

YARN SYNDICATE LIMITED

EXPORTERS OF COTTON AND MANMADE FIBRE
YARNS, TEXTILES & KNITED FABRICS
CIN NO.: L51109WB1946PLC013842
REGD. OFFICE : 86/2/4, S N BANERJEE ROAD,
1ST FLOOR, FLAT NO. 2, KOLKATA – 700 014
TELEPHONE: 033-033-22652163
WEBSITE : www.yarnsyndicate.in
E-MAIL : ysl@yarnsyndicate.in

Date : 02/09/2022

The General Manager
Corporate Relationship Dept.
BSE limited
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai – 400 001
Scrip code: 514378

Re: Intimation of Annual Report Including Notice of Annual General Meeting

Dear Sirs,

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the **Annual Report for the financial year 2021-2022** along with Notice of **76th Annual General Meeting** of the members of the Company will be held on **Friday, 30th September, 2022 at 11:00 a.m.** at the registered office address of the Company at **86/2/4, S N Banerjee Road, 1st floor, flat no. 2, Kolkata – 700 014.**

The Annual Report along with notice of AGM are being sent electronically to the members who have registered their email addresses either with the Company or with their depositories.

Members may note that the pdf copy of Annual Report 2021-2022 also be available on the Company's website www.yarnsyndicate.in.

Request to kindly take the same on your records.

Yours truly,

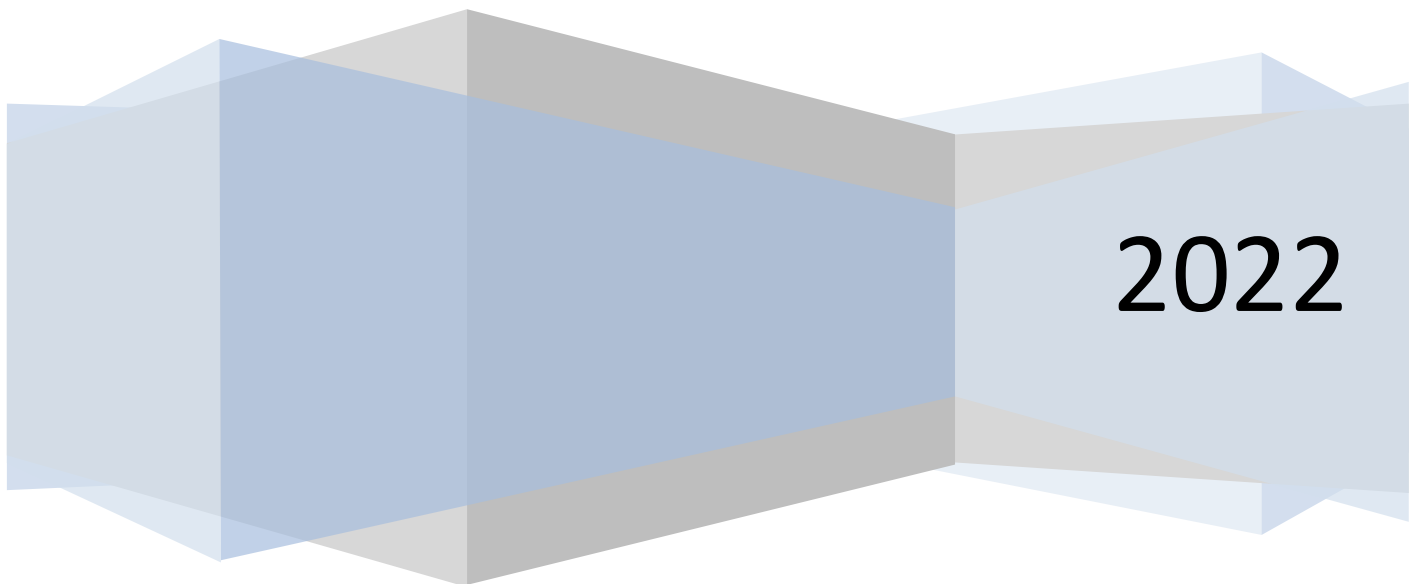
For **YARN SYNDICATE LIMITED**

BIKASH
CHANDRA
CHATTERJI
Digitally signed by
BIKASH CHANDRA
CHATTERJI
Date: 2022.09.02
17:11:38 +05'30'

Bikash Chandra Chatterji
Company Secretary and Compliance Officer
Membership No. A6411

YARN SYNDICATE LIMITED

76TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2022



YARN SYNDICATE LIMITED

CORPORATE INFORMATION

Board of Directors	Mrs. Sheela Patodia, Chairperson
	Mr. Rishiraj Patodia, Managing Director
	Mr. Kishorelal Chhabria, Independent & Non-executive Director
	Ms. Neha Amin Merchant, Independent & Non-executive Director
	Mr. Sourav Bhattacharjee, Independent & Non-executive Director
Chief Financial Officer	Mr. Bhagirath Biswas
Company Secretary	Mr. Bikash Chandra Chatterji
Bankers	Canara Bank Overseas Branch, 21, Camac Street, Kolkata
Auditors	S P Sarda & Co., Chartered Accountants “Siddha Weston”, 9, Weston Street, Unit No. 320 Kolkata – 700 013
Registrars & Share Transfer Agents	R & D Infotech Pvt. Ltd. 15C, Naresh Mitra Sarani, Kolkata-700026 SEBI Regn No. – INR000003985 Phone: 033-24192641/42 Email id: rdinfotec@yahoo.com Website: www.rdinfotech.org
Registered Office Address & Contacts	86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata – 700 014 CIN NO: L51109WB1946PLC013842; Phone: 033 2265 2163; Email id : ysl@yarnsyndicate.in Website : www.yarnsyndicate.in

YARN SYNDICATE LIMITED

NOTICE OF THE 76TH ANNUAL GENERAL MEETING

Regd. Office: 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014

CIN NO: L51109WB1946PLC013842; Phone: 033 22652163; Email id : ysl@yarnsyndicate.in

Website : www.yarnsyndicate.in

NOTICE is hereby given that the Seventy Sixth Annual General Meeting ("AGM") of the Members of Yarn Syndicate Limited will be held on Friday, the 30th day of September, 2022 at 11.00 A.M. at the Registered Office of the Company at 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022, together with the Report of the Board and the Auditors thereon.

2. Appointment of Mr. Rishiraj Patodia (DIN: 00259104) who retires by rotation and being eligible offer himself for re-appointment

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to Section 152(6) and other applicable provisions, if any, of the Companies Act, 2013, Mr. Rishiraj Patodia (DIN: 00259104), who retires by and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director of the Company."

3. Re-appointment of M/s S.P. Sarda & Co., Chartered Accountants (Firm Registration No. 323054E) as the Statutory Auditors of the company for a second term of 5 consecutive years and to fix their remuneration

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any (including any statutory modifications), amendment(s), variation(s) or re-enactment thereof for the time being in force) M/s S.P. Sarda & Co., Chartered Accountants (Firm Registration No. 323054E) having offered themselves for re-appointment be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of 5 (Five) consecutive years, to hold office starting from the conclusion of the 76th Annual General Meeting of the Company and ending at the conclusion of the 81st AGM of the Company to be held in calendar year 2027 at such remuneration plus applicable taxes thereon and such increase in audit fees till the conclusion of their term plus reimbursement of out of pocket expenses as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the company and the Statutory Auditors in connection with the audit of the financial accounts the company for the year ending March, 31, 2023."

RESOLVED FURTHER THAT the Board of Directors based on the recommendation of the Audit Committee be and is hereby authorized to decide and finalise the terms and conditions of re-appointment, including the remuneration in addition to reimbursement of out of pocket expenses and taxes as may be applicable of the Statutory Auditors during their tenure till the conclusion of 81st Annual General Meeting.”

**By Order of the Board
For YARN SYNDICATE LIMITED**

**Bikash Chandra Chatterji
Company Secretary**

Place: Registered Office:
86/2/4, S N Banerjee Road,
1st Floor, Flat No.2,
Kolkata-700014

Date: 25th day of May, 2022

NOTES:

1. Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out the material facts for Item No.3 is annexed hereto

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. *A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. However, a Member holding more than 10% of the total issued share capital of the Company carrying voting rights may appoint a single person as Proxy for another person or shareholder.*

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting. A proxy shall not have right to speak at AGM and shall not be entitled to vote except on poll.

Corporate Members/Trusts/Societies etc. intending to send their authorised representatives to attend the meeting are requested to send a duly certified copy of the Board/Managing Committee Resolution together with the specimen signature of the representative authorised under the said Resolution to attend and vote on their behalf at the Meeting.

3. Members holding shares in physical mode are requested to intimate changes in their address alongwith proof of address/bank mandate to the Registrar and Share Transfer

Agents (RTA), M/s. R & D Infotech Private Ltd.

Members holding shares in electronic mode are requested to send the intimation for change of address / bank mandate to their respective Depository Participant.

4. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their share certificates to enable the Company to consolidate their holdings into a single folio.

5. Shareholders are also requested to take immediate action to demat their shares to avail easy liquidity since trading of shares of the Company are under compulsory demat mode as per the regulation of SEBI.

6. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 29th September, 2022 to Friday, 30th September, 2022** (both days inclusive). A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., **Friday, 23rd September, 2022** only shall be entitled to avail the facility of either e-voting or voting at the AGM through ballot paper.

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 their 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 R&T Agent or to the Registered Office of the Company.

