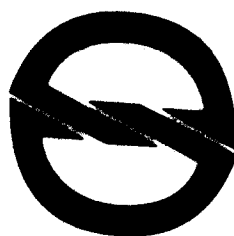


11th Annual Report 2003-2004

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YOGI SUNG-WON (INDIA) LTD.

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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 Eleventh Annual General Meeting of the Members of Yogi Sung Won (India) Limited will be held on Monday, the 20th day of September 2004 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 2004, the Profit & Loss Account for the year ended on that date together with Reports of the Board of Directors and Auditors thereon.
2. To re-appoint a Director in place of Mr. Dilip Kanakiya who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. D. Burman & Associates, Chartered Accountants, the retiring Auditors, being eligible, offer themselves for reappointment.

Special Business:

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

"RESOLVED THAT subject to such consents, permissions or sanctions as may be required from any authority, statutory or otherwise, particularly from the Securities Exchange Board of India (SEBI) and pursuant to Section 61 and all other applicable provisions of the Companies Act, 1956 and Guidelines, Rules framed by SEBI in this regard, the Board of Directors of the company be and is hereby authorised to seek Voluntary Delisting of its Equity Shares listed at the **Vadodara Stock Exchange Limited** at Vadodara and **Ahmedabad Stock Exchange Limited**, at Ahmedabad and for that matter to apply the Vadodara Stock Exchange & Ahmedabad Stock Exchange, respectively, and/ or other concerned authority(ies) for Voluntary Delisting of the Equity Shares from the said Stock Exchange.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to settle all questions, difficulties or doubts as may arise, with regard to the Voluntary Delisting of Shares, as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorised to take all necessary steps in this regard in order to comply with the legal and procedural formalities and further to authorise any of the Committee or Director(s) or officers of the Company to do all such acts, deeds or things, as may be necessary, to give effect to this resolution."

5. **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 16th June, 2004 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 Wednesday, 15th September, 2004 to Monday, 20th September, 2004 (both days inclusive) in connection with the Annual General Meeting.

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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) Limited)
17-B, Dena Bank Building, 2nd Floor,
Horniman Circle, Fort,
Mumbai- 400 001
Tel: (022) 22702485, Fax: (022) 22641349
Contact Person: Mr. T. Sashikumar

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

Place : Baroda
Date : 31st July, 2004

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

Rajesh B. Mulani
Whole-Time Director

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 31st July 2004

Item No. 4:

The members are aware that the Equity Shares of the Company are listed with the Stock Exchanges at Vadodara, Ahmedabad and Mumbai. (Stock Exchange Mumbai being the stock Exchange having nation wide trading terminals.). It is proposed that the Company shall seek voluntary Delisting of its Equity Shares from Vadodara & Ahmedabad Stock Exchanges and continue to be listed on the Stock Exchange, Mumbai, on account of the following reasons:

1. There is no/negligible trading of the Equity Shares of the Company at the said Stock Exchanges.
2. There is negligible number of shareholders in whole of the region.
3. The Voluntary Delisting will reduce the paper work and multiple-exchange compliances, as it will not be required to deal with these stock Exchanges after delisting.

Further at the time of the Public Issue of the Company in terms of the prospectus it was tended to provide easy liquidity to the prospective investors. However, there is no/negligible trading at Vadodara & Ahmedabad Stock Exchanges and number of Shareholders is negligible from the region falling under the jurisdiction of the Stock Exchanges at Vadodara & Ahmedabad. Moreover, within the advent of electronic transactions, an investor can buy/sell his securities in any of the exchanges in the country without any problem. Hence it is desirable to delist shares from Vadodara & Ahmedabad Stock Exchanges.

The Board of Directors has decided to seek Voluntary Delisting of the Equity Shares of the Company listed at the said Stock Exchange. The Board therefore, proposes the resolution as set out in item No. 4 of this Notice for the approval as a Special Resolution read with the provisions of the Section 61 and other applicable provision of the Companies act, 1956 and pursuant to the guidelines issued /Rules framed by SEBI in this regard.

