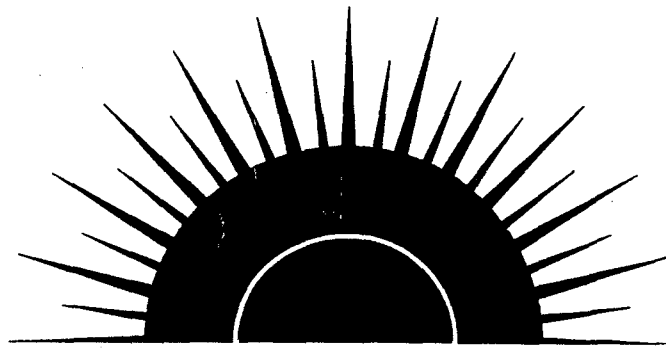


**22nd
Annual Report
2009-2010**



SUNCITY SYNTHETICS LTD.



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You may desire to have some clarification or additional information on the accounts for the year ended 31st March 2010 at the ensuing Annual General Meeting. We shall very much appreciate if you will kindly write to us at least ten days in advance to enable us to keep the information ready for you at the meeting.

Annual General Meeting :
Wednesday, 30th June 2010
At 11.00 A.M.
205, Rajhans Complex,
Ring Road, SURAT



BOARD OF DIRECTORS :

Shri Dhanraj K Jain
Chairman

Shri Suresh Dhanraj Kavar
Managing Director

Shri Naresh Jain
Director

Shri Mahaveer Kothari
Independent Director

Shri Madanlal Kothari
Independent Director

Smt. Rachna Kataria
Independent Director

Bankers :

Indusind Bank, Jodhpur
S.B.B.J. Jodhpur

Auditors:

N.Kumbhat & Co.
Chartered Accountants
Surat

Registered Office

205, Rajhans Complex,
Ring Road, SURAT

Adm. Office :

C-8, Shastri Nagar
Jodhpur (Raj.) India

Factories

Unit I : Plot No. E-7, Village Boranada
Dist. Jodhpur
Unit II : Block No. 51, Pipodara
Dist. Surat

Registrar & Transfer Agent

Modkar Computers (P) Ltd.
21, Shakil Nivas,
Mahakali Carve Road, Andheri (East)
MUMBAI

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SUNCITY SYNTHETICS LIMITED WILL BE HELD ON WEDNESDAY 30TH JUNE 2010 AT 11.00 A.M.. AT THE REGISTERED OFFICE OF THE COMPANY AT 205 RAJHANS COMPLEX , OPP. J.K.TOWERS, RING ROAD SURAT 395002 TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:-

1. To consider and adopt the Balance Sheet as at 31.03.2010 and the Profit and Loss Account for the year ended as on date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Madanlal Kothari, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Dhanraj Kavar, who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES:-

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- (2) Members desiring any information as regards accounts, are requested to write to the Company at least 10 days before the meeting to enable management to keep the information ready.
- (3) Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting place.
- (4) Explanatory Statement under section 173(2) is enclosed

Place : Surat

By Order of the Board of Directors

Date :- 31.05.2010

Suresh Kavar
Managing Director

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING
(In pursuance of Clause 49 of the Listing Agreement)

1) Name of Directors	Madanlal Kothari	Dhanraj Kavar
2) Date of Birth	09.07.1946	20.10.1940
3) Qualification	SSC	SSC
4) Date of Appointment	30.08.2003	01.03.1996
5) Experience	Businessman 32 yrs	Businessman 37 yrs
6) Other Directorship as on 31.3.2010	Nil	Dhara fabrics (P) Ltd
7) Chairman/member of the Committee as on 31.03.2007	Nil	Nil

**DIRECTORS' REPORT**

To,
The Members

Your directors have pleasure in presenting their Twenty Second annual report and the audited statement of accounts for the year ended on 31st March, 2010 together with the auditors report thereon.

FINANCIAL RESULTS

The summarized financial results for year end 31st March 2010 are as under

Particulars	2009-10	Rupees in lacs 2008-09
Sales and services	535.62	743.97
Gross Profit before Interest and depreciation	66.84	-93.65
Less : Interest	2.81	10.59
Less : depreciation	44.52	43.45
Profit/loss before tax	19.51	-147.69
Less: provision for tax including deferred tax	-1.39	-50.13
Add: Surplus	20.90	-97.56

DIVIDEND

With a view of inadequate profits the directors do not recommend any dividend for the year ended 31st March 2010.

COMPANY PERFORMANCE

The company continues to operate in Plastics business mainly production of nylon and polyester chips. The sales have decreased to Rs.53562041.00 from previous year sales of Rs.74397262.00 due to lack of demand. The company however earned profit of Rs.19.50 lacs against loss during last year. The directors are making before to increase profitability.

MANAGEMENT DISCUSSION AND ANALYSIS.

- (a) Industry Structure and Developments :- Company is engaged in business of nylon/polyester chips manufacture
- (b) Opportunities and Threats :- The industry provides ample opportunities in domestic and as well as export market. However the uncertainty of raw material prices and government policies are detrimental to growth and profitability.
- (c) Segment-wise or product-wise Performance :- Company operates in single segment and segment wise reporting is not applicable.
- (d) Outlook :- The Company shall continue to explore its policy of expansion based on availability of resources and opportunity.
- (e) Risks & Concerns :- Company do not foresee any such risk in near future, which will hamper the activities.
- (f) Internal control systems and their adequacy :- Company is in the process of implementing various software for better control.
- (g) Human Resources Managements Initiatives:- The management is keenly interested this field. All the efforts are made to rationalize its manpower and make effective use of the same.