8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

9. VOTING THROUGH ELECTRONIC MEANS

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended effective 19th March, 2016 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), and Secretarial Standards on General meetings (SS-2) the Resolutions proposed at this AGM will be transacted through electronic voting system from a place other than the venue of the Meeting ("remote e-voting") for which purpose the Company has engaged the services of NSDL. The Board of Directors has appointed Ms. Sweety Kapoor, Practising Company Secretary (FCS-6410, COP-5738), Kolkata as the Scrutinizer for this purpose.

10. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 & Secretarial Standards - SS-II in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the notice. The Director have furnished the requisite declaration for his re-appointment.

11. The facility for ballot will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e- voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again.

12. In compliance with the MCA Circulars and SEBI circulars electronic copy of the Notice and Annual Report of the 76th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication.

13. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the Companies Act, 2013. The prescribed Form (Form SH 13) can be obtained from the Share Department of the Company. Members desiring to avail this facility, may send their Nomination Form (in duplicate) duly filled in, to the Company or its Share Transfer Agents M/s. R & D Infotech Private Limited 7A, Beltala Road, Kolkata – 700026, by quoting their respective Folio Numbers.

14. Members can now get their e-mail address registered with the Company if they want to receive the notices of the Company, for holding general meetings, postal ballot and any other purpose, through electronic mode in pursuance to 'Green Initiative' taken by the Company.

15. Members may also note that the Notice of the 76th Annual General Meeting, the Annual Report for 2022 will also be available on the Company's website: www.yarnsyndicate.in website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL- www.evoting.nsdl.com. For any communication, the shareholders may also send requests to the Company's investor email id: ysl@yarnsyndicate.in.

16. Notification of SEBI relating to transfer of equity shares held in physical form Trading in Equity Shares of the Company is under compulsory demat trading. As per revised Regulation 40 of SEBI (LODR) 2015 shares are transferred only in dematerialized mode effective from 1st April, 2019 and therefore shareholders are requested to dematerialize their existing shares held in physical form. Regulation 40 of Listing Regulations ,as amended mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further SEBI vide circular dt.25th January,2022 has clarified that listed companies with immediate effect shall issue the securities in demat mode while processing investor service requests pertaining to issue of duplicate securities , renewal /exchange of securities /splitting of securities ,endorsement ,subdivision /consolidation , transfer/transmission etc.

17. Statutory Registers and all documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members without any fee from the date of circulation of this Notice upto the date of AGM at the registered office of the Company.

18. Voting through electronic means

1. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Friday, 23rd September, 2022**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at **9 A.M. on Tuesday, 27th September, 2022** and will end at 5 P.M. on **Thursday, 29th September, 2022**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **Friday, 23rd September, 2022** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:
<https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. directly to cast your vote electronically.
4. Your User ID details are given below :
 - a) **For Members who hold shares in demat account with NSDL:**

8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).

- b) **For Members who hold shares in demat account with CDSL:**

16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).

c) For Members holding shares in Physical Form:

EVEN Number followed by Folio Number registered with the Company (For example if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'Initial Password' which was communicated to you. Once you retrieve your 'Initial Password', you need to enter the 'Initial Password' and the system will force you to change your Password.

c. How to retrieve your 'Initial Password'?

i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL Account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'Initial Password'.

ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial Password" or have forgotten your Password:

a. Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b. "[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting.
Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Yarn Syndicate Limited.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and, click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

1. Pursuant to Section 113 of the Act, Institutional/Corporate 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutiniser@rediffmail.com with a copy marked to evoting@nsdl.co.in
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in.
1. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:
 - a) In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by email to ysl@yarnsyndicate.in or info@rdinfotech.net

- b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ysl@yarnsyndicate.in or to info@rdinfotech.net.
- c) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **Friday, 23rd September, 2022**. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and is holding shares as on the cut-off date i.e. Friday, 23rd September, 2022 may obtain login ID and password by sending a request at ysl@yarnsyndicate.in.

21. The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report, within 2 working days of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL immediately after the results are declared.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.yarnsyndicate.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 - M/s S.P. Sarda & Co., Chartered Accountants (Firm Registration No. 323054E) were appointed as the Statutory Auditors of the Company at the 71st Annual General Meeting held on 21st September, 2017 for a period of 5 years to hold office from the conclusion of the 71st AGM until the conclusion of the 76th AGM to be held in calendar year 2022, Based on recommendation of the Audit Committee, the Board of Directors hereby propose to re-appoint M/s S.P. Sarda & Co as the Statutory Auditors of the Company for the second term of 5 years to hold office from the conclusion of forthcoming AGM until the conclusion of the 81st AGM to be held in calendar year 2027 at such remuneration thereon and such increase in audit fees till the conclusion of their term plus reimbursement of out of pocket expenses as recommended by Audit Committee and as mutually agreed between the Board of Directors of the Company and Statutory Auditors.

M/s S.P. Sarda & Co has furnished a certificate giving their consent to be appointed as the Statutory Auditors and stating that their appointment if made at the forthcoming AGM would be in accordance with the conditions laid down under Section 139 & 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014

M/s S.P. Sarda & Co will receive remuneration as decided by the Board and in consultation with the Statutory Auditors for FY 2023 onwards.

Accordingly, the Board recommends the Ordinary Resolution for approval of the Members of the Company. None of the Directors, or Key Managerial Personnel or any of their relatives are concerned or interested whether financially or otherwise in the Resolution at Item No 3 of the accompanying Notice.

Details of Director(s) seeking re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, are furnished below:-

1.	Name and DIN No	Rishiraj Patodia DIN: 00259104
2.	Date of Birth/Age	06.04.1986/ 36 years
3.	Date of Appointment	15.09.2008
4.	Qualifications	B.Com
5.	Expertise in Specific Functional Area	Expertise in yarn industry ,leadership qualities, strategic planning and risk Management, and marketing
6.	Directorship of other public Companies	Directorships: 1.YS Exports Limited Chairman –NIL
7.	No of Board meetings attended	5 out of 5
8.	Shareholding in the Company	215500 Equity shares
9.	Relationship with other directors inter se	Mrs. Sheela Patodia, Non-Executive Director is his mother.
10.	Chairman/Member of Committees of the Board of other Companies of which he is a Director :	NIL
11.	Name of listed companies in which Director has resigned in past three years	NIL
12.	Terms and conditions of appointment	Executive Director liable to retire by rotation
13.	Details of remuneration Last remuneration drawn & remuneration proposed to be paid	In accordance with the approval accorded by the members at the AGM on 28 th September,2021

YARN SYNDICATE LIMITED

REPORT OF THE BOARD OF DIRECTORS

Your Directors present their 76th Annual Report of the company together with the Audited Accounts for the Year ended on 31st March, 2022.

FINANCIAL PERFORMANCE:

(Amount in thousands)

Particulars	31.03.2022	31.03.2021
Profit /Loss before Depreciation, Finance Cost and tax	4,033	(1,888)
Less: Depreciation	NIL	NIL
Profit/Loss before tax	4,033	(1,888)
Tax expense	NIL	(1,576)
Profit/Loss after tax	4,033	(3,464)
Other Comprehensive Income	NIL	NIL
Total Comprehensive Income	4,033	(3,464)
EPS (in Rs.)Basis	1.08	(0.92)
Diluted	1.08	(0.92)

During the period under review, the Company could not earn any revenue from operations of the company due to the prevailing pandemic leading to very tight markets, rising inflation and lesser purchasing power in the hands of the buyers. The Directors are continually exploring lucrative business avenues. Even though the overall effect of COVID-19 has lessened, the danger is not entirely over and the company continues to follow guidelines as set by the Government of India with respect to COVID-19. The Cash flow Statement for the year under review also forms part of the financials

Implementation of IND AS has become applicable to the Company with effect from 1st April, 2017 and accordingly the financial statements for the financial year ended 31st March, 2022 have been prepared in compliance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

DIVIDEND:

Your Directors did not find it prudent to recommend any dividend on Equity Shares for the Financial Year ended 31st March, 2022 in view of bought forward losses.

TRANSFER TO RESERVES:

During the year under review, no amount has been transferred to the General Reserves during the year under review.

SHARE CAPITAL:

The paid up equity share capital remained unchanged and as on 31st March, 2022 was Rs. 375 lakhs. During the year under review, the company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

INVESTOR EDUCATION FUND:

Your Company did not have any amounts due or outstanding as at Balance sheet date to be credited to the Investor Education and Protection Fund

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES:

The Company does not have any subsidiaries, joint ventures and associate companies.

DIRECTORS:

As per provisions of Section 152 of the Companies Act, 2013, Mr. Rishiraj Patodia, (DIN No. 00259104) Managing Director of the Company retires by rotation at the forthcoming AGM and being eligible has offered himself for re-appointment.

Your Board recommends his re-appointment to the members of the company at the forthcoming AGM. The brief profile of Mr. Rishiraj Patodia forms part of the Notice of the 76th AGM.

During the year under review, Miss Neha Amin Merchant was appointed as an Independent Woman Director w.e.f 1st April, 2021. The appointment was regularized by the members at their 75th AGM.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have submitted the declaration of independence confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent Directors of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Independent Directors are not liable to retire by rotation.

The Board is also of the opinion that the Independent Directors of the company possess requisite, experience and expertise and holds standards of integrity.

The Directors of the Company have also confirmed that they have complied with the Company's Code of Conduct.

The meeting of the Independent Directors was held on 30.06.2021 and 10.02.2022 during 2021-2022 was in accordance with the requirements of Section 149 and Schedule IV of the Companies

Act, 2013 and Regulation 25 of the Listing Regulation. to review the performance of Non Independent Directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. All the Independent Directors attended the meeting.

