

YARN SYNDICATE LIMITED

BOARD OF DIRECTORS

SMT. SHEELA PATODIA, Chairperson & Managing Director

SRI RISHIRAJ PATODIA, Joint Managing Director

SRI DEVENDRA JHUNJHUNWALA

SRI KISHORE CHHABRIA

BANKERS

CANARA BANK

Overseas Branch

2/1, Russel Street, Kolkata - 700 071

AUDITORS

LODHA & CO.

Chartered Accountants

14, Government Place East, Kolkata - 700 069

REGISTERED OFFICE

86/2/4, S. N. Banerjee Road, 1st Floor, Flat No. 2
Kolkata - 700 014

NOTICE OF THE 68TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty-Eighth Annual General Meeting of the Members of the Company will be held at the Orchid Hotel & Restaurant, 123/1, G P Road, Barrackpore, Kolkata - 700120 on Friday, the 26th day of September, 2014 at 10.00 A.M. to transact the following business:

AS ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended on that date together with the Auditors' and the Directors' Reports thereon.
2. To appoint a Director in place of Sri Devendra Kumar Jhunjhunwala (holding DIN No.: 00276938), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Lodha & Co., Chartered Accountants (ICAI Registration No.: 301051E) as Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT, in supersession of the Ordinary Resolution adopted under section 293(1)(d) of the Companies Act, 1956 in the Extraordinary General Meeting held on 19th March 1991, and pursuant to Section 180(1) (c) and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of paid-up share capital and Free Reserves of the company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 50 crores (Rupees Fifty Crores) over and above the aggregate of paid up share capital and Free Reserves of the company."

Registered Office :

86/2/4, S N Banerjee Road,
Kolkata - 700 014

Dated : The 30th day of May, 2014

By order of the Board

For YARN SYNDICATE LIMITED

BIKASH CHANDRA CHATTERJI
COMPANY SECRETARY

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/herself and such proxy need not be a member of the Company. Proxies in order to be valid must be received by the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and the Share Transfer Books shall remain closed from 24th September 2014 to 26th September, 2014 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.

REQUEST TO THE MEMBERS :

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company atleast 7 (seven) days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. Members are requested to inform immediately of any change in their address to the Company's Share Transfer Agent.
4. All communications relating to shares are to be addressed to the Company's Share Transfer Agent, 'M/s R & D Infotech Pvt. Ltd., 7A, Beltala Road, 1st Floor, Kolkata-700026.'
5. As the Members are aware, your Company's shares are tradable compulsorily in electronic form and in view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation.
6. The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies vide circular dated April 21, 2011 in terms of which a company would have ensured compliance with the provisions of Section 53 of the Act, if service of documents have been made through electronic mode. In such a case, the company has to obtain email addresses of its members for sending e notices / documents electronically by giving an advance opportunity to the members to register their email addresses and changes therein, if any from time to time with the company. Accordingly, documents such as notices for general meetings, Financial Statements, Annual Reports for the year etc. can be sent in electronic form, to the email addresses of those members as available in the Register of Members of the Company. In case a shareholder desires to receive the documents stated above in either physical form or electronic form, they are to convey their preferences to the company.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical Form can submit their PAN details to the company.

8. Voting through electronic means**Process for Members opting for e-voting is as under:**

In compliance with the provisions of Section 108 of the new Act and the relevant Rules framed thereunder, the Members are provided with the facility to exercise their vote at the 68th AGM by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Ltd. (NSDL).

The instructions for e-voting are as under:

- A. **In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories):-**
 - i. Open the e-mail and also open PDF file namely "YSL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder – Login.

- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of YARN SYNDICATE Limited which is 101119. Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.

Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutineer through e-mail to sweetypapoor53@rediffmail.com with a copy marked to evoting@nsdl.co.in.

- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at downloads section of www.evoting.nsdl.com.

B. In case a Member receives physical copy of Notice of AGM (for Members whose email addresses are not registered with the Company / Depositories):-

- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) Above, to cast vote.