BOARD OF DIRECTORS:

There was no change in constitution of Board of Directors during the year.

AUDITORS:

M/s. N. Kumbhat & Co., Chartered Accountants, retire at this Annual General Meeting and being eligible offer themselves for reappointment. Your Company has received a letter from them to the effect that their reappointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956. The Board of directors commend their reappointment.

**FIXED DEPOSITS :**

Your Company has not accepted any deposits from public.

CORPORATE GOVERNANCE :

Certificate of the statutory auditors regarding compliance of the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement with stock exchange, is enclosed..

STATUTORY INFORMATION :

- (i) Information under section 217 (1) (e) of the Companies Act, 1956 read with the companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988:-

A. CONSERVATION OF ENERGY

Energy conservation measures taken: None at present

Additional investment and proposals, if any, being implemented for reduction of consumption of energy: There are no proposals.

Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Does not arise.

Total energy consumption and energy consumption per unit of production as per Form "A" to annexure in respect of industries specified in the schedule thereto

Power and fuel consumption	2009-10	2008-09
(a) Electricity Purchased		
Units(KWH)	367568	600809
Total amount Rs.in lacs	21.08	28.80
Rate/Unit (Rs.)	5.74	4.80
Own Generation		
Units (KWH)	760	5425
Units per liter of diesel oil	3.80	3.62
Rate/unit (Rs.)	9.92	9.68

B. TECHNOLOGY ABSORPTION**Form B****Research & Development (R & D)**

- Specific area in which R & D carried by the company: None at Present
- Benefits derived as a result of the above R & D: Does not arise.
- Future plan of action: At present it is not under consideration
- Expenditure on R & D: Nil

Technology absorption, adaptation and innovation:

- Efforts being made towards technology absorption, adaptation and innovation: None
- Benefits derived as a result of the above efforts e.g. Product improvement cost, reduction, product development, import substitution etc. : None
- Imported technology : Not applicable as technology has not been imported.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Earning: Rs: 0.00l Outgo: Rs 45.88 Lacs

INFORMATION UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AS AMENDED UP TO DATE :

The company do not have any employee drawing salary in excess of limits prescribed under section 217 (2a) of the companies act, 1956 read with the companies (particulars of employees) rules 1975 the particulars should be treated as nil.

**DIRECTORS' RESPONSIBILITY STATEMENT.**

Your Directors confirm that:

- (i) in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) 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 financial year and of the loss of the company for the year.
- (iii) the Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, and
- (iv) the Directors had prepared the accounts on going concern basis.

INDUSTRIAL RELATIONS:

The industrial relations continued to be cordial during the year under review.

ACKNOWLEDGMENT:

The Directors express their sincere thanks to the employees, customers, suppliers, company's bankers and members of the company for their continued support.

Place : Surat

Date : 31.05.2010

For & On Behalf of the Board of Directors

Chairman

REPORT ON CORPORATE GOVERNANCE

The Company's policies and practices continued to aim at efficient conduct of business and in effective meeting its obligations to the shareholders as the company believes in good corporate governance.

BOARD OF DIRECTORS:

The present strength of Board of Directors of your Company is Five. Two directors are executive directors and four are non executive directors. None of the directors are members in more than ten committees and they do not act as chairman of more than five committees

"Independent Director" who apart from receiving director's remuneration, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management, which in judgment of the Board may affect independence of judgment of director.

Brief resume of the directors who retire by rotation and seek re appointment. is given in the notes to the notice, the members are requested to refer the same.

Attendance of Directors at the meeting of Board of Directors held during the financial year 2009-2010 and the last Annual General Meeting held for the on 30.09.2009 are as follows:

Details of Meetings of Board of Directors held during the year 2009-2010:

Sr.No.	Date	No. of Directors present
1	30.04.2009	4
2	15.06.2009	4
3	31.07.2009	4
4	31.10.2009	4
5	31.01.2010	4
6	31.03.2010	4

The gap between the two board meetings was not more than four months



Number of Board of Directors or Board Committee of Public Limited Companies of which a Director is member or chairperson.

Name of Director	Category	AGM attendance	Other directorship in public limited companies	Committee membership
Shri Dhanraj Kavar	Non. Executive	Yes	Nil	1
Shri Suresh Kavar	Executive	Yes	Nil	-
Shri Naresh Jain	Non Executive	Yes	Nil	-
Shri Madanlal Kothari	Independent	Yes	Nil	1
Smt. Rachana Kataria	Independent	Yes	Nil	-
Shri Mahaveer Kothari	Independent	Yes	Nil	-

AUDIT COMMITTEE:

Brief description of terms of reference

To oversee the company's financial reporting process, internal control system, reviewing the accounting policies and practices, reports of the company's Quarterly/Half Yearly/Yearly financial statements as also to review financial and risk management policies.

Composition	: Consists of 3 directors as under :
Name of Members & Chairperson	: 1) Mr. Madanlal Kothari (Chairman)
	: 2) Ms. Rachana kasatia
	: 3) Mr. Naresh jain

The Six meetings were held during the year on 30.04.2009, 15.06.2009, 31.07.2009, 31.10.2009, 31.01.2010 and 31.03.2010. All meetings were attended by both directors .

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

Brief description of terms of reference

To specifically look into the redressal of complaints like transfer of shares, non-receipt of annual reports, etc. received from shareholders/investors and improve the efficiency in investors' service wherever possible.