None of the Directors of the company are disqualified pursuant to the provisions of Section 164 of the Companies and or debarred or disqualified from being re-appointed or continuing as Directors of the Company by SEBI or MCA or any other statutory authorities

KEY MANAGERIAL PERSONNEL:

The Company has the following KMP (s) as on 31.03.2022 and they continue to be KMP as on date.

Mr. Rishiraj Patodia - Managing Director

Mr. Bikash Chatterji- Company Secretary

Mr. Bhagirath Biswas -Chief Financial Officer.

COMPOSITION AND MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors consists of 5 (five) Directors. The Board of Directors comprises of Executive and Non-Executive & Independent Directors including Woman Directors keeping with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As of the year ended 31st March, 2022, the Board of Directors includes one Executive Director, one Non Executive Non Independent Director and three Non-Executive Independent Directors.

The attendance of each Director along with meeting dates are as follows;

Board meeting dates	Sheela Patodia	Rishiraj Patodia	Kishorelal Chhabria	Neha Amin Merchant	Sourav Bhattacharjee
01.04.2021	YES	YES	YES	YES	YES
30.06.2021	YES	YES	YES	YES	YES
11.08.2021	YES	YES	YES	YES	YES
12.11.2021	YES	YES	YES	YES	YES
10.02.2022	YES	YES	YES	YES	YES

The maximum time gap between two consecutive meetings was less than 120 days as stipulated under Section 173(1) of the Act and Secretarial Standards issued by ICSI

COMPOSITION, CATEGORY AND DIRECTORSHIP IN OTHER COMPANIES:

<i>Name and Director Identification No.</i>	Position	Board Meetings Attended	No. of Shares	Directorship of Other Public Companies	Number of Committee positions in Other Companies
Mrs. Sheela Patodia DIN: 00276269	Non-Executive Director/ Chairperson	5	1313546	1	NIL
Mr. Rishiraj Patodia DIN: 00259104	Managing Director	5	215500	1	NIL
Mr. Kishorelal Chhabria DIN: 00306069	Non-Executive Independent Director	5	NIL	1	NIL
Miss Neha Amin Merchant DIN: 07454674 Appointed w.e.f 01.04.2021	Non-Executive Independent Director	5	NIL	NIL	NIL
Mr. Sourav Bhattacharjee DIN: 07833611	Non-Executive Independent Director	5	NIL	1	NIL

COMMITTEES OF THE BOARD:

As required by the provisions of the Act and Listing Regulation, the Company has formed the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

AUDIT COMMITTEE:

The Audit Committee of the Board of Directors was duly constituted as per provisions of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Audit Committee comprises of 3 Independent Directors and one Managing Director.

The brief terms of reference of the Audit Committee includes the following;

; overseeing the company's financial reporting process and the disclosure of its financial information

: to review quarterly/ half yearly and Annual Financial Results before submission to the Board

:to review the statement of significant related party transactions submitted by management

: to review the adequacy of Internal Control Systems with the management

: to investigate into any matter referred to by the Board

The Committee met 5 (Five) times on 01.04.2021, 30.06.2021, 11.08.2021 ,12.11.2021 and 10.02.2022 respectively.

The details of composition and attendance of the Members of the Audit Committee held during 2021-2022 are as follows;

NAME OF DIRECTORS	CATEGORY	Meetings held during the tenure of the Directors	Members attended
MR. KISHORELAL CHHABRIA	CHAIRMAN, INDEPENDENT DIRECTOR	5	5
MR. SOURAV BHATTACHARJEE	INDEPENDENT DIRECTOR	5	5
MISS NEHA AMIN MERCHANT	INDEPENDENT DIRECTOR	5	5
MR. RISHIRAJ PATODIA	EXECUTIVE DIRECTOR	5	5

NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee is duly constituted by the Board **as per provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015**

Brief terms of reference;

; to formulate a criteria for determining qualifications, positive attributes and Independence of a Director

: formulate criteria for evaluation of Independent Directors and the Board

: Identify persons who are qualified to become Directors and Senior Management Personnel

: To carry out evaluation of every Directors performance

: To recommend to the Board policy relating to remuneration for Directors, KMP

: To devise a policy on Board diversity

: To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification as may be applicable

The details of composition of the Committee are as follows;

NAME OF DIRECTORS	Category	Meetings held During the tenure of Directors	Meetings attended
MR. KISHORELAL CHHABRIA	CHAIRMAN, INDEPENDENT DIRECTOR	3	3
MR. SOURAV BHATTACHARJEE	INDEPENDENT DIRECTOR	3	3
MISS. NEHA AMIN MERCHANT	INDEPENDENT DIRECTOR	3	3

The Committee met thrice on 01.04.2021, 30.06.2021 and 10.02.2022 respectively during the financial year 2021-2022.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has constituted Stakeholders Relationship Committee of the Board of Directors to look into the transmission of Equity Shares/Issuance of duplicate Equity Share Certificate, complaints received from the Shareholders of the Company

During the financial year 2021-2022, the Committee met 4 (Four) times on 30.06.2021, 11.08.2021, 12.11.2021 and 10.02.2022 respectively.

The details of composition of the Committee are as follows;

NAME OF DIRECTORS	CATEGORY	Meetings held During the tenure of Directors	Meetings attended
MR. KISHORELAL CHHABRIA	CHAIRMAN, INDEPENDENT DIRECTOR	4	4
MR. SOURAV BHATTACHARJEE	INDEPENDENT DIRECTOR	4	4
MISS NEHA AMIN MERCHANT	INDEPENDENT DIRECTOR	4	4
MR. RISHIRAJ PATODIA	EXECUTIVE DIRECTOR	4	4

COMPLIANCE OFFICER:

Mr. Bikash Chandra Chatterji, Company Secretary is the Compliance Officer of the Company.

POLICY ON DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTMENT AND REMUNERATION:

The Board has on recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors & KMP and their remuneration. The Nomination and Remuneration Committee identifies and ascertain the integrity, qualification, expertise, skills and knowledge and experience of the person for appointment as Directors and Key Managerial Personnel. The appointment of Director & KMP (s) as recommended by the Nomination and Remuneration Committee requires approval by the Board.

The policy relating to Nomination and Remuneration Policy duly approved by the Board of Directors of the Company has been placed on the Company website: www.yarnsyndicate.in and extract of the policy is given as under :

SELECTION & APPOINTMENT OF THE DIRECTORS:

The qualifications and appointments shall be governed by the provisions of Companies Act, 2013 and the Rules thereof as amended from time to time.

Directors should possess high personal and professional ethics, integrity and values and should be able to devote sufficient time & energy as is prudent & necessary in carrying out their duties & responsibility effectively.

The Nomination & Remuneration Committee of the Board (the committee) along with the Board should consider positive attributes, independence appropriate and diverse qualifications and skills appropriate characteristics & experience required of the Board as a whole and its individual members.

Term/ Tenure of the Directors shall be governed as per the provisions of the Companies Act, 2013 & Rules made thereunder as amended from time to time.

Remuneration to Managing Director and whole time Director- Executive/Non Executive/ Independent Directors/ KMP/SMP and other employees.

The Committee shall approve the same for recommendation to the Board.

The Nomination & Remuneration Committee will formulate the criteria for performance evaluation of the entire Board of the company, its committees and individual Directors, including independent Directors.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Familiarization programme about roles, rights and responsibilities of Independent Directors in the Company, nature of industry in which the company operates, business model of the company etc. is in existence in the company.

ANNUAL PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the committees of the Board. The Directors expressed their satisfaction with the evaluation process.

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations of the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter alia the criteria for performance evaluation of the entire Board of the company, its committees and individual Directors, including independent Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Directors' performance. Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out annual performance evaluation on its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committee. The evaluation of all the Directors and the Board as a whole was conducted and the Board approved the evaluation results as collated by the concerned Committee

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On basis of performance evaluation done by the Board it is been determined whether to extend or continue their term of appointment whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

FINANCE:

Cash and cash equivalent as at 31st March 2022 was Rs. 4.66 Lacs (previous year: Rs. 5.19 Lacs). The company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

INTERNAL AUDITORS:

The Company has appointed an Internal Auditors, M/s G P Jaju & Co. pursuant to the provisions of Section 138 of the Companies Act, 2013.

The recommendation of the Internal Auditors are placed before the Audit Committee.

PERFORMANCE REVIEW:

During the financial year under review, the company has no domestic and exports sales in yarn or any other products mainly due to depressed market conditions. The export and domestic market remains highly competitive and margins are thin and not lucrative at present. For the financial year under review, the company has not traded in any products either in domestic and overseas markets. The company has continued to explore newer markets for yarn and other products both in India and abroad. The revenue from operations was Nil in both previous and current years. The company hopes that the overall market conditions will improve in future.

CORPORATE SOCIAL RESPONSIBILITY:

Since the company does not fall within the purview of provisions as mentioned in Section 135 of the Companies Act, 2013, so the provisions of Section 135 are not applicable to the Company.

OCCUPATIONAL HEALTH AND SAFETY:

The company believes in the safe and healthy working conditions and has provided safety equipments in the offices.

STATEMENT PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES ,2015:

Your Company did not employ any person whose particulars are required to be attached to this Report under Rule 5(2) of the Companies (Appointment & Remuneration) Rules, 2014.