C. Other Instructions:-

- i. The e-voting period commences on Saturday, 20th September, 2014 (9.30 a.m. 1ST) and ends on Monday, 22nd September, 2014 (5.30 p.m. 1ST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd August, 2014 and as per the Register of Members of the Company.
- iii. Ms. Sweety Kapoor, Practising Company Secretary has been appointed as the Scrutineer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutineer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutineer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutineer appointed by the Board of Directors of the Company, at R&D Infotech Pvt. Ltd. 1st Floor, 7A, Beltala Road, Kolkata – 700 026 in the enclosed postage pre-paid self-addressed envelope, not later than Monday, 22nd September, 2014 (5.30 p.m. IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted. The duly completed Ballot Form should reach the Scrutineer not later than Monday, 22nd September, 2014 (5.30 p.m. IST). Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e., either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- vi. The results declared along with the Scrutineer's Report shall be placed on the Company's website www.yarnsyndicate.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 68th AGM of the Company on Friday, 26th September, 2014 and communicated to the BSE Limited, where the shares of the Company are listed.

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT

(in pursuance of Clause 49 of the Listing Agreement)

(1)

1. Name : Shri Devendra K. Jhunjhunwala
2. Date of Birth : 27.09.1952
3. Date of Appointment : 01.04.2002
4. Qualifications : B.Com.
5. Expertise in Specific functional area : Business.
6. Chairman/Director of other Companies : Directorships:
 1. Swastic Heights Private Limited
 2. Swastic Habitat Private Limited
 3. Narayani Fabricators & Engineers Private Limited.

Chairman/Member of Committees of the Board of Companies of which he is a Director:

<u>Name of Company</u>	<u>Committee Type</u>	<u>Membership Status</u>
Yarn Syndicate Ltd.	Audit Committee	Member
Yarn Syndicate Ltd.	Remuneration Committee	Member
Yarn Syndicate Ltd.	Share Transfer & Grievance Committee	Member

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 4**

The members of the Company at their Extra-ordinary General Meeting held on 19th March, 1991 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 50 Crores (Rupees fifty crores).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 4 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 50 Crores (Rupees Fifty crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Registered Office :
86/2/4, S. N. Banerjee Road,
Kolkata - 700 014

Dated : The 30th day of May, 2014.

By order of the Board
For YARN SYNDICATE LIMITED

BIKASH CHANDRA CHATTERJI
COMPANY SECRETARY

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

Your Directors have pleasure in submitting their 68th Annual Report of the Company together with the Audited Accounts for the Year ended on 31st March, 2014.

FINANCIAL RESULTS :

	2013-2014 Rs. in Thousand	2012-2013 Rs. in Thousand
Export Sales	10947	16716
Domestic Sales	20380	-
	<u>31327</u>	<u>16716</u>
Profit/(Loss) before Interest & Depreciation	(9476)	(8468)
Less: Interest	898	1716
Depreciation	<u>3179</u>	<u>4172</u>
	<u>4077</u>	<u>5888</u>
	(13553)	(14356)
Add: Exceptional item-profit on sale of one Of the office premises of the company	<u>16889</u>	<u>----</u>
Profit/(Loss) before Tax	3336	(14356)
Less: Deferred Tax Charge/(Credit)	<u>(275)</u>	<u>(5)</u>
Profit/(Loss) after Tax	3611	(14351)
Add: Balance brought from last year	<u>(50692)</u>	<u>(36342)</u>
Balance carried forward to next year	<u>(47080)</u>	<u>(50692)</u>

DIVIDEND :

Your Directors do not recommend dividend on Equity Shares for the Financial Year ended 31st March, 2014.

PERFORMANCE REVIEW :

During the financial year under review, the Company's export performance has suffered mainly due to the extremely competitive market conditions in the export market and rigid price of cotton yarn in India. The company is also marketing other products like bags used in Hotel industry. We are also exploring the market for designer jewellery.

The company has continued to explore newer markets for yarn and other products and at the same time maintaining its excellent business relations with its existing customers in order to remain competitive in the export business. The export sales have decreased to Rs. 109.47 lakhs during the year 2013-14 as compared to Rs. 167.16 lakhs during the previous year. The company also had domestic sales of Rs. 203.80 lakhs for the year 2013-14. The company hopes that the overall market conditions will be favorable this year.

PARTICULARS OF EMPLOYEES :

Your company did not employ any person whose particulars are required to be attached to this Report under Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014.