Composition	: Consists of 3 directors as under :
Name of Members & Chairperson	: 1) Ms. Rachana Kasatia Chairperson
	: 2) Mr. Dhanraj Jain
	: 3) Mr. Naresh jain

The complains received during the year have been replied and no complaints are pending at end of the year

Name of Compliance Officer	: Mr. Suresh Kavar
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REMUNERATION COMMITTEE:

The Executive Directors' remuneration is fixed by the committee within the overall limit and recommended for approval by the Board of Directors and the Shareholders at their meetings. Presently, the Non Executive Directors are not paid any remuneration or sitting fees

Composition	: Consists of 2 directors as under :
Name of Members & Chairperson	: 1) Mr. Madanlal Kothari (Chairman)
	: 2) Ms. Rachana kasatia

The remuneration paid to directors during the year is as under

1. Shri Suresh kavar Rs.6,00,000.00

ANNUAL GENERAL MEETING :

Details of last three Annual General Meetings held:

Particulars	2006-2007	2007-08	2009-10
Day	Thursday	Tuesday	Wednesday
Date	16.08.2007	30.09.2008	30.09.2009
Time	11.00 a.m	11.00 a.m.	11.00 a.m.
Venue	205 Rajhans Complex, Ring Road Surat		

**DISCLOSURES:**

1. Disclosures on materially significant related party transaction, i.e., transactions of the company of material nature, with its Promoters, Directors, or the Management their subsidiaries or relative, etc. that may have potential conflict with the interest on the company at large:-

None of the transactions with any of the related parties were in conflict with the interest of the company.

2. Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any statutory or any matter related to capital market during the last three years.

The company has complied with the requirements of regulatory authorities on matters related to the capital market and no penalties/strictures have been imposed against the company during the last three years.

MEANS OF COMMUNICATION:

The Company publishes its financial results every quarter in newspapers. Communications on the half yearly results are not sent individually to the Shareholders of the company.

COMPLIANCE CERTIFICATE

The certificate regarding compliance of conditions of clause 49 of the Listing Agreement from the Auditors of the company is annexed hereto.

GENERAL SHAREHOLDER INFORMATION:

- 1) Annual General Meeting : 22nd Annual General Meeting
Day, Date, Time & Venue : 30.06.2010
At 205 Rajhans Complex Ring Road Surat.
- 2) Financial Year/Calendar :
Results for first Quarter ending 30.06.2010 : On or before 31.07.2010
Results for second Quarter ending 30.09.2010 : On or before 31.10.2010
Results for third Quarter ending 31.12.2010 : On or before 31.01.2011
Results for last Quarter ending 31.03.2011 : On or before 30.04.2011
Results for year ending 31.03.2011 : On or before 31.08.2011
- 3) Date of Book Closures : 26.06.10 to 30.06.2010 (both days inclusive)
- 4) Dividend Payment Date : No dividend declared
- 5) Regd. Office : 205 Rajhans Complex, Ring Road Surat.
- 6) Registrar & Share Transfer Agent : M/s. Mondkar Computers Private Limited
- 7) Address of Investors Correspondence : M/s. Mondkar Computers Private Limited
21 Shakil Niwas Mahakali caves Road
Andheri East Mumbai
- 8) Plant Location : 1)Plot No. E 7 Boranada Dist. Jodhpur
2)Block no.51 Survey no.59 Pipodara Dist .Surat
- (9) Stock Code : 530795 Mumbai Stock Exchange
- (10) Demat ISIN No. in NSDL & CSDL : INE584001019
- 12) Distribution of Shareholding as on 31.03.2010

Distribution of Shares (Slab wise)	Percentage to total No. of Shareholders	Percentage total Share Capital
Up to 500	56.176	5.516
501 to 1000	25.323	8.458
1001 to 5000	14.419	14.092
5001 to 10000	1.085	3.617
10001 & above	2.997	68.316
Total	100.00	100.00

**13) SHARE TRANSFER SYSTEM :**

As per SEBI circular No. B & CC/FITTC/CIR-15/2002 dated 27.12.2002, the Company has decided that all the work related to share transfer in terms of both physical and electronic shall be maintained at a single point. Accordingly M/s. Moodkar Computers Private Limited 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali caves Road Andheri East Mumbai 400093 been assigned the share registry work with effect from 1st April, 2003.

14) As per notification issued by SEBI, the shares of company are traded compulsory in dematerialised form by an investor. As on 31st March, 2010, out of total shares of 4945800 fully paid up equity shares of Rs. 10/- each listed with Stock Exchange 1090000 equity shares (22.04 % of paid up capital) have been demated.

15) Outstanding GDRs, AARs warrants or any convertible instruments, etc. : NIL

Place : Surat
Date : 31-05-2010

For & On Behalf of the Board of Directors

Sd/-
Chairman

AUDITORS CERTIFICATE ON REPORT ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of corporate governance by Suncity Synthetics Limited (The Company) for the year ended on 31.03.2010 as stipulated in clause 49 of listing agreement entered into with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of management. Our examination was limited to procedures and implementation thereof adopted by the company for ensuring the compliance of conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

Based on such a review and to the best of our information and according to explanation given to us the company has complied with the conditions of corporate governance as stipulated in clause 49 of the said listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the company, nor as to efficiency or effectiveness with which the management has conducted affairs of the company.