DISCLOSURE PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT,2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for 2021-2022 – NIL
2. The percentage increase in remuneration of each Director and KMP during the Financial Year 2021-2022 - NIL
3. The percentage increase in the median remuneration of employees in the Financial Year 2021-2022 - Negligible

4. Number of permanent employees on the roll of the Company as on 31st March, 2022 - 4 (Four)
5. Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof – N.A
6. Affirmation that remuneration is as per remuneration policy of the company; Yes

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:

Details of loans given, guarantees given and investments made under Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

PUBLIC DEPOSITS:

The company has not accepted any deposit from the public under Chapter V of the Companies Act, 2013 and there is no amount outstanding as on the Balance Sheet date.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

During the year under review, all contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and hence do not fall under the ambit of Section 188(1) of the Act. There was no material Related Party Transactions entered into by the company with promoters, directors, KMP or other designated persons during FY 2021-22. Your Directors draw attention of the members to Notes to the Financial Statement which sets out related party disclosures. In view of the above, the disclosure under the Act in Form AOC-2 is not applicable for FY 2021-22.

INTERNAL CONTROL SYSTEM:

As per Section 134(5)(e) of Companies Act, 2013 the Directors have an overall responsibility for ensuring that your Company has implemented a system and framework of Internal Financial Controls.

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

The Audit Committee reviews the report submitted by the Internal Auditors.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 & Section 134 of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the Annual Accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with 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 profits 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2022 on a 'going concern' basis.
- (v) And that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and operating effectively.
- (vi) That Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE:

The Company is having a paid up equity share capital not exceeding 10 crore and net worth not exceeding Rs.25 crore and hence as per SEBI (LODR) Regulations 2015 Corporate Governance Requirements provided under Regulations 17 to 27 and clauses (b) to(i) of sub-regulation (2) of Regulation 46 and Para C,D and E of Schedule V of the Listing Regulations are not applicable to your Company.

The Management Discussion and Analysis is attached as part of Directors Report.

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

The information required to be given under Rule 8 (3) of the Companies (Accounts) Rules, 2014 is provided below:

(A) Conservation of energy- Your Company constantly and continuously applies all effort for optimum utilization of the resources.

(i) the steps taken or impact on conservation of energy : Power shut down on idle monitors, shutting off all the lights when not in use

(ii) the steps taken by the company for utilizing alternate sources of energy : Nil

(iii) the capital investment on energy conservation equipments; Nil

(B)Technology absorption-

(i) the efforts made towards technology absorption – Latest technology is being used

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution – Reduction in specific energy consumption

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil

(a) the details of technology imported;

(b) the year of import;

(c) Whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) Expenditure incurred on Research and Development. - Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There were no foreign exchange earnings or outgo during the year under review.

ANNUAL RETURN:

As required under Section 92 of the Companies Act, 2013 the Annual Return for the financial year ended 31st March, 2022 is available on the website of the company at www.yarnsyndicate.in

DEPOSITORY SYSTEM:

Your Company equity shares are available for dematerialization through NSDL and CDSL.

VIGIL MECHANISM/WHISTLE BLOWER POLICY :

The company has a vigil mechanism named Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013. The said policy is available on the website of the company at www.yarnsyndicate.in.

COST RECORDS AND COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013, the Central Government has prescribed maintenance and audit of cost records vide the Companies (Cost Records and Audit) Rules, 2014 to such class of companies as mentioned in the Table appended to Rule 3 of the said Rules. These rules are not applicable to the Company.

SECRETARIAL AUDIT:

Secretarial Audit Report dated 25th May, 2022 issued by M/s. Ekta Goswami & Associates, Practicing Company Secretary is attached as an Annexure-1 to this Report. The said report does not contain any qualification/reservation or adverse remark or disclaimer.

The Company is complying with Secretarial Standards - SS-1 and SS-2 to the extent applicable

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company has no amount lying under unpaid dividend or unpaid interest account or such other amount as mentioned under Section 125 of the Companies Act 2013 and hence no amount is required to be transferred to the Investor Education and Protection Fund.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION AND REDRESSAL) ACT, 2013:

Your Company has zero tolerance towards sexual harassment at workplace. It has in place a policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

The Company has not received any complaint of sexual harassment during the financial year 2021-22.

RISK MANAGEMENT:

The Company has a Risk Management Policy to deal with perceived risks in its business by identifying and evaluating business risks and opportunities. It is reviewed by the Board and Audit Committee as and when required. The policy facilitates identification of risks at appropriate time and ensures steps to be taken to mitigate the risks.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the financial year, there were no significant or material order passed by the regulator or courts or tribunals which impact the going concern status of the Company's operations in future

COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has generally complied with requirements of Secretarial Standards -SS-1 and SS-2 issued by the Institute of Company Secretaries of India during the year.

STATUTORY AUDITORS

In the 71st AGM of the Company, held on 21st September, 2017, M/s S P Sarda & Co., (FRN: 323054E) Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years from the financial year 2017. The Audit Committee and the Board recommends the continuity of M/s S P Sarda & Co., (FRN: 323054E) Chartered Accountants, Kolkata as Statutory Auditors for second term of 5 (five) consecutive years from FY 2022-23.

The resolution proposing their re-appointment is annexed to the accompanying Notice.

AUDITORS' OBSERVATIONS:

There are no qualifications/adverse remarks in the Auditors Report.

The report read with notes on account is self-explanatory and does not call for any further comments.

In relation to emphasis of matter as the management believes that it has been taken into account all the factors that can have any possible impact arising from COVID-19 pandemic in the preparation of financial statements and results, including the ability of the Company to continue as a going concern.

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR UNDER REVIEW ALONG WITH THEIR STATUS AS AT END OF FINANCIAL YEAR

There were no applications made or any proceedings pending against the Company under Insolvency and Bankruptcy Code, 2016 during the financial year.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALAUTION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIALINSTITUTIONS ALONG WITH REASONS

There are no instances of one- time settlement during the financial year.

ACKNOWLEDGEMENTS:

Your Directors take their opportunity to express their appreciation for assistance and cooperation received from the commercial banks and other authorities.

Registered Office :

For and on behalf of the Company

86/2/4, S N Banerjee Road

Kolkata-700014

Dated: 25th day of May 2022.

SHEELA PATODIA

Chairperson

DIN: 00276269

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

*{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}*

To

The Members,

Yarn Syndicate Limited

86/2/4, S.N. Banerjee Road, 1st Floor, Flat No. 2

Kolkata – 700 014

West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Yarn Syndicate Limited** having its Registered Office at 86/2/4, S.N. Banerjee Road, 1st Floor, Flat No. 2, Kolkata – 700 014 West Bengal (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on Our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2022 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015; (Not applicable to the Company during the audit period)
- d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; (Not applicable to the company during the audit period)
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) The laws specifically applicable to the industry to which the Company belongs as identified by the management are

1. Textile (Development and Regulation) Order, 2001

Wherever required, we have obtained the Management Representation about the compliance of laws, rules, and regulation and happening of events. The compliance of provisions of Corporate and other applicable laws, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on text laws.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- ii. Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015; and
- iii. Auditing Standards issued by The Institute of Company Secretaries of India.

We further confirm that compliance of applicable financial laws including Direct & Indirect Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes, in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- B. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 25/05/2022

Place: Kolkata

For EKTA GOSWAMI & ASSOCIATES

EKTA GOSWAMI

Practising Company Secretary

ACS: 40657, COP: 16778

UIN: S2016WB405300

PRCN: 2234/2022

UDIN: A040657D000381272

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

The Members,

Yarn Syndicate Limited

86/2/4, S.N. Banerjee Road, 1st Floor, Flat No. 2

Kolkata – 700 014

West Bengal

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, We followed provide a reasonable basis for Our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 25/05/2022

Place: Kolkata

For EKTA GOSWAMI & ASSOCIATES

EKTA GOSWAMI

Practising Company Secretary

ACS: 40657, COP: 16778

UIN: S2016WB405300

PRCN: 2234/2022

UDIN: A040657D000381272

YARN SYNDICATE LIMITED

Regd. Office: 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014.

MANAGEMENT DISCUSSION AND ANALYSIS

A) INDUSTRY STRUCTURE AND DEVELOPMENTS

During the year under review, the Company has had no operating revenue. The company's main line of business was export of yarn and textile products in the past but due to extremely competitive market situation, the company has been out of the export market for a few years now but even so it has continued to explore possibilities in the export market. Thereafter, the company had diversified its business portfolio from export of yarn to trading in the domestic market in various kinds of fabrics which has also been its business in the last few years. However, due to Covid-19 and its after effects, the company has had no business revenues for the year under review. Nevertheless the company is on the lookout for lucrative business opportunities.

Even though the company has not ventured into the export market for several years now, the company is constantly searching for customers in lucrative export markets for yarn and at the same time on the lookout for the export of other products whose exports will benefit the company in the long run and also doing business in the domestic market.

B) OPPORTUNITIES AND THREATS

With India having a strong yarn and textile industry, the global yarn market will always continue to be an opportunity for Indian exporters like your company with decades of experience in the yarn export business. Similarly the domestic market in various kinds of fabrics and non-woven is an opportunity as the market is a stable and growing one.

The biggest threat is the number of competitors like China, Bangladesh, Vietnam etc. who are major players offering quality products at competitive prices. The domestic market also has many companies in similar line of business.

C) SEGMENT-WISE PERFORMANCE

The Company has not earned any revenue from its operations during the year.

D) RISKS AND CONCERNS

The biggest risk and concern for the Indian yarn exporters is the dominance of the Chinese market. Another area of concern is the emerging markets like Bangladesh, Pakistan and Vietnam. Also continued economic stability is a crucial factor for further growth of the industry. In the export market, the competition from these and other low cost producing nations is likely to intensify.

E) OUTLOOK

The global market for yarn is highly competitive with many established players like China, USA and EU countries. Furthermore, many smaller countries are emerging for their share in the export market and this has led to very slim margins.

