

**18th ANNUAL REPORT
2010-2011**



Yash Management & Satellite Limited



Yash Management & Satellite Ltd.

+BOARD OF DIRECTORS	Shri. Anurag Gupta Shri Vishnu Garg Shri. Satish Gupta Shri. R Gurumurthy
COMPANY SECRETARY	Mr. Prasad Todankar
AUDITORS	M/s. Bansal Bansal & Co. Chartered Accountants
REGISTRAR & SHARE TRANSFER AGENT	Sharex Dynamic India Pvt. Ltd. Unit No. 1, Luthra Industrial premises, 1 st floor, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai 400072. Tel No.: 22641376/22702485 Fax: 22641349
REGISTERED OFFICE	Office No. 303, Morya Landmark-I Opp Infiniti Mall, New Link Road, Andheri (West), Mumbai- 400 053 Tel No. : 67425443 Fax: 67425440

CONTENTS	Page No.
▪ Notice	1
▪ Directors' Report	3
▪ Report on Corporate Governance	7
▪ Auditors' Certificate on Corporate Governance	17
▪ Auditors' Report	18
▪ Balance Sheet	21
▪ Profit & Loss Account	22
▪ Schedule forming part of the Balance Sheet & Profit & Loss A/c	23
▪ Significant accounting Policies & Notes on Accounts	27
▪ Balance Sheet Abstract	31
▪ Cash Flow Statement	32



Yash Management & Satellite Ltd.

Notice

Notice is hereby given that the EIGHTEENTH Annual General Meeting of the members of “YASH MANAGEMENT & SATELLITE LTD.” will be held at Kailash Parbat, 7A/8A, A Wing, Crystal Plaza, New Link Road, Andheri (West), Mumbai- 400 053 on Monday, 22nd August, 2011 at 10.00 A.M. to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2011, and the Audited Profit & Loss Account for the year ended on that date and the Auditors' and Directors' Reports thereon.
2. To appoint a director in place of Mr. R Gurumurthy who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and for this purpose to consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to section 224 of the Companies Act, 1956, M/s Bansal Bansal & Co., Chartered Accountants Mumbai having registration number as 100986W be and are hereby re-appointed as Auditors of the Company to hold office till conclusion of the next Annual General Meeting at remuneration to be decided by the Board of Directors in consultation with them.”

SPECIAL BUSINESS

4. **KEEPING THE REGISTERS/RETURNS/DOCUMENTS AT A PLACE OTHER THAN REGISTERED OFFICE**

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

“Resolved that pursuant to the provision of Section 163 (1) of the Companies Act, 1956 the Register and Index of Members of the company and copies of all the Annual Returns prepared by the company under section 159 of the Companies Act, 1956 together with copies of all certificates and documents required to be annexed thereto under Section 161 or any one or more of them be kept at the office of the Company's Registrar and Share Transfer Agent. Presently the Company's Registrar & Share Transfer Agent is Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial premises, 1st floor, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai 400072.

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 the proxy need not be a member of the Company. Proxy in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.*
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. **Re-appointment of Director:**
Shri. R.Gurumurthy who retires by rotation and being eligible, offers himself for re-appointment.

The information required to be provided under the Listing Agreement in respect of Director being re-appointed is given herein below.



Yash Management & Satellite Ltd.

Shri R. Gurumurthy is a Graduate in Arts and Master in Financial Management, having 21 years of rich experience in Loan Syndication, Bill Discounting, Lease Financing, Corporate Loans, Finance & Management Consultancy.

Directorship in other Companies: International Business Travellers Club Ltd.

4. As a measure to save the cost, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of annual report to the meeting.
5. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to send the same to the Office of the registrar and Transfer Agent of the Company.
6. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries at least seven days before the date of the meeting of the Company so that the information require may be made available at the meeting.
7. Members are requested to bring their Attendance slip sent herewith duly filled for attending the meeting.
8. Members are requested to notify immediately any change in their address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the company or to its Share Transfer Agents M/s Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial premises, 1st floor, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai- 400 072 in respect of their holdings in physical form.
9. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
10. The register of members and the share transfer books will remain closed from Wednesday 17th August 2011 to Monday, 22nd August, 2011 (Both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4

As per section 163(1) of the Companies Act, 1956 certain registers and documents which are required to be kept at the registered office of the Company could be kept at a place other than the registered Office of the Company, provided such other place has been approved by the members by way of Special Resolution. Hence the approval of the members is sought in terms of Section 163(1) of the Companies Act 1956 for keeping the aforementioned registers and documents at the office of the Registrar and Share Transfer Agent as stated in the resolution. Your directors recommend the resolution as proposed in the notice for member's approval.

REGD OFFICE:

Office No. 303, Morya Landmak I
Opp. Infiniti Mall, Off New Link Road,
Andheri (West), Mumbai-400 053

By Order of the Board of Directors

Anurag Gupta
Managing Director

Dated: 24th June 2011



Yash Management & Satellite Ltd.