Place : Surat
Date : 18.05.2010

For N.Kumbhat & Co.
Chartered Accountants

Mukesh Khaitan
Partner
FRN No. 113451W

**AUDITOR'S REPORT**

To,
The Members,
M/s. Suncity Synthetics Ltd.

- 1 We have audited the attached balance sheet of M/s. SUNCITY SYNTHETICS LTD. as at 31st March, 2010 and also the profit & loss account of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we annex hereto a Statement on the matters specified in Paragraph 4 and 5 of the said Order.
- 4 Further to our comments in the annexure referred to on the paragraph 1 above, we report that.
 - i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion proper books of account as required by the law have been kept by the company so far as appears from our examination of the books.
 - iii) The Balance sheet and profit & loss account dealt with by this report is in agreement with the books of account of the company.
 - iv) In our opinion, the balance sheet and profit & loss account dealt with by this report are prepared in accordance with section 211 (3C) of the Companies Act, 1956.
 - v) On the basis of written representation received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of the section 274 of the Companies Act, 1956.
- 5 In our opinion, and to the best of our information and according to the explanation given to us, the accounts together with schedules and notes thereon, gives the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view -
 - i) In the case of Balance sheet, of the state of company's affairs as at 31st March, 2010.
 - ii) In the case of Profit and loss account, of the loss for the year ending on that date and
 - iii) In the case of Cash Flow Statement, of the cash flows for year ended on that date.

Place: Surat
Date: 18.05.2010

For N. Kumbhat & Co.,
Chartered Accountants
Mukesh Khaitan
Partner
FRN No. 113451W



ANNEXURE TO AUDITOR'S REPORT

ANNEXURE

To,
The Members,
M/s. Suncity Synthetics Ltd.

- I) (A) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(B) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regards of the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(C) During the year, the company has not disposed off a any major part of the plant and machinery.
- II) (A) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(B) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(C) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III) (A) The company had taken loan during the year from one person covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2.71 lacs and the year end balance of loans taken from such party was Rs. Nil. The company has granted loans/advances during the year to three companies/firm/persons covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 22.60 lacs and the year end balance of loans given to such parties was Rs. 19.40 lacs.
(B) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
(C) The company is regular in repaying the principal amounts as stipulated, if any and has been regular in the payment of interest. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
(D) There is no overdue account of loans from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- IV) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- V) A) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
B) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- VI) The company has not accepted any deposits from the public, and hence the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regards to the deposits accepted from the public are not applicable to it. No order has been passed by the Company Law Board.
- VII) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- VIII) I have reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the central government for maintenance of cost records under section 209(1)(D) of the Companies Act, 1956 and is of the opinion that prima facie the prescribed account



and records have been made and maintained. I have not however made a detailed examination of the records with a view to determining whether they are accurate or complete.

- IX) (A) The company is normally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
(B) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.2010 for a period of more than six months from the date they became payable.
(C) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- X) In our opinion, the company have not accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XI) In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- XII) I am informed that the company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XIII) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/ society, Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XIV) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XV) I am informed that, the company has not given guarantees for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4 (xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XVI) In our opinion, the term loans have been applied for the purpose for which they were raised.
- XVII) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- XVIII) According to the information and explanations given to us, the company has not raise any money by issue of shares during the year. Therefore, the provision of clause 4 (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- IXX) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- XX) Company has not raised any money by public issues. Therefore, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- XXI) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Surat
Date : 18.05.2010

For N. Kumbhat & Co.,
Chartered Accountants
Mukesh Khaitan
Partner
FRN No. 113451W



Suncity Synthetics Limited
Balance Sheet As at 31st March 2010

(Amount in Rs.)

Particulars	Schedule No.	As on 31-03-2010	As on 31-03-2009
SOURCES OF FUNDS :			
Share Holders Funds :-			
Share Capital	1	49,458,000	49,458,000
Reserve & Surplus	2	34,345,685	32,261,797
		83,803,685	81,719,797
Loans Funds :-			
Secured Loans	3	-	12,420,310
Unsecured Loan	4	225,000	2,825,000
		225,000	15,245,310
Deferred Tax Liability		1,921,686	2,362,464
TOTAL		85,950,371	99,327,571
APPLICATION OF FUNDS :			
Fixed Assets :-	5		
Gross Block		80,543,194	80,364,666
Less : Depreciation		41,093,464	36,641,403
Net Block		39,449,730	43,723,263
Investment:-	6	750,000	3,326,300
Current Assets, Loans & Advances:-			
Inventory	7	19,851,891	24,913,822
Sundry Debtors	8	13,229,568	10,764,279
Cash and Bank Balance	9	2,073,427	6,183,007
Loans and Advances	10	13,483,696	15,148,587
		48,638,582	57,009,695
Less : Current Liabilities & Provision	11	(2,887,941)	(4,731,687)
Net Current Assets		45,750,641	52,278,008
TOTAL		85,950,371	99,327,571

Statement on Significant Accounting Policies
and Notes on Accounts.
As per our report of even date.

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For N. Kumbhat & Co.,
Chartered Accountants

Mukesh Khaitan
Partner
FRN No. 113451W
Place : Surat
Date : 18.05.2010

For And On Behalf of The Board
Suncity Synthetics Limited

Chairman Managing Director Director

Place : Surat
Date : 31.05.2010



Suncity Synthetics Limited.

Profit & Loss Account for the year ended on 31st March, 2010

(Amount in Rs.)