DIRECTORS :

Shri Devendra Kumar Jhunjhunwala, Director of the Company retires by rotation and is eligible for re-appointment. During the year, Shri Sita Ram Saraf resigned as a Director and Committees Member of the company. The company thanks him and appreciates the long and useful service rendered by him during his long tenure as an independent director and Chairman-member of three committees.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to

Directors' Responsibility Statement, it is hereby confirmed:

- that in the preparation of the Annual Accounts for the financial year ended 31st March, 2014, the applicable accounting standards had been followed;
- 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 the year under review;
- 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 & Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

CORPORATE GOVERNANCE :

A Report on Corporate Governance and Management Discussion and Analysis as required under Clause 49 of the Listing Agreement is attached.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 issued under Section 217(1)(e) of the Companies Act, 1956, your Directors have to state that the particulars in respect of Energy Conservation and Technology Absorption are not applicable to your Company. As regards the Foreign Exchange earning and outgo, your Directors have to state that the relevant figures are given in Note 31 annexed to the Audited Accounts.

The Company's activity of export is in the line of cotton yarn, other types of yarn and textiles. Your Directors plan to continue their initiatives in order to further increase the export turnover and are exploring possibilities for the export of other types of products as well.

AUDITORS' OBSERVATIONS:

In respect of the reference to the Notes on Accounts in the Auditors Report, your Directors have to state that the same are self-explanatory and do not need further clarification.

AUDITORS:

M/s. Lodha & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

ACKNOWLEDGEMENTS:

The Board is grateful to Canara Bank for their continued co-operation and timely assistance as and when required. The Board is grateful to the Reserve Bank of India, State Bank of India, Park Circus Branch and Taltala Branch, HDFC Bank, Dr.U.N.Brahmachari Street Branch, The Cotton Textiles Export Promotion Council, Textile Committee, Export Credit Guarantee Corporation of India Ltd, Collector of Central Excise, Director General of Foreign Trade, New Delhi, Joint Director General of Foreign Trade, Kolkata, Registrar of Companies, the Federation of Indian Export Organizations, The Commercial Tax Office, Kolkata and other institutions for their kind co-operation in day to day activities of the Company. Your Directors are thankful to all the executives and staff members of the Company for their wholehearted co-operation.

Registered Office :

86/2/4, S N Banerjee Road,
Kolkata - 700 014

By order of the Board

For YARN SYNDICATE LIMITED

SHEELA PATODIA

CHAIRPERSON & MANAGING DIRECTOR

Dated : The 30th day of May, 2014

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy of Corporate Governance ensures that Company's business strategy and plans take care of the welfare of all its stakeholders while at the same time maximizing shareholders' value on a sustained basis. The Company's Board of Directors, management and employees consistently envisage attainment of the highest level of transparency, integrity and equity in all facets of the operations of the Company and also interactions with its stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors consists at present of 4 Directors.

COMPOSITION, CATEGORY AND DIRECTORSHIP IN OTHER COMPANIES

Name of Director	Promoter Executive/ Non-executive Independent	Member of Board of Other Companies including Pvt. Ltd. Cos.	Total No. of Committee Membership held	
			As Chairperson/ Chairman	As Member
Smt. Sheela Patodia (Chairperson & Managing Director)	Promoter / Executive	1	–	1
Shri Rishiraj Patodia (Joint Managing Director)	Executive	1	–	2
Shri S. R. Saraf (Resigned w.e.f 13th November, 2013)	Independent/ Non-executive	3	3	–
Shri D. K. Jhunjhunwala	Independent/ Non-executive	3	–	3
Shri Kishore Chhabria (succeeded Mr. Saraf as Committees' Chairman)	Independent/ Non-executive	1	3	–

BOARD, ANNUAL GENERAL MEETING & ATTENDANCE :

5 (five) Board Meetings were held during the year. The Board Meetings were held on 30th May 2013, 20th June 2013, 14th August 2013, 13th November 2013 and 7th February 2014.

The Board has met at least once in every 3 (three) calendar months.

The Annual General Meeting was held on 20th September, 2013.

Director	No. of Board Meeting		Attended last AGM
	Held	Attended	
Smt. Sheela Patodia	5	5	No
Shri Rishiraj Patodia	5	5	Yes
Shri S. R. Saraf (resigned w.e.f 13.11.2013)	5	–	No
Shri D. K. Jhunjhunwala	5	–	No
Shri Kishore Chhabria	5	–	No

AUDIT COMMITTEE

The broad terms of reference of the Audit Committee are given hereunder:

- It shall oversee that Company's financial reporting process and the disclosure of its financial information and ensure that financial statements are correct, sufficient and credible.
- It shall recommend the appointment and removal of external auditor, fix the audit fee and also approve payment for any other services.
- It shall review with management the annual, half-yearly and quarterly financial statements in all respects.
- It shall review with management and statutory auditors the adequacy of internal control systems and internal audit functions.
- Discuss with external auditors before the audit commences nature and scope of audit as well have post-audit discussion to ascertain any area of concern.
- Review the company's financial and risk management policies.