REPORT OF THE DIRECTORS' AND MANAGEMENT DISCUSSION ANALYSIS

To
The Members,

Your Directors are presenting the EIGHTEENTH Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31st March 2011

FINANCIAL RESULTS

Financial results of the company during the year vis-à-vis previous year are as follows: -

(Rs. In Lacs)

	Year Ended 31.03.2011	Year Ended 31.03.2010
Total Income	1507.66	1427.13
Profit before Depreciation and Tax	1.35	13.90
Less: Depreciation	5.79	5.93
Profit / (Loss) before Tax	(4.44)	7.97
Less: Provision for Income Tax	-	-
Profit/(Loss) after Tax	(4.44)	7.97
Short provision of FBT for earlier years	(0.03)	-
Balance brought forward from previous year	(125.95)	(133.92)
Balance Carried to Balance Sheet	(130.42)	(125.95)

DIVIDEND

In view of brought forward losses, the directors do not recommend any dividend for the year ended 31st March, 2011.

PERFORMANCE

The company had entered the year with a positive node, but due to damp market condition in the later part of the year, the company could not maintain its profitability. Keeping in view the current Indian and International business scenario, the company set to enter into various business activities. Henceforth the company has accorded members consent and passed a special resolution to broad base its business activities into various promising areas. Accordingly, the company has decided to engage into indigenous and international trade along with existing business activities. This will give access to the company to do the business in growth oriented areas which will boost the company's business and profitability as well.

The company is confident that in the long term, opportunities are vast and there will be picking up in the profitability of the company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE & DEVELOPMENT

2010-11 was a year of revival for most of the developed economies. Global gross domestic products recovered significantly during 2010 to 3.9 percent on account of dynamic economic development in emerging markets of Asia and South America, the positive effects of government economic stimulus programs and the restocking of industrial inventories. Other growth impetus resulted from worldwide rise in demand for capital goods and the marked revival of international trade, which particularly allowed export-oriented economies such as Germany and Japan to recover quickly. However developed economic in Europe continued to grapple with higher debts, even as the emerging nations continued to improve their economic clout. In the wake of the crisis, power



Yash Management & Satellite Ltd.

has shifted from the once-unshakable developed world to rapidly growing nations such as India and China, whose consumption power is leading the global recovery.

According to the Economic Survey 2010-11, India's economy was likely to grow by 8.6 percent during 2010-11 on the back of robust agricultural growth, rising output in services sector and stable industrial production. Robust growth and steady fiscal consolidation have been the hallmark of the Indian economy in the year 2011-11 so far. However food inflation, higher commodity prices and volatility in global commodity markets have been a cause of concerns underscoring the need for fiscal consolidation and stronger reserves.

B. OPPORTUNITIES & THREATS

Your company is mainly engaged in the business of Finance and Investment in Capital Market. Your company has now decided to broad base its business activities into many areas. The main focus will be on indigenous and international trade. Business opportunities for Finance Companies are enormous as the new areas and segments are being explored. There is a large scope of small size Finance & Investment Companies like ours, for certain segment of customers, which remain unserved by Banks and large size Investment & Finance Companies. There are immense and vast opportunities into trading business activities as federal governments worldwide taking all steps to do cross business to boost their economies.

The major threat being faced by Investment & Finance Companies are from aggressive marketing of Banks and low rated of financing being offered by them. The trading business normally faces stiff competition and yield low margins.

C. RISKS AND CONCERNS

Company's business and its growth are depend on the GDP growth and inflation data of the country. Any slowdown in the GDP and higher inflation may have negative impact on the business of the company. The company's business may also effect by the general economic trends, including the development in the financial market in which the company has business activity. Short terms returns may vary significantly.

D. OUTLOOK

The company's objective is to create an attractive return from the financial, capital and trading activities. The company still has a sizable amount of liquidity. However results depend on the general economic climate, including financial market trend. Short term returns forecasts involve vary high uncertainty and returns may fluctuate considerably from year to year.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Considering the size and nature of activities, the company has adequate internal control system covering both accounting and administrative control. In addition the internal audit is carried out periodically. The management ensuring an effective internal control system so that the financial statements and reports give a true and fair view.

F. HUMAN RESOURCES

The Company's human resource continues to be the valuable asset of the company. The team has remained as committed as ever and produced results that are considered significant.



Yash Management & Satellite Ltd.

G. CAUTIONARY NOTE

Certain statements in the “Management Discussion and Analysis” section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors’ envisage in terms of future performance and outlook.

CORPORATE GOVERNANCE

As a Listed Company, necessary measures are taken to comply with the Listing Agreements with the Stock Exchanges. A report on the Corporate Governance together with a certificate of compliance from the Auditors, forms part of this report.

PUBLIC DEPOSITS

The company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and/or rules framed there under.

DIRECTOR’S

In accordance with the provision of the Companies Act, 1956, Shri R. Gurumurthy, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

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 annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 loss of the company for the year under review;
- That 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;
- That the directors have prepared the accounts for the financial year ended 31st March 2011 on a ‘going concern’ basis.

STATUTORY AUDITORS

M/s Bansal Bansal & Co., Chartered Accountants Statutory Auditors of the company, having Firm registration no. 100986W retires from the office of the Auditors at the ensuing Annual General Meeting and being eligible have given a certificate in accordance with the provisions of section 224 (1-B) of the Companies Act, 1956. The Board recommends the re-appointment of M/s Bansal Bansal & Co., Chartered Accountants as the Statutory Auditors.