	Schedule No.	For the year ended	
		31-03-2010	31-03-2009
INCOME :			
Sales & Services Rendered	12	53,562,041	74,397,262
Other Income	13	748,660	727,154
Increase/(Decrease) in Stock	14	(4,791,849)	3,937,925
TOTAL		49,518,852	79,062,341
EXPENDITURE :			
Raw Material Consumed	15	28,570,031	71,589,375
Manufacturing Expenses	16	6,645,350	8,207,717
Payment & Benefit to Employees	17	3,800,404	4,116,796
Administrative, Selling & Other Expenses	18	3,793,677	4,443,392
Financial Charges	19	306,568	1,059,884
Depreciation		4,452,061	4,345,917
Fringe Benefit Tax		-	69,252
TOTAL		47,568,091	93,832,333
Profit/(Loss) for the year.		1,950,761	(14,769,992)
Less : Provision for Income Tax		(301,392)	-
Provision for Deferred Tax		440,778	5,013,507
Profit/(Loss) after Tax		2,090,147	(9,756,485)
Add/(Loss) : Balance Brought Forward from Previous Year		20,037,297	30,321,518
Less: Income Tax / FBT/Sales Tax for earlier years		(6,259)	(527,736)
Balance Transferred to Balance Sheet		22,121,185	20,037,297

Statement on Significant Accounting Policies
and Notes on Accounts.
As per our report of even date.

20

For N. Kumbhat & Co.,
Chartered Accountants

For And On Behalf of The Board
Suncity Synthetics Limited

Mukesh Khaitan
Partner
FRN No. 113451W
Place : Surat
Date : 18.05.2010

Chairman Managing Director Director

Place : Surat
Date : 31.05.2010



Schedule Forming Part of the Balance Sheet as at 31st March 2010

(Amount in Rs.)

	As On 31-03-10	As On 31-03-09
Schedule : 1 Share Capital		
Authorised Share Capital 70,00,000 Equity Shares of Rs. 10/- Each.	70,00,000	70,00,000
Issued, Subscribed & Paid-up Share Capital 49,45,800 Equity Shares of Rs. 10/- Each fully paid.	49,45,800	49,45,800
Note : Of the above shares, 3,75,000 Equity Shares are allotted as fully paid up by way of Bonus shares by capitalisation of Reserves.		
	49,45,800	49,45,800
Schedule : 2 Reserve & Surplus		
Share Forfeiture Reserve	8,237,500	8,237,500
Cash Subsidy	3,987,000	3,987,000
Profit & Loss A/c.	22,121,185	20,037,297
	34,345,685	32,261,797
Schedule : 3 Secured Loan		
Working Capital - Indusind Bank OD A/c	-	12,420,310
	-	12,420,310
Schedule : 4 Unsecured Loan		
Short Term Loan		
From Others	225,000	2,825,000
	225,000	2,825,000

Schedule : 5 Fixed Assets :

	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Opening Bal as on 01.04.2009	Addition During The Year	Deduction During The Year	Closing Bal as on 31.03.2010	Opening Bal as on 01.04.2009	Addition During The Year	Deduction During The Year	Closing Bal as on 31.03.2010	W.D.V. as on 31.03.2010	W.D.V. as on 31.03.2009
Land	-	1,581,465	75,436	-	1,656,901	-	-	-	-	1,656,901	1,581,465
Building	3.34%	5,629,713	103,092	-	5,732,805	1,878,693	190,407	-	2,069,100	3,663,705	3,751,020
Office	3.34%	500,000	-	-	500,000	54,401	16,700	-	71,101	428,899	445,599
Plant & Machinery	5.28%	62,277,278	-	-	62,277,278	29,420,057	3,288,241	-	32,708,298	29,568,980	32,857,221
Furniture & fixtures	6.33%	730,012	-	-	730,012	647,869	46,210	-	694,079	35,933	82,143
Office Equipment	4.75%	686,963	-	-	686,963	336,596	32,631	-	369,227	317,736	350,367
Computers	16.21%	273,130	-	-	273,130	150,259	44,274	-	194,533	78,597	122,871
Solar Dryer	10.34%	1,002,189	-	-	1,002,189	533,125	103,626	-	636,751	365,438	469,064
Vehicles	9.50%	7,683,916	-	-	7,683,916	3,620,403	729,972	-	4,350,375	3,333,541	4,063,513
Total		80,364,666	178,528	-	80,543,194	36,641,403	4,452,061	-	41,093,464	39,449,730	43,723,263
Previous Year		77,150,979	32,136,87	-	80,364,666	32,295,486	4,345,917	-	36,641,403	43,723,263	



Schedule Forming Part of the Balance Sheet as at 31st March 2010

(Amount in Rs.)

