

20th ANNUAL REPORT
2012-2013



Yash Management & Satellite Limited



Yash Management & Satellite Ltd.

BOARD OF DIRECTORS

Shri. Anurag Gupta
Mr. Sandeep Kumar Mangal
Shri. Satish Gupta
Shri. R Gurumurthy

AUDITORS

M/s. Bansal Bansal & Co.
Chartered Accountants

**REGISTRAR & SHARE
TRANSFER AGENT**

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.
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

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Yash Management & Satellite Ltd.

Notice

Notice is hereby given that the Twentieth Annual General Meeting of the members of “**YASH MANAGEMENT & SATELLITE LTD.**” will be held at Country Club, 723/A, Prathmesh Complex, Veera Desai Road Extn., Andheri (West), Mumbai- 400 053 on 30th September 2013 at 3.00 P.M. to transact the following Business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2013, and the Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Gupta who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-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. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary resolution:

“**RESOLVED THAT** Mr. Sandeep Kumar Mangal who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31st December 2012 under Section 260 of the Companies Act, 1956 and who holds office as such upto the date of this Annual General Meeting but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing him for the office of Director under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation”

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. The register of members and the share transfer books will remain closed from Wednesday 25th September 2013 to Monday 30th September 2013 (Both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
3. Members are requested to
 - a) bring their Annual Report to the meeting and attendance slip duly filled in. As a measure of economy copies of Annual Report will not be distributed at the Annual General Meeting.
 - b) intimate any change in their addresses to the Registrar and 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.
 - c) quote client ID and DP ID Numbers in respect of shares held in dematerialized form and ledger folio number in respect of shares held in physical form.



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4. 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.

5. **Profiles of Directors being Re-appointed as required by Clause 49 IV (G) of the Listing Agreement with the Stock Exchanges**

Item No. 2 and 4 of the Notice

Mr. Satish Gupta

Mr. Satish Gupta is a Fellow Chartered Accountant having more than 17 years of experience. He has vast knowledge and experience in loan syndications, accountancy and tax advisory services and is an expert in auditing of the companies. He has been a director on the board of the company since 17th September 2002.

He is on the board of following companies:

- (i) B Maps Advisory Services Pvt. Ltd
- (ii) Transaction Consultants Pvt. Ltd
- (iii) Kallotee Solution Private Limited
- (iv) Yash Nanotech Limited.
- (v) TechRumba Software Private Limited

Mr. Gupta is not related to any director on the Board of the Company.

6. 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.
7. 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4

Mr. Sandeep Kumar Mangal was appointed as an Additional Director by the Board of Directors with effect from 31st December 2012. In terms of Section 260 of the Companies Act, 1956 he holds office as an Additional Director only till the date of the forthcoming Annual General Meeting but is eligible for re-appointment for the office of Director in the company. Notice has been received from a member under Section 257 of the Companies Act, 1956 signifying their intention to propose the candidature of Mr. Sandeep Kumar Mangal for the office of Director liable to retire by rotation. The Board of Directors of the company are confident that his knowledge and experience will be of great value to the company and hence recommend the resolution No. 4 for approval of the members.

Mr. Sandeep Kumar Mangal: is Commerce graduate and an Associate Chartered Accountant having 2 years of experience in financial services, auditing, tax advisory etc. Mr. Sandeep Kumar Mangal does not hold any shares in the company and is not related to any Director on the Board of the Company.

Except Mr. Sandeep Kumar Mangal, who is interested in the Resolution, none of the Directors are concerned or interested in the resolution.

REGD OFFICE:

Office No. 303, Morya Landmark 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: 27th July 2013



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REPORT OF THE DIRECTORS' AND MANAGEMENT DISCUSSION ANALYSIS

To
The Members,

Your Directors are presenting the TWENTIETH Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31st March 2013.

FINANCIAL RESULTS

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

(Rs. In Lacs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
Total Income	1834.73	863.67
Profit/(loss) before Depreciation and Tax	(31.00)	8.82
Less: Depreciation	5.28	5.37
Profit / (loss) before Tax	(36.28)	3.45
Less: Provision for Income Tax	-	-
Profit/(loss) after Tax	(36.28)	3.45
Balance brought forward from previous year	(126.98)	(130.43)
Balance Carried to Balance Sheet	(163.26)	(126.98)

DIVIDEND

In view of losses during the year under review, the directors do not recommend any dividend for the year ended March, 31, 2013.