COMPOSITION, NAME OF MEMBERS AND CHAIRMAN :

The Audit Committee was formed pursuant to a resolution passed at the Meeting of the Board of Directors of the Company held on 30th October, 2002. Audit Committee Meetings were held on 29th May 2013, 13th August 2013, 12th November 2013 and 6th February 2014. The composition of the Audit Committee meets the requirements of Clause 49 of the Listing Agreement.

MEMBERS OF THE AUDIT COMMITTEE

Name of the Member	Status	Meetings held	Meetings Attended
Chairman & Independent Director (upto 13.11.2013)	Sri S. R. Saraf	4	3
Member & Independent Director	Sri D. K. Jhunjhunwala	4	4
Member & Executive Director	Sri Rishiraj Patodia	4	1
Chairman & Independent Director (Succeeded Mr. Saraf)	Sri K B Chhabria	4	1

3. REMUNERATION COMMITTEE :

The Remuneration Committee was formed pursuant to a resolution passed at the Meeting of the Board of Directors of the Company held on 30th October, 2002.

The broad terms of reference and policy of the Remuneration Committee are given hereunder:

The Committee while approving the remuneration shall –

- take into account, financial position of the Company, trend in the industry, appointee's qualifications, experience, past performance, past remuneration etc.
- be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.
- ensure that the Company should not have made any default in repayment of any of its debts (including public deposits) or debentures for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial personnel.

Members of the Remuneration Committee :

Chairman & Independent Director : Sri S. R. Saraf (upto 13.11.2013)

Member & Independent Director : Sri D. K. Jhunjhunwala

Member & Executive Director : Sri Rishiraj Patodia

Chairman & Independent Director : Sri K B Chhabria (Succeeded Mr. Saraf)

A Remuneration Committee meeting was held 6th February 2014 to appoint Sri K B Chhabria as the Committee Chairman.

Details of remuneration paid to the Directors for the year :

The aggregate of salary and perquisites paid for the year ended 31st March, 2014 to the Directors were as follows:

Smt. Sheela Patodia : Rs. 8,23,976/-

Sri Rishiraj Patodia : Rs. 3,00,000/-

Sitting fees to Directors of the Board or any Committee thereof has been waived at the Meeting of the Board of Directors held on 27th July 2001.

4. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

The Investors' Grievance Committee of the company, under the nomenclature "Share Transfer-cum-Grievance Committee" approves transfer and transmission, duplicate, sub-division, consolidation and replacement of shares and other related matters and to deal with complaints regarding transfer of shares, non-receipt of balance sheet and non-receipt of dividend. The Committee also oversees the performance of Share Transfer Agents and recommends measures for overall improvement in the quality of investor services.

Sri S. R. Saraf was the Chairman and headed the Committee upto 13.11.2013. Thereafter Sri K B Chhabria became the Chairman of the Committee. Smt. Sheela Patodia and Sri D. K. Jhunjhunwala are the other members of the Committee. Sri Bikash Chandra Chatterji, Company Secretary is the Compliance Officer.

The Company has received 4 complaints as on 31.03.2014 and all of them have been resolved.

There were no shares pending for transfer as on 31.03.2014 and all the transfers have been approved by the Share Transfer-cum-Grievance Committee of the Company.

5. GENERAL BODY MEETINGS :

A. Location and time for last three Annual General Meetings were :

FINANCIAL YEAR	DATE	VENUE	TIME
31 ST MARCH, 2011	23.09.2011	HOTEL AKASH DEEP 48, CIRCUS AVENUE, KOLKATA - 700 017.	10.00 A.M.
31 ST MARCH, 2012	21.09.2012	—DO—	10.00 A.M.
31 ST MARCH, 2013	20.09.2013	—DO—	12.00 P.M.