	As On 31-03-10	As On 31-03-09
Schedule : 6 Investment		
Unquoted (other than Trade)		
50,000 Equity shares of Rs. 10/- each fully paid up of - Dhara Fabrics Pvt. Ltd.	500,000	500,000
Quoted (Trade)		
2,800 Equity Shares of Rs. 10/- each at premium - partly paid up - Gujarat State Financial Corporation	30,000	30,000
(Aggregate Market Value -/- Previous year Rs...../-)		
21,000 Equity Shares of Rs. 10/- each of Moti Finance Ltd.	210,000	210,000
(Aggregate Market Value -/- Previous year Rs...../-)		
Share Application Money	-	2,576,300
Ziquitza Health Care Pvt. Ltd.	-	-
National Saving Certificate	10,000	10,000
	750,000	3,326,300
Schedule : 7 Inventory (As quantified, valued and certified by the management)		
a. Raw Materials	11,454,240	11,774,922
b. Finished Goods	8,073,065	12,856,700
c. Wastage	178,386	186,600
d. Stores, Spares and Packing Materials.	146,200	95,600
	19,851,891	24,913,822
Schedule : 8 Sundry Debtors		
a. Debtors Exceeding six months	746,161	651,864
b. Other Debtors	12,483,407	10,112,415
	13,229,568	10,764,279
Schedule : 9 Cash and Bank Balance		
a. Cash on hand	606,238	417,352
b. Cash at Bank		
In current Accounts:		
Dena Bank	-	22,770
Indusind Bank	100,000	4,933,539
State Bank of Bikaner & Jodhpur	151,266	91,455
The Panchel Co-Op. Bank	-	2,425
UTI Bank	-	23,433
Indusind Bank -OD A/c	473,239	-
In Fixed Deposit:	742,684	692,033
	2,073,427	6,183,007
Schedule : 10 Loans and Advances (Unsecured, considered good, except otherwise stated)		
Loans (including interest, if any)	5,901,645	7,949,924
Advances recoverable in cash or in kind or for value to be received and/or adjusted	5,362,710	4,701,716
Advance Tax and Tax Deducted at Sources	1,330,058	752,372
Security Deposit	889,283	1,744,575
	13,483,696	15,148,587



Schedule Forming Part of the Balance Sheet as at 31st March 2010

(Amount in Rs.)

	As On 31-03-10	As On 31-03-09
Schedule : 11 Current Liabilities & Provisions		
(A) Current Liabilities		
Sundry Creditors For Goods	1,154,292	2,387,263
Sundry Creditors For Expenses	1,351,706	2,069,184
Other Liability	80,551	275,240
(B) Provisions		
For Taxation	301,392	-
Total Current Liabilities (A + B)	2,887,941	4,731,687

Schedule forming part of the Profit & Loss Account for the year ended on 31-03-2010

	For the Year Ended	
	31.03.2010	31.03.2009
Schedule : 12 Sales & Services Rendered		
Sales (Jodhpur)	40723141	59052045
Sales (Surat)	12515165	14694175
Job Charges(Surat)	111090	304210
Job Charges(Jodhpur)	107735	292887
Wastage of Own Product	104910	44944
Late receipt charges	0	9001
	53562041	74397262
Schedule : 13 Other Income		
Discount Received	71580	159360
Interest Recd.	677080	540294
Transport & Forwarding	0	27500
Sundry Balances Written off	0	0
	748660	727154
Schedule : 14 Increase / (Decrease) in Stock		
Closing Stock :		
Finished Goods(Jodhpur)	5416180	10890200
Finished Goods(Surat)	2656885	1966500
Wastage(Jodhpur)	178386	186600
Wastage(Surat)	0	0
	8251451	13043300
Less: Opening Stock		
Finished Goods(Jodhpur)	10890200	3788875
Finished Goods(Surat)	1966500	5176500
Wastage(Jodhpur)	186600	140000
Wastage(Surat)	0	0
	13043300	9105375
	-4791849	3937925



Schedule forming part of the Profit & Loss Account for the year ended on 31-03-2010

(Amount in Rs.)

	For the Year Ended	
	31.03.2010	31.03.2009
Schedule : 15 Raw Material Consumed		
Opening Stock (Jodhpur)	5750400	10945680
Opening Stock (Surat)	6024522	4112565
Add : Purchase (Jodhpur)	20485643	50087454
Purchase (Surat)	6895220	13975854
Custom & Transporation Charges	868486	4242744
Less : Closing Stock(Jodhpur)	-4517160	-5750400
Closing Stock(Surat)	-6937080	-6024522
	28570031	71589375
Schedule : 16 Manufacturing Expenses		
Carriage Inward	887,331	1,606,974
Stores, Spares & Packing Material	1,361,275	2,063,418
Power & Fuel	2,837,890	3,241,610
Repairs & Maintenance - Machinery	1,479,521	1,174,402
Other Manufacturing Expenses	79,333	121,313
	6,645,350	8,207,717
Schedule : 17 Personnel Expenses		
Salaries, Wages & Bonus	3,692,046	3,942,529
Providend Fund Paid	86,374	116,609
ESI Expenses	21,984	29,758
Worker's Welfare & Other Benefits	-	27,900
	3,800,404	4,116,796
Schedule : 18 Adminstrative, Selling & Other Expenses		
Advertisement	34,687	35,381
Auditor's Remuneration	24,818	24,818
Bad Debts Written off	175,253	-
Commission & Brokerage	1,472,038	1,923,688
Conveyance	173,622	201,577
Director's Remuneration	600,000	600,000
Discount Paid	123,666	22,349
Donation	5,04,544	402,000
Insurance	69,977	50,360
Freight, Forwarding & Other Exp.	-	3,021
Legal & Professional Fees	116,287	152,406
Membership fees and subscription	33,036	32,922
Office Overheads	145,421	101,000
Postage, Printing & Stationery	65,124	64,431
Rates & Taxes	1,390	756
Rent Paid	576,000	576,000
Share Listing Fees	29,614	40,000
Telephone Expenses	76,141	124,242
Travelling	66,817	49,590
Penalty/interest for Sales Tax and Excise	9,786	38,851
	8,036,421	4,443,392
Schedule : 19 Financial Charges		
Interest to Bank	222,742	949,003
Interest on Loan	25,000	-
Bank Charges	58,826	110,236
Banking Cahs Transaction Tax	-	645
	306,568	1,059,884

**SCHEDULE : 20 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:****A) Significant Accounting Policies:**

Basis of Accounting: The accounts are prepared on accrual basis under the historical cost convention in accordance with mandatory accounting standards and relevant presentation requirements of the Companies Act, 1956.

