

YUVRAJ INTERNATIONAL LIMITED

Eighteen Annual Report

2002-2003



**Registered Office : Yuvraj House, 82, S.S. Gaikwad Road,
Near Metro Cinema , Mumbai – 400 002.**

YUVRAJ INTERNATIONAL LIMITED

**EIGHTEEN ANNUAL REPORT
2002-2003**

BOARD OF DIRECTORS

Shri Mavji K. Dedhia
Shri Ashwin S. Shah
Shri Ojas S. Shah

Chairman
Managing Director
Director

REGISTERED OFFICE

Yuvraj House
82, S.S. Gaikwad Road,
Near Metro Cinema,
Mumbai 400 002

FACTORY

Survey No. 601, Dudhai Road
Near Railway Crossing
P.O.Box-6
Bhachau (Kutch) 370 140

BANKERS

State Bank of Saurashtra
Jankalyan Sahakari Bank Ltd.

AUDITORS

M/s. Shantilal Haria & Co.
Chartered Accountants
Mumbai.

Notice is hereby given that the Eighteenth Annual General Meeting of the shareholders of Yuvraj International Limited will be held on Wednesday, the 28th May 2003 at Yuvraj House, 82, S. S. Gaikwad Road, Nr. Metro Cinema, Mumbai - 400 002 at 4.00 p.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2003 and the Profit & Loss Account of the Company as on that date and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Mayji Desai who retires by rotation but being eligible offers himself for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration.

Registered Office :
Yuvraj House, 82, S. S. Gaikwad Road,
Near Metro Cinema, Mumbai - 400 002.
Date : April 7, 2003

By order of the Board

X *Amrinder*

(Signature of Chairman)
Managing Director

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.
- 2) THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FROM WEDNESDAY 21ST MAY 2003 TO WEDNESDAY 28TH MAY 2003 (BOTH DAYS INCLUSIVE).

DIRECTORS REPORT

To,
The Members
Yuvraj International Limited

Dear Shareholders,

Yours Directors are pleased to present the Eighteen Annual Reports together with the Audited Account of the Company for the year ended 31st March, 2003.

FINANCIAL RESULTS

Financial results of the company for the year ended under review are as under:

	2002- 2003	2001-2002
Sales/Income from Trading Operation	1,33,41,844	3,65,69,819
Profit/(Loss) before Depreciation	(1,42,87,497)	(4,89,5,734)
Less:		
Depreciation	27,25,680	26,04,208
Provision for taxation	NIL	NIL
Profit/Loss after tax	(1,69,91,203)	(5,15,61,942)
Balance carried over to		
Balance Sheet	(6,10,47,675)	(4,45,39,252)

DIVIDEND

In view of losses, the Directors do not recommend any dividend on equity shares for the financial year 2002-2003.

OPERATION

After the massive earthquake of 26th January 2001, the company had repaired/overhauled, the Plant and Machinery and had put the same on stream in August 2001 but due to continuous after shock, there were frequent breakdowns which had affected the production. Also during the year by and large, the prices of castor seeds remained volatile and cost of castor oil remained higher than the market price of castor oil in International market which had affected the sales of the company. The company could achieve sales of RS. 131.63 Lacs. Due to lower sales the company could not reach to break-even and has incurred losses during the year. This has added upto the accumulated losses which had been incurred in previous year due to deterioration of stock of HPS and Soyabean. The overall business scenario in Gujarat remained dull and discouraging mainly due to aftermath of communal riots and assembly election. The installation of stable Government, it seems may bring the proper and conducive atmosphere for industry, business and trade.

The much awaited release of subsidy to earthquake affected units could not be received even after continuous persuasion and follow-up. The company is

hopeful to get the subsidy atleast during the current financial year which may partly augment the working capital of the company.

As reported in the previous year the company had become a Sick Industrial Companies (Special Provision) Act, 1985(SICA). Since then a reference under section 15 of the SICA has been made to the Board for Industrial and Financial Construction (BIFR) and the company's case is Registered with the BIFR during the year under review. A scheme for rehabilitation is under preparation for submitting it to BIFR for its consideration and implementation.

