

**49<sup>th</sup>**  
**ANNUAL REPORT**  
**2002 - 2003**

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**THE YAMUNA SYNDICATE LIMITED**

## **THE YAMUNA SYNDICATE LIMITED**

Regd. Office : YAMUNA NAGAR - 135 001 (HARYANA)

### **BOARD OF DIRECTORS :**

1. **Mr. Ranjit Puri**  
CHAIRMAN
2. **Mr. Aditya Puri**  
MANAGING DIRECTOR
3. **Mr. Dina Nath**  
DIRECTOR
4. **Mr. K.K. Vij**  
DIRECTOR
5. **Mr. Man Mohan Singh**  
DIRECTOR
6. **Lt. Gen. (Retd.) L.N. Budhraja**  
DIRECTOR
7. **Mr. Vinod K. Nagpal**  
DIRECTOR
8. **Mr. Romesh Malhan**  
DIRECTOR
9. **Mr. D.D. Sharma**  
DIRECTOR

### **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**

## THE YAMUNA SYNDICATE LIMITED

## DIRECTORS' REPORT

To Members :

The Directors hereby present their 49th Annual Report together with the audited accounts for the year ended 31st March, 2003 :-

### 1. FINANCIAL RESULTS :

The Financial results are as under :

(Amount in Rs.)

Net Profit for the year		69,84,302
Less : Provision for taxation :		
- Current Tax	26,00,000	
- Deferred Tax	38,560	26,38,560
Net Profit after tax		43,45,742
Excess provision for taxation relating to earlier years written back		1,27,720
		44,73,462
Less :		
- Transfer to General Reserve	4,39,000	
- Proposed Dividend @ 12.5%	26,45,600	
- Dividend Tax	3,38,968	34,23,568
Balance carried forward to Profit & Loss A/c.		10,49,894

### 2. DIVIDEND :

The Directors are pleased to recommend a dividend @12.5 %.

### 3. OPERATIONS :

The market for tractors was depressed and your company's sales were also lower. Despite this, the profits are higher because of control on expenses and improvement in operational efficiency.

The tractor business is likely to remain depressed during the current year.

Your Company has recently taken up the Distributorship of Castrol Lubricants for Panipat & Sonapat Districts in Haryana and Kangra, Una, Hamirpur & Chamba Districts in Himachal Pradesh.

Agricultural Farm taken on lease by the company was acquired by the Government under court orders.

### 4. DIRECTORS :

Lala Dina Nath, Lt. Gen. (Retd.) L.N. Budhraj and Mr. D.D. Sharma, Directors of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

### 5. 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.

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

The particulars relating to conservation of energy and technology absorption are not applicable since the Company is mainly engaged in trading activity.

There is no foreign exchange earnings and outgo.

**7. 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.

**8. FIXED DEPOSITS :**

As on 31.03.2003, 17(Seventeen) Fixed Deposit Receipts amounting to Rs.1,95,000/- matured and remained unclaimed during the year under report.

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

The Directors state :

- i) that in the preparation of the annual accounts for the year ended March 31, 2003, the applicable accounting standards had been followed alongwith 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, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- iv) that the Directors had prepared the annual accounts on a going concern basis.

**10. ACKNOWLEDGEMENTS :**

The Directors place on record their appreciation for the valuable services rendered by Mr. Aditya Puri, Managing Director. They also appreciate the hard work and services of the staff and workmen during the year under report.

By Order of the Board

sd/-

(RANJIT PURI)  
Chairman

Dated : 19.06.2003  
Place : NOIDA (U.P.)

**REPORT OF THE AUDITORS TO THE MEMBERS**

We have audited the attached Balance Sheet of The Yamuna Syndicate Limited, Yamuna Nagar as at 31st March, 2003 and also the Profit and Loss Account for the year ended on that date annexed thereto in which are incorporated the accounts of the branches not visited by us but checked by us, and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express our opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

As required by Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we report a statement on the matters specified in paragraph '4' and '5' of the said order:

1. The Company has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets. The Management has certified that it has conducted a physical verification of the fixed assets during the year and no serious discrepancies have been noticed on such verification.
2. None of the Fixed Assets have been revalued during the year.
3. Physical verification has been conducted by the Management during the year in respect of stock of goods, major items of stores and spares. In our opinion, the frequency of verification is reasonable.
4. The procedure of physical verification of stocks followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks as compared to books and records, which in our opinion, were not material, have been properly dealt within the books of accounts.
6. In our opinion, the valuation of the stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has not taken any loans, secured or unsecured, from companies or firms as listed in the Register maintained under Section 301 of the Companies Act, 1956. In respect of loan taken from a Company under the same management as defined under Sub-section (I-B) of the Section 370 of the Companies Act, 1956 and loan from other parties, as listed in the Register maintained under Section 301 of the Companies Act, 1956, we are of the opinion that the rate of interest, terms and conditions of such loans are not prima facie prejudicial to the interest of the Company. In terms of Sub-section (6) of Section 370 of the Companies Act, 1956, provisions of Section 370 are not applicable to a company on and after 31st October, 1998.

8. The Company has not granted any loans, secured or unsecured, to companies, firms or to other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. In respect of amount due from a company under the same management as defined under Sub-section (1-B) of Section 370 of the Companies Act, 1956, the terms and conditions of such outstanding amount are not prima-facie prejudicial to the interest of the Company. In terms of Sub-section (6) of Section 370 of the Companies Act, 1956, provisions of Section 370 are not applicable to a company on and after 31st October, 1998.
9. Loans or advances in the nature of loans have been given to employees and other parties in the ordinary course, who are (barring some advances to employees and parties including amount due from ex-employees in respect of which reasonable steps are being taken for recovery/settlement of their accounts) repaying the principal amounts as stipulated and also are regular in payment of interest wherever applicable.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, materials including components, plant and machinery, equipments and other assets, and for sale of goods.
11. In our opinion and according to the information and explanations given to us, the transactions of (there being no purchase of goods and materials) sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.
12. As explained to us, unserviceable or damaged stores, materials or goods have been determined by the Company and properly dealt within the books of accounts.
13. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
14. In our opinion, reasonable records have been maintained by the Company for the sale and disposal of realisable scraps. As explained, the Company does not have any by-product.
15. In our opinion, the Company has an Internal Audit System commensurate with its size and nature of the Company's business.
16. Maintenance of cost records has not been prescribed to the Company by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
17. According to the records of the Company, Provident Fund and Employees' State Insurance dues have been regularly deposited during the year with the appropriate authorities.
18. According to the information and explanations given to us, there are no undisputed amounts payable in