The outlook in the domestic market is also grim as mills are increasing yarn prices because they are trying to pass on higher cost of production and this is discouraging end users.

F) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Moreover, an audit committee of the Board of Directors regularly review the audit plans, adequacy of internal control as well as compliance of accounting standards. The company has also appointed an Internal Auditor to report on and oversee the Internal Control Systems.

G) FINANCIAL AND OPERATIONAL PERFORMANCE

Please refer to 'Performance Review' in the Board of Directors' Report.

H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

We firmly believe that safe and healthy working conditions in the offices are as necessary and important as production, productivity and quality. Our policy requires conduct of activities in such a way as to take foremost account of health and safety of all concerned, besides conservation of natural resources and protection of the environment.

Your organization appreciates the constructive support of Banks, Institutions, Suppliers, Export Promotion Organisations, executives, employees, creditors, service providers and the confidence shown by them in the company. Employer-Employee relations in all the offices of the company were cordial throughout the year under review.

The total numbers of people employed by the Company are 4 (Four).

I) Financial ratios have been dealt in Notes to Financial Statement.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "Forward looking statements". Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include, among others, economic conditions affecting demand/supply, the exchange rate of the Rupee vis-à-vis the U. S. Dollar and price conditions in the domestic and overseas markets, also effect of political situations, change in the Government regulations on Export, tax laws and other statutes and incidental factors over which the company does not have any control.

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We, Rishiraj Patodia, Managing Director and Bhagirath Biswas, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

a. We have reviewed the financial statements including cash flow statement for the financial year ended 31st March, 2022 and to the best of our knowledge and belief:

I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

II. 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, 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 internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

d. We have indicated to the auditors and the Audit Committee:

I. significant changes in the internal control over financial reporting during the year;

II. significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

III. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 25/05/2022

Rishiraj Patodia

Bhagirath Biswas

Place: Kolkata

Managing Director

Chief Financial Officer

DIN: 00259104

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF YARN SYNDICATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Yarn Syndicate Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

Management believes that it has taken into account all the factors that can have any possible impact arising from COVID 19 pandemic on the preparation of the financial statements and results including the ability of the Company to continue as going concern. However, it is not possible to reliably estimate the future financial implications arising from the pandemic situation on the Company's operations as normalcy is yet to return to business operations. Further, the impact assessment is a continuing process and evolving, given the uncertainties associated with nature and duration of the current situation. The Company will continue to closely monitor any material changes in macro-economic conditions and take appropriate measures as may be required.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters are addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SI No.	Key Audit Matters	Auditor's Response
1.	Going Concern assumption	As per our observation of the Financial Statements of the Company it is seen that the Company has accumulated losses and its net worth has become negative as on the Balance Sheet date. These conditions, along with other matters, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis as the management is exploring new business opportunities to sustain the Company and is of the view that the promoters have agreed to infuse funds as and when required in the foreseeable future.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and

Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2021.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with

the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations as on the Balance Sheet date.
 - ii. The Company has no material foreseeable losses on any long-term contracts including derivative contracts.
 - iii. No amount was required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S P Sarda & Co,
Chartered Accountants
Firm's registration No. 323054E

Ankit Agarwal
Partner
Membership No. 305132
UDIN: 22305132AJOOMZ9683
Date: 25/05/2022
Place: Kolkata

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Yarn Syndicate Limited of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause

(i) Of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **YARN SYNDICATE LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S P Sarda & Co,**
Chartered Accountants
Firm's registration No. 323054E

Ankit Agarwal
Partner
Membership No. 305132
UDIN: 22305132AJOOMZ9683
Date: 25/05/2022
Place: Kolkata

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Yarn Syndicate Limited of even date)

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of business, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Asset:
 - a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.

B) The Company does not have any intangible asset. Accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable.
 - b) The Company has a program of physical verification to cover all the items of Property, Plant and Equipments a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were identified on such physical verification.
 - c) According to the information and explanations given to us, and on the basis of our examination of the records provided to us, we report that, the title deeds, comprising all the immovable properties which are freehold, are held in the name of the Company as at the balance sheet date. In respect of leasehold land that have been taken on lease and recognized as Right of Use asset in Property, Plant and Equipment in the financial statements, the lease agreements are in the name of the Company.
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.
 - e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, as at 31st March, 2022.
- ii.
 - a) The Company does not hold any inventory. Accordingly, the matters specified in terms of clause 3 (ii) (a) of the Order is not applicable to the company.
 - b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.

- iii. In our opinion and according to the information and explanations given to us, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership. Accordingly, reporting under clause 3(iii) (a), (b),(c), (d), (e) and (f)of the Order are not applicable.
- iv. According to the information and explanations given to us and records examined by us, the company has not given loan, Investment or guarantee under section 185 and 186 of the Companies Act 21013 during the year. Accordingly, clause 3 (iv) of the Order is not applicable to the company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or deemed to be deposits during the year and therefore, the provisions of the clause 3(v) of the Order is not applicable to the Company.
- vi. The clause relating to the maintenance of cost records U/s 148 of the Companies Act, 2013 and as such, para 3(vi) of the Order is not applicable to the Company.
- vii. a) According to the information and explanation given to us and the records of the company examined by us, in our opinion, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, Cess and other material statutory Dues, as applicable, with the appropriate authorities. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on 31.03.2022 for the period of more than 6 months from the date they become payable.

b) According to the information and explanation given to us and the records of the company examined by us, in our opinion, there are no statutory dues referred in sub-clause(a) which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961(43 of 1961).
- ix. The Company does not have any borrowing from any financial institutions or bank nor have they issued any debentures as at the Balance Sheet date. Accordingly the provision of Clause 3 (viii) of the Order is not applicable.
- x. The Company have not raised money by way of IPO/Further public offer/Debt Instruments. As per the information the Company has not availed any fresh term loan during the year. Accordingly, the provision of Clause 3 (ix) of the Order is not applicable.
- xi. On the basis of our examination and according to information and explanation given to us, no material fraud by company or any fraud on the company by its officer/employees has been noticed or reported during the year.

- xii.** According to the information and explanation given to us and the records of the company examined by us, the company is not Nidhi Company. Accordingly, the provision of Clause 3 (xii) of the Order is not applicable.
- xiii.** According to the information and explanation given to us and the records of the company examined by us, all transactions with the related parties are in compliance with the Section 188 and 177 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standard.
- xiv.** a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv.** In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors during the year and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.** a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a), (b) and (c) of the Order are not applicable.
- b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii.** In our opinion and according to the information and explanations given to us, the Company has incurred cash losses in the financial year and in the immediate preceding financial year.
- xviii.** There has been no resignation of Statutory Auditors of the Company during the year.
- xix.** On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet will get discharged by the company as and when they fall due.

- xx. The Company is not required to spend amount in pursuance of the Corporate Social Responsibility as stipulated under Section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.
- xxi. The Company is not required to prepare Consolidated Financial Statements. Accordingly, clause 3(xxi) of the Order is not applicable.

For **S P Sarda & Co,**
Chartered Accountants
Firm's registration No. 323054E

Ankit Agarwal
Partner
Membership No. 305132
UDIN: 22305132AJOOMZ9683
Date: 25/05/2022
Place: Kolkata

Yarn Syndicate Limited
Balance Sheet as on 31st March 2022

		Rs in '000	Rs in '000
	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
a) Property plant and equipment And Intangible Assets	3	727	727
b) Deferred tax assets (net)	4	-	-
Total non-current assets		727	727
Current assets			
a) Financial assets			
i) Trade receivables	5	-	-
ii) Cash and cash equivalents	6	466	519
iii) Other Financial Asset	7	120	120
c) Other current assets	8	3,164	2,212
Total current assets		3,750	2,851
Total assets		4,477	3,578
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	9	37,500	37,500
b) Other equity		(40,106)	(44,139)
Total equity		(2,606)	(6,639)
Liabilities			
Non-current liabilities			
a) Provisions	10	873	873
Total non-current liabilities		873	873
Current liabilities			
a) Financial liabilities			
i) Short term borrowings	11	5,500	8,636
ii) Trade payables	12	283	245
b) Provisions	13	-	-
c) Other current liabilities	14	427	462
Total current liabilities		6,210	9,344
Total liabilities		7,083	10,218
Total equity and liabilities		4,477	3,578

Significant Accounting Policies and Notes on Accounts **1 & 2** 0 (0)
3-32 0 0

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.

for S. P Sarda & Co.
Chartered Accountants
ICAI Firm's Registration No. : 323054E

for and on Behalf of the Board of Directors

Ankit Agarwal
(Partner)
Membership No : 305132

Rishiraj Patodia
(Managing Director)
DIN:00259104

B C Chatterji
(Company
Secretary)

Place : Kolkata
Date : 25.05.2022
UDIN:22305132AJOOMZ9683

Sheela Patodia
(Director)
DIN:00276269

K Chhabria
(Director)
DIN: 00306069

B Biswas
(Chief Financial Officer)

Yarn Syndicate Limited
Statement of Profit and Loss for the Period ended 31st March 2022