The company is closely following up for recovery from M/s Garware Paints, Pravinchandra & Co. and Prajapati Trading Company. The proprietors of Pravinchandra & Co. and Prajapati Trading Company have died under the debris of the buildings which were collapse due to earthquake. In view of which the recovery seems to be difficult but still the company has ray of hopes and putting-up its best efforts for recovery and hence provision has not been made during the year, under review.

The investment of RS. 30,000/- was made by the earlier management in Investment Deposit Account Scheme 1986 of IDBI. However the same was not being reflected in the Balancesheet and necessary corrective entries have been passed during the year, under review.

DIRECTOR

The share Holders are requested to reappoint Shri Mayji Dedhia as Director of the company liable to retire by rotation.

DIRECTORS RESPONSIBITY STATEMENTS

- i) In the preparation of annual accounts, the applicable accounting standards had followed along with proper explanations relating to material departures.
- ii) We have 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 2002-2003 and of the profit and loss of the company for that period.
- iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv) We have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORBTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The company is taking every steps to conserve the energy. The Company has not deployed and imported any technology. The Company has not spent any foreign exchange and has earned total foreign exchange equivalent to Nil.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public following within the preview of Sec. 58-A of the Companies Act, 1956.

AUDITORS

M/s. Shantilal Haria & Co., Chartered Accountants, Mumbai, Auditors of the Company retires but being eligible offer themselves for re-appointment. The board recommends their reappointment.

PERSONNEL

Information pursuant of sec 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employee rule, 1988 is not appended herewith, as no employee was in receipt of remuneration to the extend laid down therein).

ACKNOWLEDGEMENTS

Your director's wishes to place on records their sincere appreciation for the continued support extended all connected agencies and employees of the Company.

FOR AND ON BEHALF OF THE BOARD

✓ *Amrinder*

MANAGING DIRECTOR

MUMBAI, 07th April 2003.

SHANTILAL HARIA & CO.

CHARTERED ACCOUNTANTS

103/104, Bhaveshwar Complex, Opp. Vidyavihar Railway Station.
Vidyavihar (West), Mumbai - 400 086.
Telefax No. : 514 63 99 Tel No. : 510 45 63 / 510 45 65.

AUDITORS REPORT

To,
The Members of YUVRAJ INTERNATIONAL LIMITED.

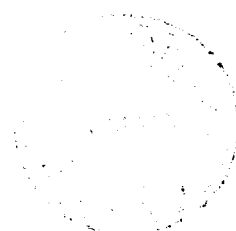
I have audited the attached Balance Sheet of YUVRAJ INTERNATIONAL LIMITED as at 31st March 2003 and also the Profit & Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted 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 provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to my comments in Annexure referred to in Paragraph above, I report that:

- I. I have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- II. In my opinion, the Company has kept proper Books of Account as required by law so far, as appears from our examination of the Books of the Company.
- III. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Accounts of the Company.
- IV. In my opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in the sub-section (3C) of Section 211 of the Companies Act, 1956.



V. On the basis of written representations received from the directors, as on 31st March 2003, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2003 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

VI. In my opinion and to the best of my information and according to the explanations given to me, the said accounts read together with the Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India in the case of cash flow statement for the year ended 31-03-2003 **subject to the following remarks;**

(i) Sundry debtors considered doubtful amounting to Rs. 312.04 Lacs.

I further report that had the observations made by me in para VI (i) above been considered, the loss for the period would be Rs. 481.95 Lacs as against the reported figure of loss Rs. 169.91 Lacs with the consequent impact on :

The debit balance in the Profit & Loss account would have been Rs. 922.51 Lacs as against Rs.610.48 reported.

Sundry debtors would have been Rs.9.71 Lacs as against Rs. 321.75 reported.

In view of the above remarks, the Profit and Loss account reflect true and fair view of the loss for the period ended 31-03-2003 subject to our remark under VI(i) above and the Balance Sheet reflect the true and fair view of the state of affairs of the company as at 31-03-2003. Subject to our remark under VI(i) above.

For SHANTILAL HARIA & CO.
Chartered Accountants

SHANTILAL V. HARIA
(Proprietor)



Membership No. 36047

Mumbai 7th April 2003.