B. Special Resolution at the last three Annual General Meetings :

- At the Sixty-fifth Annual General Meeting held on 23rd September 2011, special resolution was passed for appointment of Sri Rishiraj Patodia as Joint Managing Director.
- At the Sixty-sixth Annual General Meeting held on 21st September 2012, no special resolution was passed.
- At the Sixty-seventh Annual General Meeting held on 20th September 2013, no special resolution was passed.

No resolution was put through Postal Ballot.

6. DISCLOSURES :

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large:

During the year, the Company had not entered into any transaction of a material nature with any of the related parties, which were in conflict with the interests of the Company.

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

None.

Risk Management: A systematic risk procedure is in place through appropriate internal control and checks and balances.

Compliance with Mandatory/Non-mandatory requirements:

The Company has complied with all the mandatory requirements of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement. As regards adoption of non-mandatory requirements of this clause, a Remuneration Committee of the Directors, as detailed hereinabove, is already in existence. Furthermore, the Company is making all possible effort to move towards a regime of unqualified financial statements.

7. CEO & COMPANY SECRETARY CERTIFICATION :

The Chairperson & Managing Director and Company Secretary have certified to the Board that: We have reviewed financial statements and the cash flow statement for the year 2013-14 and that to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2013-14 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee, wherever applicable:
- significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

8. SECRETARIAL AUDIT :

A qualified practicing Chartered Accountant carried out Quarterly Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of shares in dematerialized form held with NSDL and CDSL.

9. MEANS OF COMMUNICATIONS :

- Half yearly results sent to each household of Shareholders. Although half-yearly report is not sent to each household of shareholders, the Company published the same in "Financial Express" and "Arthik Lipi".
- Quarterly Results The quarterly results published in the proforma prescribed under the Listing Agreement are approved and taken on record within 45 days of the close of the relevant quarter. The approved results are notified forth with to the concerned Stock Exchange. Financial Express (English newspaper), Arthik Lipi (Bengali newspaper).
- which newspaper normally published in The above said results and the Shareholding Pattern used to be uploaded in the website of EDIFAR system under SEBI, periodically. The system has been discontinued and as per current requirement, a soft copy of Annual Report in single PDF file has been uploaded to the Exchange's website.
- any Website, where displayed.
- whether it displays Official news releases No
- whether presentation made to Institutional investors or to analyst. No
- whether Management Discussion and Analysis Report is a part of Annual Report or not Management Discussion and Analysis Report is a part of Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION :

	DATE	TIME	VENUE
a)	A.G.M. 26th September, 2014	10.00 A.M.	ORCHID HOTEL & RESTAURANT 123/1, G. P. ROAD, BARRACKPORE KOLKATA 700 120.
b)	Financial Calendar (tentative)	:	2014 – 2015
	i) Financial Year	:	April – March
	ii) First Quarter Results	:	August, 2014
	iii) Second Quarter Results	:	November, 2014
	iv) Third Quarter Results	:	February, 2015
	v) Audited Results for the year ending 31/03/2015	:	May, 2015
c)	Date of Book Closure	:	24th September, 2014 to 26th September, 2014 (both days inclusive)
d)	Dividend payment date	:	Not applicable
e)	Listing of Equity Shares on	:	Mumbai Stock Exchange
	(i) Annual Listing Fees for the year 2014-15 (as applicable) has been paid to the Bombay Stock Exchange Ltd., Mumbai		
	(ii) The Company's equity shares have been delisted from the Stock Exchanges at Ahmedabad, Chennai, Coimbatore and Kolkata.		
f)	(i) Stock Code	:	Scrip Code No. : 514378
	The Bombay Stock Exchange Ltd.	:	Trading Symbol : YARN SYNDICT
	(ii) Demat ISIN Nos. in NSDL	:	INE 564C01013
	and CDSL for equity shares.		

g) Stock Market Data :

Month	THE STOCK EXCHANGE, MUMBAI		
	Month's High Prices	Month's Low Prices	Closing BSE Sensex
April, 2013	2.50	2.50	19504.18
May, 2013	2.38	2.38	19760.30
June, 2013	2.80	2.48	19395.81
July, 2013	2.80	2.54	19345.70
August, 2013	2.67	2.41	18619.72
September, 2013	2.53	1.89	19379.77
October, 2013	1.81	1.37	21164.52
November, 2013	1.95	0.98	20791.93
December, 2013	0.99	0.94	21170.68
January, 2014	1.01	0.89	20513.85
February, 2014	-	-	21120.12
March, 2014	1.00	1.00	22386.27