The Directors commend the resolution for acceptance.

None of the Directors are interested or concerned in the in the above resolution.

Item No. 5:

Your Directors informed that appointment of Mr. Rajesh B. Mulani as Whole-time Director have been extended in the Board Meeting dated 30 June 2004 by further period of one year from 16 June 2004 (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 or concerned in the above resolution.

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

Place : Baroda
Date : 31st July, 2004

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

Rajesh B. Mulani
Whole-Time Director



Yogi Sung-Won (India) Ltd.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Eleventh Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the year ended March 31, 2004.

1. FINANCIAL RESULTS:

(All Rs. In Lacs)

Particulars	Year Ended 31 March 2004	Year Ended 31 March 2003
Profit before Depreciation	(9.63)	(46.50)
Less: Depreciation	1.02	1.31
Profit Before Tax	(10.65)	(47.81)
Less: Brought forward loss of previous year	(209.78)	54.13
Less: Loss on Lease Assets	—	107.84
Less: Extra Ordinary Items	(111.24)	—
Less: Provision for Taxation	0.02	—
Profit After Tax	(331.69)	(209.78)

2. COMPANY'S BUSINESS GROWTH AND PROSPECTS

In spite of the global and national economic recovery gaining strength, your company has incurred heavy loss during the year under review. Boards of Directors express their full confidence on the management and with favorable economic condition, your company is positive to do lucrative business in the financial year 2004-05.

3. DIVIDEND

In the view of the accumulated losses your Directors regret their inability to recommend any dividend on the equity shares of the company for the year ended 31st March 2004.

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

In terms of the provisions of the Articles of Association of the company read with the provisions of the Companies Act, 1956 Mr. Dilip Kanakiya is liable to retire at the forthcoming 11th Annual General Meeting and being eligible, offers himself for re-appointment.

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. AUDITORS' REPORT:

The observations made in the Auditors' Report are self explanatory from the notes on the Accounts and therefore, do not call for any specific comments.

9. DEPOSITORY SYSTEMS

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

11th Annual Report 2003-2004**10. LISTING OF SECURITIES**

The Equity shares of the Company are listed at the Stock Exchange, Mumbai, Vadodara Stock Exchange and Ahmedabad Stock Exchange. The company has duly paid the annual listing fees for the year 2004-2005 to all the Exchanges.

Further, the company intends to get voluntarily delisted from the Vadodara Stock Exchange & Ahmedabad Stock Exchange as there is no/negligible trading of the Equity shares of the company at the said stock Exchanges.

The voluntary delisting will reduce the paper work and multiple-exchange compliances and cost. As the shares of the company will continue to be listed on the Stock Exchange, Mumbai, which is the stock exchange having nation wide terminal, an investor can buy/sell his securities without any problem.

Therefore, your directors put the resolution for voluntary delisting from the Vadodara stock Exchange & Ahmedabad Stock Exchange as set out in the notice for the approval of the shareholders.

11. 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.

12. MANAGEMENT DISCUSSION & ANALYSIS

As the company has incurred heavy losses and it is in the process of reviving itself with the favorable economic conditions in the financial year 2004-2005, your directors look forward for better prospects in the near future.

13. 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 2004, the applicable accounting standards have been followed.
- (ii) 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 as on 31st March 2004 and of the profit or loss of the Company for the year ended 31st March, 2004.
- (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 Act, 1956 read with 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, 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 for the wholehearted and sincere co-operation and able guidance and support, the company received from all concerned including, Banks, Stock Exchange Authorities, SEBI, Government and Semi- Government Bodies of the Central and State Government.

Your directors also wish to place on record their appreciation for the good efforts put in by the employees of the Company and for the unstinted support extended by the shareholders.

For & on behalf of the Board

Place : Baroda
Date : 31st July, 2004

Rajesh B. Mulani
Whole-time Director