PERFORMANCE

The financial year 2012-13 continued to witness difficult and competitive business scenario across all business segments of the industry, in tune with the gradual slow down in the Indian economy quarter on quarter, resulting in loss to the company. The Company is mainly engaged into the indigenous and international trading business of commodities. The commodities include various agriculture products and non-agricultural items. Total income of the company has increased to Rs. 1834.73 lacs from Rs. 863.67 lacs in the previous year and the company has incurred a loss of Rs. 36.28 lacs during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE & DEVELOPMENT

The Financial Year 2012-13 Continued to be a challenging year for the world and domestic economy as well as the Company. The global economy, though improved slowly, did not grow to the extent expected at the commencement of the year. The US economy improved, though marginally, driven by the consumer and housing sector, with interest rates continuing to remain at historic lows and the quantitative easing measures at unprecedented highs. Many European countries faced recession with high unemployment, low demand and weakened banking systems. China too experienced slow down in its growth, partly due to weak global demand and partly due to the deliberate move of its government. In India, economic growth fell sharply, touching a decade low, the industrial sector experienced severe slump, the trade and current account deficit reached unprecedented risky levels and the inflation remained stubbornly high during the major part of the



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year, interest rates remained high and capital formation took a severe beating; though, the fiscal deficit remained checked, within budgeted limits.

The above macro factors, especially those prevailing in India, adversely impacted the profit of the Company.

B. OPPORTUNITIES & THREATS

2013 – 2014 is expected to be a growth year for world economy. Growth rate is forecast to hold steady in 2013. Moreover, stage will be set for a modest acceleration of growth in the latter part of the year and during 2014.

Though commodity prices are expected to remain stable, if the economic recovery is not sustained, volatility in prices will tend to erode margins. While cost reduction projects are constantly being undertaken, any uptrend in prices cannot be recovered in the interim. Developing international markets combined with the integration of the acquired entities will be a challenge in the short term.

C. RISKS AND CONCERNS

The current slowdown in the domestic economy is likely to continue but is expected to bottom out. The Government's renewed stated emphasis on pushing the reform agenda and its awareness of the need to revive the economy give us hope that the situation can only improve in the near future. Monetary easing by RBI will likely boost the recovery. However, for our businesses to recover, we will need to see concrete steps and visible outcomes.

D. OUTLOOK

Land issues and delays in environmental and other numerous clearances continue to discourage capital investment resulting in an environment of lower growth. The IIP growth numbers indicate considerable resistance to capital commitment by the manufacturing or industrial sector which arises from structural causes and perhaps may not reverse in the short term even if supported by a more favorable capital cost environment

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.

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.



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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 Satish Gupta, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

During the year Mr. Vishnu Garg resigned from the Board on 31st December 2012. The Board of Directors places on record their appreciation for the invaluable advice and guidance given by Mr. Garg during his association with the Company.

Mr. Sandeep Kumar Mangal was appointed as an Additional Director of the Company w.e.f. 31st December 2012 and hold office upto the date of the forthcoming Annual General Meeting. Notice has been received under Section 257 of the Companies Act, 1956 from members proposing the candidature for office of Director and such appointment has been proposed at Item No. 4 of the Notice dated 27th July 2013.

Information on the Directors eligible for reappointment as required under clause 49 of the Listing Agreement with Stock Exchanges is disclosed in the profiles of the Directors under item no. 2 and 4 forming part of the Notice dated 27th July 2013 circulated along with Annual Report 2012-13

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, 2013, 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 2013 on a 'going concern' basis.



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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.

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 2013 the company has incurred Foreign Exchange outgo of Rs. 37, 18,019 /-. 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, 29th May 2013



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REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY ON CORPORATE GOVERNANCE CODE

The Company seeks to adopt good corporate Governance practices and to ensure compliance with all relevant laws and regulations. The Company conducts its activities in a manner that is fair and transparent and also perceived to be such by others.

BOARD OF DIRECTORS

Composition:-

As on 31st March 2013 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 2012 – 2013, on 15th May, 2012, 30th June, 2012, 8th August, 2012, 25th October, 2012, 9th January, 2013 and 15th March 2013. 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
Sandeep Mangal w.e.f. 31/12/12	Non Executive, Independent	***	2	No	1	Nil	Nil
Vishnu Garg Upto 31/12/12	Non Executive, Independent	***	4	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.



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Notes: Private limited Companies, foreign companies and companies under section 25 of the Companies Act 1956 are excluded for 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. Sandeep Kumar Mangal (Chairman w.e.f. 31-12-12), Mr. Vishnu Garg (Chairman upto 31-12-12), Mr. R. Gurumurthy and Mr. Satish Gupta, all learned and experts having adequate knowledge in the field of finance.

Company Secretary and Statutory Auditors are also invited to attend the meetings.

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 2012-13, five (5) Audit Committee meetings were held as under- 15th May, 2012, 30th June, 2012, 8th August, 2012, 25th October, 2012 and 9th January, 2013.

Mr. R. Gurumurthy and Mr. Satish Gupta have attended all the five meetings, whereas Mr. Sandeep Kumar Mangal has attended only one meeting and Mr. Vishnu Garg has attended four meetings.

Mr. Sandeep Kumar Mangal has been appointed as a Chairman of the Audit Committee w.e.f. 31-12-12 in place of Mr. Vishnu Garg.

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 Company Secretary 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 (Chairman) (Upto 31.12.2012), Mr. Sandeep Kumar Mangal, (Chairman w.e.f. 31-12-2012), 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