			Rs in '000	Rs in '000
	Particulars	Notes	For the year Ended 31st March 2022	For the Year Ended 31st March 2021
I	Revenue from operations	15	-	-
II	Other income	16	5,959	25
III	Total Income (I+II)		5,959	25
IV	Expenses			
	Purchases of Stock-in-Trade	17	-	-
	Employee benefits expense	18	519	677
	Finance costs	19	0	0
	Depreciation expense	20	-	-
	Other expenses	21	1,407	1,235
	Total expenses (IV)		1,926	1,913
V	Profit before tax (III -IV)		4,033	-
VI	Tax expense			
	Excess Income tax earlier year		-	-
	Deferred tax	22	-	1,576
	Total tax expense (VI)		-	1,576
VII	Profit for the period (V-VI)		4,033	-
VIII	Other comprehensive income			
	<i>A) Items that will not be reclassified to profit or loss</i>			
	- Remeasurement of the employee defined benefit plans (net of tax)		-	-
	- Equity instruments through other comprehensive income (net of tax)		-	-
	<i>B) Items that may be reclassified to profit or loss</i>			
	- Effective portion of gains/(loss) on cash flow hedges		-	-
	Total other comprehensive income (net of taxes)		-	-
IX	Total comprehensive income for the year (VII+VIII)		4,033	-
	Earnings per equity share of (₹ 10 each)			
	(1) Basic (in Rs)	24	1.08	(0.92)
	(2) Diluted (In Rs)	24	1.08	(0.92)

*The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.*

for S. P Sarda & Co.
Chartered Accountants
ICAI Firm's Registration No. : 323054E

for and on Behalf of the Board of Directors

Ankit Agarwal
(Partner)
Membership No : 305132

Rishiraj Patodia
(Managing Director)
DIN:00259104

B C Chatterji
(Company Secretary)

Place : Kolkata
Date : 25.05.2022
UDIN: 22305132AJOOMZ9683

Sheela Patodia
(Director)
DIN:00276269

K Chhabria
(Director)
DIN: 00306069

B Biswas
(Chief Financial Officer)

Yarn Syndicate Limited

Rs in Thousands

Particulars	Other Equity										
	Equity Share Capital	Reserves and Surplus					Items of OCI				Total Equity attributable to Equity holders
		Capital Reserve	Securities Premium	Fixed Assets Revaluation	General Reserve	Retained earnings	Debt Instruments	Equity instruments	Effective portion of	FVTOCI reserve	
As at 1 April 2021	37,500	-	43,750	-	-	(87,889)	-	-	-	-	(6,639)
Profit for the year	-	-	-	-	-	4,033	-	-	-	-	4,033
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	37,500	-	43,750	-	-	(83,856)	-	-	-	-	(2,606)
Dividends	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2022	37,500	-	43,750	-	-	(83,856)	-	-	-	-	(2,606)

Yarn Syndicate Limited
Statement of Cash Flows for the year ended 31st March 2022

		Rs in '000	Rs in '000
Particulars		As on Year ended 31.03.2022	As on Year ended 31.03.2021
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit for the year	4,033	1,888
	Adjustment to reconcile net profit to net cash provided by Operational Activities		
	Depreciation	-	-
	Interest expense	0	0
	Interest income	(174)	-
	Gain on Mutual Fund	-	-
	Provision / Bad Debts/ Sundry Bal. W/ back	-	-
	Prior Period Income	-	-
	Bad Debts W/off	-	-
	Profit on disposal of property plant and equipment	-	-
		3,859	1,888
	Changes in Assets & Liabilities:		
	Trade Receivables:	-	-
	Other Financial Assets:	-	-
	Other Current Assets:	(952)	800
	Trade payables:	38	39
	Long Term Provisions	-	101
	Other Current Liabilities	(36)	174
		2,910	851
	CASH GENERATED FROM OPERATIONS	2,910	851
	Direct Taxes Paid:	-	-
	NET CASH GENERATED BY OPERATIONS (A)	2,910	851
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Proceeds from disposal of property, plant and equipments		
	Loan & Inter corporate Deposits:		
	Investments	-	-
	Gain on Mutual Fund	-	-
	Interest income	174	-
		174	-
	NET CASH GENERATED / (USED) IN INVESTING ACTIVITIES (B)	174	-
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Long Term Borrowings repaid	-	-
	Short Term Borrowings:	(3,136)	848
	Interest expense	(0)	0
	Interest income	-	-
		(3,137)	848
	NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES (C)	(3,137)	848
	NET DECREASE IN CASH AND CASH EQUIVALENT (A+B+C)	(53)	4
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	519	523
	CASH AND CASH EQUIVALENT AS PER NOTE 6	466	519

Note:- The above cash flow statement has been prepared in under the indirect method as set out in the Indian Accounting Standard-7 on Cash

This is the Cash flow statement referred to in our report of even date attached.

for **S. P. Sarda & Co.**

Chartered Accountants

ICAI Firm's Registration No. : 323054E

for and on Behalf of the Board of Directors

Ankit Agarwal

(Partner)

Membership No : 305132

UDIN:

Date: 25th Day of May '2022

Place: Kolkata

UDIN: 22305132AJOOMZ9683

Rishiraj Patodia

(Managing Director)

DIN:00259104

Sheela Patodia

(Director)

DIN:00276269

B C Chatterji

(Company

Secretary)

K Chhabria

(Director)

DIN: 00306069

B. C. Chatterji

(Company Secretary)

Notes to Financial statements

1. Company overview

Yarn Syndicate Limited (the 'Company') is a public limited company domiciled in India and has its registered office at 86/2/4 S. N Banerjee Road, 1st Floor, Flat No. 2, Kolkata 700014. Its equity shares are listed on BSE stock exchange in India. The Company is engaged in trading and export of yarn.

2A.Basis of preparation of financial statements

Basis of preparation and Compliance with Ind AS and Schedule III of the Companies Act, 2013

For all periods upto and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 (the act) read together with Rule 7 of the Companies (Accounts) Rules, 2021, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013. In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind AS") with effect from April 1, 2017 and the Company is required to prepare its financial statements in accordance with Ind AS for the year ended 31st March, 2022.

Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

Fair value measurement

A number of company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities.

The company has established policies and procedures with respect to the measurement of fair values. The chief financial officer and the persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and assessments that these valuations meet the requirements of IND AS.

2B. Significant accounting policies

The Company has applied the following accounting policies to all periods presented in the Ind AS financial statements.

a. Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current only.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

b. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty. Excise duty is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to Company on its own account, revenue includes excise duty. Ind As 115, "Revenue from Contracts with customers" has been considered wherever applicable.

The specific recognition criteria described below must also be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognized when all significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Export benefits are accounted on recognition of export sales.

Interest income

Interest income is included in other income in the statement of profit and loss. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate when there is a reasonable certainty as to realization.

c. Property, plant and equipment and Intangible Assets

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

Depreciation:

Depreciation is provided on WDV basis for property, plant and equipment so as to expense the depreciable amount as per schedule II of the companies act 2013.

Depreciation on additions to assets during the year valuing upto Rs. 5,000/- are fully depreciated in the year of acquisition.

When an asset is scraped or otherwise disposed off, the cost and related depreciation are removed from the books of accounts and resultant profit or loss, if any, is reflected in the statement of Profit & Loss.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

e. Foreign currencies

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in other comprehensive income.

f. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related.

g. Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets as on the last date of preceding financial year has been written off in the current financial year due to uncertainty of its utilization because of current underlying business circumstances.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the

borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

j. Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

>Stock-in-trade: These are valued at lower of cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Obsolete inventories are identified and written down to net realizable value. Slow moving and defective inventories are identified and provided to net realizable value.

k. Impairment

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized wherever the carrying amount of the asset either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flow from the use of assets is discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and the loss no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective asset, which in case of CGU are allocated to assets on a prorated basis.

l. Investments

Long term investments are stated at cost less provision for diminution in value other than temporary, If any. Current investments are valued at lower of cost and fair value determined on an individual investment basis.

m. Employee Benefits:

Defined benefit plan: The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plan: Payments to defined contribution plans are recognized as an expense when employees have rendered service entitling them to the contributions.

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the Government Provident Fund monthly.

Short-term employee benefits: A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognized in respect of short-term employee benefits are measured at the un discounted amount of the benefits expected to be paid in exchange for the related service.

n. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessment of time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

o. Cash and cash equivalent:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

p. Earnings per Share:

The basic Earnings per Share ("EPS") are computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3: Property plant and equipment And Intangible Assets

Carrying amounts of:	As at 31 March 2022	As at 31 March 2021
Freehold Land	558	558
Building	62	62
Office Equipments	-	-
Computer	1	1
Furniture & Fittings	-	-
Vehicles	106	106
Total	727	727

1) The title deed of Immovable Property is held in the name of the Company.

2) No depreciation has been provided for on depreciable fixed assets, i.e. computer and vehicles as the same are being carried at salvage value of 5%.

3: Property, Plant and Equipment And Intangible Assets

Cost	Freehold Land	Buildings*	Computer	Vehicles	Total
Balance at 1 April 2020	558	62	260	11,234	12,114
Additions / Adjustment	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at 31 March 2021	558	62	260	11,234	12,114
Additions / Adjustment	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at 31st March 2022	558	62	260	11,234	12,114

Accumulated depreciation and impairment	Freehold Land	Buildings	Computer	Vehicles	Total
Balance at 31 March 2020	-	-	259	11,128	11,387
Depreciation expense	-	-	-	-	-
Eliminated on disposal of assets	-	-	-	-	-
Balance at 31 March 2021	-	-	259	11,128	11,387
Depreciation expense for the year	-	-	-	-	-
Eliminated on disposal of assets	-	-	-	-	-
Others	-	-	-	-	-
Balance at 31 March 2022	-	-	259	11,128	11,387

Carrying amount	Freehold Land	Buildings	Computer	Vehicles	Total
Balance at 31 March 2020	558	62	1	106	727
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation expense	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-
Balance at 31 March 2021	558	62	1	106	727
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation expense	-	-	-	-	-
Balance at 31 March 2022	558	62	1	106	727

Yarn Syndicate Limited

Notes to the financial statements for the year ended 31st March 2022

Rs in Thousands

4: Deferred Tax balances

The following is the analysis of deferred tax assets presented in the Balance Sheet:	As on 31st March 2022	As on 31st March 2021
Deferred tax assets	-	1,576
Deferred tax liabilities	-	-
Total	-	1,576

Footnotes:

No deferred tax asset has been created on Provision for doubtful debts.