Fixed Assets: Fixed assets are stated at cost of acquisition or construction including indirect cost related to construction.

Depreciation: Depreciation is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956, on pro rata basis.

Inventories: Stocks are valued at cost or net realisable value whichever is lower.

Revenue Recognition: Revenue is recognised when no significant uncertainty as to determination or realisation exit.

Foreign Exchange Transactions: Transactions in foreign currencies are recorded at the exchange rate prevailing at the date of the remittance. Current assets, current liabilities and loans denominated in foreign currencies are recorded on the date of transaction.

Borrowing Costs: Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Investments: Long term assets are stated at cost. However diminution in value other than temporary is provided. The profit/loss arising on account of sales is recognised in the Profit & Loss A/c.

Taxation:

i) Current year charge: The provision for taxation is made based on an estimate of assessable income determined by the company under the Income Tax Act, 1961.

ii) Deferred Tax: Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.

Treatment of Contingent Liability

Contingent Liabilities are disclosed by way of Notes to Accounts.

B) Notes on Accounts:

1 Contingent Liabilities: a) No Contingent Liability has been reported to us by the management.

2 Loan Liabilities:

a) Loan take are secured by hypothecation of vechicals as purchased by them.

b) Working capital OD a/c with Indusind Bank Ltd. is secured by hypothecation of stock (Raw material & Finished goods).

3 Managerial Remuneration:

Director's Remuneration

Current Year	Previous Year
600,000.00	600,000.00

4 Repairs & Maintenance :

For Building

For Plant & Machinery

1,479,521.00	1,174,402.00
1,479,521.00	1,174,402.00

5 Payment to Auditor :

a) for Statutory Audit

b) for Tax Audit

c) Service Tax

15,000.00	15,000.00
7,500.00	7,500.00
2,317.50	2,317.50
24,817.50	24,817.50

6 Addition information pursuant to the provisions of paragraph 3, 4C, & 4D of Part II of Schedule VI of the Companies Act, 1956.

(Amount- Rs. in Lacs)
(Quantity- in Tons)

(A) Capacity & Production :	Unit	Current Year			Previous Year		
		Licensed	Installed	Actual	Licensed	Installed	Actual
Nylon Granules (Net of Wastage)							
Jodhpur	Ton	N.A.	1,500.00	356.52	N.A.	1,500.00	726.81
Surat	Ton	N.A.	1,500.00	146.97	N.A.	1,500.00	130.73
Total			3,000.00	503.49		3,000.00	857.53

(B) Turnover :		Current Year		Previous Year	
		Qty.	Amt.	Qty.	Amt.
Nylon Granules	Jodhpur	446.33	407.23	611.23	590.52
(Net of Wastage)	Surat	145.24	125.15	158.85	146.94
Wastage	Jodhpur	8.46	1.05	2.00	0.45
	Surat	-	-	-	-
Total		600.03	533.43	772.08	737.91

(C) Raw Material Consumed :		Current Year		Previous Year	
		Qty.	Amt.	Qty.	Amt.
Nylon Waste	Jodhpur	429.54	225.87	875.67	595.25
	Surat	177.07	59.83	157.50	120.64
Total		606.61	285.70	1,033.17	715.89

(D) Stock Details:		Current Year		Previous Year	
		Qty.	Amt.	Qty.	Amt.
Opening Stock:					
Raw Material					
Nylon Waste	Jodhpur	115.008	57.504	164.482	109.457
	Surat	143.441	60.2452	58.638	41.1257
	Total	258.449	117.749	223.12	150.582
Finished Goods					
Nylon Granules	Jodhpur	160.15	108.902	44.575	37.8888
	Surat	32.775	19.665	60.9	51.765
Wastage	Jodhpur	18.66	1.866	14	1.4
	Surat	0	0	0	0
	Total	211.585	130.433	119.475	91.0538
Closing Stock					
Raw Material					
Nylon Waste	Jodhpur	75.286	45.1716	115.008	57.504
	Surat	115.618	69.3708	143.441	60.2452
	Total	190.904	114.542	258.449	117.749
Finished Goods					
Nylon Granules	Jodhpur	70.34	54.1618	160.15	108.902
	Surat	34.505	26.5689	32.775	19.665
Wastage	Jodhpur	0.13722	1.78386	18.66	1.866
	Surat	0	0	0	0
	Total	104.982	82.5145	211.585	130.433

**(E) Value of Imports on C.I.F. Basis during the Financial Year in respect of:** (Rs. In Lacs)

	Current Year	Previous Year
Raw Material	45.88	206.35
Stores, Spares & Packing Materials	0.50	-

(F) Expenditure in Foreign Currency on Account of

Import of Fixed Assets	-	-
Foreign Travelling Expenses	-	-

(G) Value of Raw Material Consumed	Rs. In lacs	Current Year	Rs. In lacs	Previous Year
		% of the Total Consumption		% of the Total Consumption
Imported	45.88	16.06%	206.35	28.82%
Indigenous	239.82	83.94%	509.54	71.18%
	285.70	100.00%	715.89	100.00%

(H) Stores, Spares & Packing Materials:

Imported	0.50	3.65%	0.00	0.00%
Indigenous	13.12	96.35%	20.63	100.00%
	13.61	100.00%	20.63	100.00%

7 Related Party Disclosure**(a) List of Related Parties****(i) Key Management Personnel and their relatives**

Key Management Personnel - Mr. Dhanraj Jain, Mr. Suresh Dhanraj Jain,

Other related Parties - Mr. Mahendra Kavar, Smt. Patasi Devi, Richa Jain & Mrs. Reena Kavar

(ii) Enterprises owned or significantly influence by Key Management Personnel

Myco Synthetics Pvt. Ltd., KDS Tex Pvt. Ltd., Dhara Fabrics Pvt. Ltd.

