. DIRECTORS RESPONSIBILITY STATEMENT**

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors' confirm that:-

- (i) In the preparation of the annual accounts for the financial year ended 31 March 2003, the applicable accounting standards have been followed.
- (ii) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2003 and of the profit or loss of the Company for the year ended 31st March, 2003.
- (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.
- (iv) The Directors have prepared the annual accounts for the year under review on a going concern basis.

**11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO**  
under section 217(1)(e) of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.**a) CONSERVATION OF ENERGY:**

Since the Company has not undertaken any business during the year, hence there is no question of energy conservation.

**b) TECHNOLOGY ABSORPTION:**

No technology has been developed, as the company is yet to set-up its R & D facility. No Technology has also been imported by way of foreign collaboration.

**c) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year the Company has not incurred any expenditure in foreign currency neither the Company has earned any foreign exchange income.

**12. ACKNOWLEDGMENTS**

Your Directors wish to place on record its appreciation of the employees, Banks, Merchant Bankers, Stock Exchange Authorities, SEBI, Government and Semi- Government Bodies of the Central and State Government for their able guidance and support.

**For & on behalf of the Board**

Sd/-

**Rajesh B. Mulani**

Whole-time Director

**Place :** Baroda  
**Date :** 20.05.2003