* Till previous year ended March 31, 2021, the company was recognising deferred asset (DTA) , in view of prudence and uncertainty of future taxable income no deferred tax assets has been created in current financial year.

5: Trade receivables	As on 31st March 2022	As on 31st March 2021
Unsecured		
Considered good	-	-
Considered Doubtful	14,501	14,501
Credit Impaired		
	14,501	14,501
<i>Less: Doubtful Receivables</i>	14,501	14,501
Total	-	-

Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment				
	Less Than 6 Months	6 Months- 1 Year	1- 2 Years	2- 3 Years	More Than 3 Years
(i) Undisputed Trade receivables – considered good					
(ii) Undisputed Trade Receivables – considered doubtful				-	14,501
(iii) Disputed Trade Receivables considered good					
(iv) Disputed Trade Receivables considered doubtful					

Footnotes:

i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

ii) The credit period ranges within 30 days to 90 days.

6: Cash and cash equivalents	As on 31st March 2022	As on 31st March 2021
a. Balances with banks in current accounts	101	138
b. Cash on hand	365	381
Total cash and cash equivalents as per Balance Sheet	466	519
Bank overdrafts and cash credit facility (secured)		
Total cash and cash equivalents as per Statement of Cash Flows	466	519

1) Bank Statement for Indian Bank, Chennai having balance of INR 6.38 ('000) could not be available due to account being dormant.

Non cash transactions

During the current year, the Company has not entered into any non cash transaction.

7: Other Financial Assets	As on 31st March 2022	As on 31st March 2021
Current		
Security Deposits	120	120
Total	120	120

Yarn Syndicate Limited
Notes to the financial statements for the year ended 31st March 2022
Rs in Thousands

8: Other Current assets	As on 31st March 2022	As on 31st March 2021
(Unsecured Considered good unless otherwise stated)		
Advance to vendors	212	2,212
Other Advances Recoverable	2,952	5,209
Less: Provision for Doubtful Advances	-	(5,209)
Total	3,164	2,212

The Loans and Advances are not granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person.

9: Equity Share capital	As on 31st March 2022	As on 31st March 2021
Equity share capital		
Authorised share capital :		
5,000,000 Equity Shares of Rs 10/- each with voting rights	50,000	50,000
	50,000	50,000
Issued, subscribed and fully paid up equity capital:		
Issued shares		
3,750,000 (31st March 2021: 3,750,000; 01st April 2020: 3,750,000) Equity Shares of Rs 10/- each with voting rights	37,500	37,500
	37,500	37,500
As on 31.03.2021	37,500	37,500
Less: Reclassified to financial liabilities (at amortised cost)	-	-
	37,500	37,500

Footnotes:

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Equity shares	Number of shares	Number of shares
Balance at 1 April 2021	3,750,000	3,750,000
Movements	-	-
Balance at 31 March 2022	3,750,000	3,750,000

b) Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity shares	As on 31st March 2022	As on 31st March 2021
Mrs Sheela Patodia		
Number Of Shares	1,313,546	1,302,802
Total	1,313,546	1,302,802
Mr Rishiraj Patodia		
Number Of Shares	215,500	215,500
Total	215,500	215,500
Y S Exports Limited		
Number Of Shares	994,950	994,950
Total	994,950	994,950

As per records of the Company as at 31 March 2022 no calls remain unpaid by the directors and officers of the Company.

Rights preference and restrictions attached to the class of shares.

A) Equity Shares

Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

B) Shareholding of Promoters as below:

Shares held by promoters at the end of the year				% Change during the year
Sl No.	Promoter's name	No. of Shares	% of total shares	
1	Mrs Sheela Patodia	1,313,546	35.03	0.29
2	Mr Rishiraj Patodia	215,500	5.75	0
3	Y S Exports Limited	994,950	26.53	0
4	Anuj Patodia	2,400	0.06	0
5	Indu Chandrakishore	627	0.02	0
6	Jayanti Dalmia	600	0.02	0
7	Manoj Kumar Patodia	8,000	0.21	0
8	Nandita Patodia	2,600	0.07	0

Yarn Syndicate Limited
Notes to the financial statements for the year ended 31st March 2022
Rs in Thousands

10: Provisions	As on 31st March 2022	As on 31st March 2021
Non Current		
Employee benefits (See note below)		
Gratuity	873	873
Total	873	873

11. Short term borrowings	As on 31st March 2022	As on 31st March 2021
Unsecured -at amortised cost		
Loans from Related Parties	3646	6783
Loans from Body Corporate and others	1854	1853
Total	5500	8636

Footnotes: The above loans are interest free loans & are repayable on demand.

12 : Trade and other payables	As on 31st March 2022	As on 31st March 2021
(i) Total outstanding dues of micro enterprises and small enterprises		
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	283	245
Other payables		
Total	283	245

Footnotes:

- (i) The average credit period on purchases of goods and services are within 90 days. The trade and other payables are non interest bearing.
(ii) There are no micro, small and medium enterprises identified to whom payment is due.

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
(ii) Others	183		101		
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

13. Short Term Provisions	As on 31st March 2022	As on 31st March 2021
Provision for Income Tax	-	-
Total	-	-

14: Other current liabilities	As on 31st March 2022	As on 31st March 2021
Others	427	462
Total	427	462

15: Revenue from operations	As on 31st March 2022	As on 31st March 2021
Sale of Trading Goods	-	-
Other operating income	-	-
Total	-	-

Yarn Syndicate Limited
Notes to the financial statements for the year ended 31st March 2022
Rs in Thousands

16: Other income	As on 31st March 2022	As on 31st March 2021
a) Interest income		
Interest Income	-	-
Interest income on income tax refunds	-	-
b) Other non-operating income		
Refund of sales tax	-	25
Misc. Receipts	7	-
Provision no Longer required written back	5,209	-
Interest Income	174	-
Prior Period Income	569	-
c) Other gains		
Profit on disposal of property plant and equipment	-	-
Total	5,959	25

17. Purchase of Stock-in-Trade	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Purchase of stock of Trading Goods	-	-
Total	-	-

18: Employee benefits expense	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Salaries, wages and bonus	453	523
Contribution to provident and other funds (refer note 25)	66	154
Total	519	677

19: Finance costs	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Interest on TDS	0	0
Other on P Tax	-	0
Interest on IT		
Interest on Sales Tax		
Total	0	0

20: Depreciation and Ammortisation expense	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Depreciation (refer note 3)	-	-
Total	-	-

No depreciation has been provided for on depreciable fixed assets, i.e. computer and vehicles as the same are being carried at salvage value of 5%.

21: Other expenses	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Rates and taxes	13	11
Electricity Charges	3	4
Rent	312	286
Legal and professional fees	335	373
Repairs and maintenance of others	19	17
Telephone Exp	11	9
Charity & Donations	4	-
Travelling and conveyance expenses	38	25
Audit fee		
For Statutory Audit	60	60
For Other Matters	59	39
Listing fees/Annual Fees	388	346
Printing & Stationery	10	-
Filing Fees	29	3
Advertisement	33	32
Others	93	31
Total	1,407	1,235

Yarn Syndicate Limited

Notes to the financial statements for the year ended 31st March 2022

Rs in Thousands

23. Ratio Analysis:

Ratios	Numerator	As on 31st March 2022	As on 31st March 2021	% Variance	Reason for variance
Current Ratio	Current Assets/Current Liabilities	0.60	0.31	98%	Due to realisation of loans
Debt Equity Ratio	Total Debt/Shareholder's Equity	-2.11	-1.30	62%	Due to this year profit
Debt Service Coverage Ratio	Earnings available for debt services/(Interest+Installments)	0.00	0.00	N/A	
Return on Equity Ratio	(Net Profit after taxes-Preference Dividend(if any))/Shareholder's Equity	-155%	52%	-207%	Due to this year profit
Inventory Turnover Ratio	Cost of Goods Sold/Average Inventory	0.00	0.00	N/A	
Trade Receivables Turnover Ratio	Net Credit Sales/Average Trade Receivables	0.00	0.00	N/A	
Trade Payables Turnover Ratio	Net Credit purchases/Average Trade Payables	0.00	0.00	N/A	
Net Capital Turnover Ratio	Net Sales/Net Assets	0.00	0.00	N/A	
Net Profit Ratio	Net Profit/Sales*100	0.00	0.00	N/A	
Return on Capital Employed	EBIT(1-tax rate)/Capital employed*100	-155%	28%	-183%	Due to this year profit
Return on Investment	Net Profit after tax/Investments*100	0.00	0.00	N/A	

24: Earnings per share

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Basic earnings per share (in `)	1	(1)
Diluted earnings per share (in `)	1	(1)

Basic /diluted earnings per share

The earnings and weighted average number of equity share used in the calculations of basic/diluted earnings per share are as follows:

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Profit after tax	4,033	(3,464)
Dividend including dividend distribution tax on CCPS	-	-
Profit for the year used in the calculation of basic earnings per share	4,033	(3,464)
Profit for the year used in the calculation of diluted earnings per share	4,033	(3,464)