Yash Management & Satellite Ltd.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities are being carried on by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the report of Board of Directors) rules, 1988, concerning conservation of energy and research and development and technology absorption respectively are not applicable to the Company.

FOREIGN EXCHANGE EARNING AND OUTGO

During the year ended 31st March 2011 the company has incurred Foreign Exchange outgo of Rs. 39,40,509/- . Foreign exchange earning Rs. Nil

PARTICULARS OF EMPLOYEES

There is no employee covered pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended.

ACKNOWLEDGEMENT

The Directors takes this opportunity to thanks all its colleagues at Yash Management & Satellite Ltd. for their professionalism and dedication to the task at hand. The board also wishes to place on record its appreciation for valuable support given by the Bankers, Clients and Shareholders.

For and on behalf of the Board of Directors

Anurag Gupta
Managing Director

Mumbai, 24th June 2011



Yash Management & Satellite Ltd.

REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY ON CORPORATE GOVERNANCE CODE

The Board of Directors and Management lay greater emphasis on adopting and practicing Principles of good corporate Governance with a view to achieve business excellence by enhancing long term shareholders value and interest of all its stake holders through sound, business decisions, prudent financial management and high standard of Business ethics.

BOARD OF DIRECTORS

Composition:-

As on 31st March 2011 the Board of Directors comprised of four (4) directors with an Executive Chairman. The number of Independent Non-Executive Directors (NED's) is more than 50% of the total number of Directors. The composition of the Board is in conformity with the requirement of Clause 49 of the Listing Agreement with Stock Exchanges.

Number of Board meetings:-

The Board met 6 (Six) times during the year 2010 - 2011, on 27th April 2010, 29th July 2010, 18th August 2010, 18th October 2010, 28th October 2010, and 9th February 2011. The gap between any two meetings has been less than four months.

All the directors have informed the company periodically about their Directorship and Membership on the Board Committees of other Companies. As per disclosure received from Director(s), none of the Directors hold membership in more than ten (10) Committees and Chairmanship in more than five (5) Committees.

The details of the composition, nature of Directorship, the number of meetings attended and the directorship in other companies of the directors of the company are as follows. This table also signifies the relationship of the Directors with each other as required to be disclosed in terms of Clause 49 of the Listing agreement.

Name of Directors	Nature of Directorship	Relationship with each other	Attendance particulars		No. of Directorship and Committee Membership/ Chairmanship in other Public Companies*		
			Board Meeting	Last AGM	Other Director ships	Committee Member ships	Committee Chairman ships
Anurag Gupta	Managing Director, Executive	Not related to any of the directors	6	Yes	2	Nil	Nil
Vishnu Garg	Non Executive, Independent	***	6	Yes	1	Nil	Nil
R. Gurumurthy	Non Executive, Independent	***	6	Yes	1	Nil	Nil
Satish Gupta	Non Executive, Independent	***	6	Yes	1	Nil	Nil

*** There is no relationship between any of the Independent Directors.



Yash Management & Satellite Ltd.

Notes: Private limited Companies, foreign companies and companies under section 25 of the Companies Act 1956 are excluded above purposes. Only Audit committee and shareholders grievances committee are considered for the purpose of committee positions as per Listing Agreement.

Board Procedure:-

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the company to discharge its responsibility effectively and take informed decision. Where it is not practicable to attach or send the relevant information, the same are tabled at the meeting or / and the presentations are made by the concerned manager to the Board.

The information as specified in Annexure 1A to Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and consideration.

COMMITTEES OF THE BOARD

Audit Committee

Composition

The Audit committees comprises of three (3) Independent Directors. The members of Audit committee are Mr. Vishnu Garg (Chairperson), Mr. R. Gurumurthy and Mr. Satish Gupta, all learned and experts having adequate knowledge in the field of finance.

The composition and terms of reference of Audit Committee are as stipulated in Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

During the financial year 2010-11, five (5) Audit Committee meetings were held as under- 27th April 2010, 29th July 2010, 18th August 2010, 28th October 2010, and 9th February 2011. All the committee members were present at all the meetings.

Power & Terms of Reference:-

The Power and Terms of Reference of the Audit Committee are mentioned in Clause 49II(C),(D) & (E) of the Listing Agreement entered into with Stock Exchanges and includes overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issue and issues related to risk management and compliances. The Director-Finance and the Statutory Auditors are invited to the meeting.

Remuneration Committee:

Composition & terms of reference:

The Remuneration committee consists of three independent directors, Mr. Vishnu Garg (Chairperson), Mr. R. Gurumurthy and Mr. Satish Gupta. The Committees terms of reference are to appraise the performance of Chairman, Managing Director, whole Time Directors and Chief Executive Officers. To determine and recommend to the Board, compensation payable to Chairman, Managing Director, whole Time Directors and Chief Executive Officers.

During the Financial year ended 31st March 2011 one (1) Remuneration Committee meeting was held on 27th April 2010 that was attended by all the members of the committee.