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Weighted average number of equity shares for basic earnings per share	3,750	3,750
Weighted average number of equity shares for diluted earnings per share	3,750	3,750

25. Contingent Liabilities & Contingent Assets and Commitments

The Company does not have any Contingent Liabilities

NIL

NIL

& Contingent Assets and Commitments at the Balance Sheet date

26. Employee Benefits

A) Contributions to Defined Contribution plan recognised as expenses for the year are as under:

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Employer's Contribution to Provident Fund:	54	44

B) The disclosure as per the Indian Accounting Standard 19 (Ind AS 19) "Employee Benefits" are given below:

I. Gratuity Plan

The Company has defined benefit plan comprising of gratuity. The present value of obligation is determined on the basis of Actuarial valuation using the Pro actuarial method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately t

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
a) Change in the Present Value of the defined benefit Obligation during the year:		
1. Present Value of the Obligation at the beginning:	1,363	1,294
2. Interest Cost:	94	91
3. Current Service Cost:	65	65
4. Benefit Paid:	-	69
5. Actuarial (Gain)/ Loss on the Obligation:	- 311	19
Present Value of defined Benefit Obligation at the end of the year:	1,210	1,363

Yarn Syndicate Limited

Notes to the financial statements for the year ended 31st March 2022

Rs in Thousands

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
b) Change in the Fair Value of Plan Assets during the Year:		
1. Fair Value of Plan Assets at the beginning:	489	522
2. Expected Return on Plan Assets:	35	35
3. Employer's Contribution:	34	35
4. Benefit Paid:	-	69
5. Actuarial Gain/(Loss) on the Plan Assets:	34	34
Fair Value of Plan Assets as at the end of the year:	524	489

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
c) Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets		
1. Present Value of Defined Benefit Obligation:	1,210	1,363
2. Fair Value of Plan Assets:	524	489
Net Asset/(Liability) recognised in the Balance Sheet:	- 686	- 873

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
d) Expenses recognised in the statement of Profit & loss:		
1. Current Service Cost:	65	65
2. Interest Cost:	94	91
3. Expected Return on Plan Assets:	(35)	(35)
4. Net Actuarial (Gain)/Loss recognised in the Period:	(277)	15
Expenses recognised in the statement of Profit & loss:	(153)	136

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
e) Actuarial Assumptions:		
1. Discount Rate:	7.10%	6.90%
2. Salary Growth Rate:	6.00%	6.00%
3. Expected rate of return on Plan Assets:	7.10%	6.90%

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
f) Maturity Profile of the defined benefit obligation :		
1. Amount due within One year (Current Liability):	992	1,119
2. Amount due over One Year (Non Current Liability):	219	243
Total Expected payments:	1,210	1,363

g) Risk Analysis:

Company is exposed to a number of risk in the defined benefit plans. Most significant risk pertaining to defined benefit plans and management's estimation of the impact of these risk's are as follows:

i) Interest Risk

A decrease in the interest risk on Plan Assets will increase the plan Liability.

ii) Longevity Risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the Mortality of plan participants both during and at the end of the Employment. An Increase in the life expectancy of the plan participants will increase plan liability.

iii) Salary Growth Risk:

The Present value of the defined benefit plan liability is calculated by reference to the future salaries of Plan participants. An increase in the salary of the plan participants will increase the plan liability.

iv) Investment Risk:

The Present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government Bonds.

27: Segment Reporting

An Operating Segment is component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is engaged in the business of exporting yarn and fabric and any other activities incidental thereto. Board of Directors are Chief Operating Decision Maker (CODM) of the Company. Further, there are no export sales and hence there is no reportable secondary segment. Accordingly, these financial statements are not reflective of the information required under Ind AS 108.

28 : Fair Value measurement

Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Financial assets carried at amortised cost				
(a) Cash and bank balances	466.01	466.01	518.81	518.81
Financial liabilities				
Financial liabilities at amortised cost				
(a) Borrowings	5500.08	5500.08	8,636.49	8,636.49

Note:

The carrying values of financial assets and liabilities represent their approximate fair value.

29: Financial Instruments

i) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 10 and 12 offset by cash and bank balances) and total equity of the Company.

The Company uses net debt equity ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

Net debt-to-equity ratio as of 31st March 2022

	31st March 2022	31st March 2021
Short Term Borrowings	5500.08	8636.49
Gross Debt : (A)	5500.08	8636.49
Less: Cash & Bank Balance	466.01	518.81
Net Debt: (B)	5034.07	8117.68
Total Equity	-2606.14	-6639.29
Net Debt to Equity Ratio	-193.16%	-122.27%

ii) Categories of financial instruments

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	466.01	518.81
Measured at FVTOCI		
(a) Investment in equity instruments designated upon initial recognition	-	-
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	5,500.08	8,636.49
Measured at FVTPL		
Other financial liabilities		

30 : Financial risk management objectives and policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's activities expose it to market risk, liquidity risk and credit risk which are measured, monitored and managed to abide by the principles of risk management.

i) Credit Risk

Credit risk arises when a customer defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of categorising the customers based on the performance and accordingly credit limit ceiling of each category is defined. The Company's exposure and categorisation of its customers are continuously monitored. Credit exposure is controlled by customer credit limits which are reviewed and approved.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables.

There is no change in estimation techniques or significant assumptions during the reporting period.

ii) Liquidity Risk

Liquidity risk management

The board of directors has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

iii) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company has no interest bearing liabilities as on the balance sheet date.

Derivative Financial Instruments

The Company holds no derivative financial instrument as on the reporting Date. Hence the company is not exposed to the said risk.

31 : Leases

The Company assesses whether a contract contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Group has the right to direct the use of the asset.

As on April 1, 2022 the Company does not have any existing lease which are required to be recognized as right-of-use (ROU) Asset and a corresponding Lease liability.

32 : The figures for the previous year have been regrouped/reclassified to correspond with the current year's classification/disclosures that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the companies Act 2013".

33: There is no Benami Property held by or financed by the company.

34: The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

35: The Company neither holds nor has carried out any transactions in any Crypto Currency/ Virtual Currency during the financial year.

36: There has been no instance where the Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

37: The Company does not maintain relationship with Struck off Companies.

38: There are no dues to Micro and Small enterprises within the meaning of The Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2022.

39: All the figures in the financial statements are Rs. In Thousands unless otherwise specified.

As per our report of even date attached.

for S. P Sarda & Co.
Chartered Accountants
ICAI Firm's Registration No. : 323054E

Ankit Agarwal
(Partner)
Membership No : 305132

Place : Kolkata
Date : 25.05.2022 UDIN: 22305132AJOOMZ9683

for and on Behalf of the Board of Directors

Rishiraj Patodia
(Managing Director)
DIN:00259104

Sheela Patodia
(Director)
DIN:00276269

B Biswas
(Chief Financial Officer)

K.Chhabria
(Director)
DIN:00306069

B. C. Chatterji
(Company Secretary)

YARN SYNDICATE LIMITED

Regd. Office: 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014
CIN NO: L51109WB1946PLC013842; Phone: 033 22652163; Email id: ysl@yarnsyndicate.in
Website: www.yarnsyndicate.in

Form No. MGT-11

PROXY FORM

{Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014}

Name of the Member(s):

Registered address:

..... E-
mail ID:

Folio No. / DP ID and Client ID:

I/We, being the Member(s) of Shares of the above named Company, hereby appoint:

1. Name:

E-Mail ID:

Address:.....

Signature.....or failing him/her

2. Name:

E-Mail ID:

Address:.....

Signature.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the **76th Annual General Meeting**, to be held on **Friday, 30/09/2022 at 11.00 A.M** at the registered office address of the Company at **86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014** and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Description	For*	Against*	Abstain*
Ordinary Business	Ordinary Resolution			
1.	Adoption of Audited Financial Statements of the Company for the financial year ended 31 st March, 2022, together with the Report of the Board of Directors and the Auditors thereon			
2.	Appointment of Director in place of Mr. Rishiraj Patodia (DIN: 00259104) who retires by rotation & being eligible offer herself for re-appointment			
3.	Re-appointment of M/s S.P. Sarda & Co.,Chartered Accountants (Firm Registration No. 323054E) as the Statutory Auditors for a second term of 5 (Five) consecutive years			

Affix
Revenue
Stamp

Signed this day of 2022
.....

.....

.....

.....

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

* Please put a (✓) in the appropriate column against the resolution as indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

2. A proxy need not be a Member of the Company.

3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.

4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.

6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

YARN SYNDICATE LIMITED

Regd. Office: 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014
CIN NO: L51109WB1946PLC013842; Phone: 033 22652163; Email id: ysl@yarnsyndicate.in
Website: www.yarnsyndicate.in

ATTENDANCE SLIP

Folio No./DP ID/ Client ID No.	
No. of Shares Held	

I/ We record my /our presence at the 76th Annual General Meeting at the registered office address of the Company at 86/2/4, S N Banerjee Road, 1st Floor, Flat No.2, Kolkata-700014 held on Friday 30/09/2022 at 11.00 A.M

NAME OF THE SHAREHOLDER(S) (in Block Letters)	
SIGNATURE OF THE SHAREHOLDER(S)	
NAME OF THE PROXY (in Block Letters)	
SIGNATURE OF THE PROXY	

ELECTRONIC SEQUENCE (EVSN)	VOTING NUMBER	USER ID	PASSWORD
		AS PER INSTRUCTION SHEET	AS PER INSTRUCTION SHEET

NOTE: You are requested to sign and handover this slip at the entrance of the meeting venue.

ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING OF YARN SYNDICATE LIMITED