(b) Transactions/ outstanding balances with Related Parties -

The company has entered into transactions with certain related parties as listed below. The Board Considers such transactions to be in normal course of business.

Nature of Transaction	Enterprises owned or significantly influenced by key management personnel		Key Management Personnel and their relatives	
	Volume of transactions for the year ended		Volume of transactions for the year ended	
	31-03-10	31-03-09	31-03-10	31-03-09
Expenses:				
- Commission on Sales	-	-	-	-
- Remuneration to Directors	-	-	600000	600000
- Salary	-	-	1020000	1044000
- Rent Paid	396000	396000	180000	180000
- Amount W/off	-	-	-	-
Income:				
Interest Received	-	-	178665	124002
Advances/Loan given	-	-	1255000	1135953
Advances/Loan return	-	550000	1071000	2574300
Outstanding as on 31.03.2010				
Creditors for expenses	-	314424	20000	191760
Debtors	473647	473647	-	-
Advance/Loans Taken	-	-	225000	2725000
Advance/Loans given	-	71655	1941409	1176333

8 Earning Per Share

(a) Net Profit available for share holders	2090147	-9756485
(b) Weighted average no. of equity shares	4945800	4945800
(c) Basic and Diluted Earning per share of Rs.10 Each	0.42	-1.97

9 Provision for Taxation:

(i) Provision for current year tax has been made as per the Income Tax Act, 1961.

(ii) The Company estimate the deferred taxes charge/ (credit) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimates taxable income for the current year.

The movement of provision for deterred tax is given below:

Particulars	Opening as at 01.04.2009 Rs.	Charge/ (Credit) during the year Rs.	Closing as at 31.03.2010 Rs.
A. Deferred Tax Liability:			
(a) Depreciation	6,487,994	(440,778)	6,047,216
B. Deferred Tax Assets:			
(a) Unabsorbed depreciation	4,125,529	-	4,125,529
Net (A) - (B)	2,362,464	(440,778)	1,921,686

10 Balances of sundry debtors, creditors and loan accounts are subject to confirmation.

11 Amount in the Balance Sheet and Profit & Loss a/c are rounded off to the nearest rupee.

12 Previous year figures have been regrouped and rearranged wherever necessary.

For N. Kumbhat & Co.,
Chartered Accountants

Mukesh Khaitan
Partner
FRN No. 113451W
Place : Surat
Date : 18.05.2010

For And On Behalf of The Board
Suncity Synthetics Limited

Dhanraj Jain

Chairman

Managing Director

Director

Place : Surat
Date : 31.05.2010



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	:	10397
State Code	:	04
(Refer Code List)	:	
Balance Sheet Date	:	31-03-2010

II. CAPITAL RAISED DURING THE YEAR (Amount in Lacs)

Public Issue	:	-
Right Issue	:	-
Bonus Issue	:	-
Private Placement	:	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Lacs)

Total Liabilities	:	859.50
Total Assets	:	859.50

Sources of Funds

Paid up Capital	:	494.58
Reserve & Surplus	:	343.46
Deferred Tax Liability	:	19.22
Secured Loans	:	0.00
Unsecured Loans	:	2.25

Application of Funds

Net Fixed Assets	:	394.50
Investments	:	7.50
Net Current Liability	:	457.51
Misc. Expenditure	:	0.00

IV. PERFORMANCE OF COMPANY (Amount in Lacs)

Turnover	:	535.62
Total Expenditure	:	475.68
Profit before Tax	:	19.51
Provision for Taxation	:	-1.39
Profit after Tax	:	20.90
Earning per Share	:	0.42
Dividend Rate %	:	-

V. GENERAL NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(as per monetary terms)
(ITC Code) (20)

390810/390760

Products	:	
Description	:	Polyester/Nylon Granules



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Current Year	Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax and Extraordinary Items	19.51	(147.70)
Add: Depreciation	44.52	43.46
Interest Paid	2.48	9.49
Bad Debts W/off	1.75	-
	<u>48.75</u>	<u>52.95</u>
Less: Other Income (Consider Separately)	68.26	(94.75)
Cash from Operation	<u>6.77</u>	<u>5.40</u>
Total - A	<u>61.49</u>	<u>(100.15)</u>
Less: Adjustment for Working Capital Changes		
Add: Inventories	(50.62)	6.28
Creditors for Goods	12.33	(38.29)
Less: Sundry Debtors	(26.41)	(9.56)
Other Receivables	22.43	(3.28)
Other payables	(9.12)	92.65
Total - B	<u>(13.10)</u>	<u>(30.22)</u>
	<u>(25.19)</u>	<u>(131.11)</u>
Cash Generated from Operations after Working Capital Changes (A - B) ('C)	86.68	30.96
Less: Income Tax Paid/(Refund)	5.84	14.68
Net Cash Flow from Operating Activities (D)	<u>80.84</u>	<u>16.28</u>
B. Cash Flow from Investing Activities		
Interest Received	6.77	5.40
Sale of Investment	25.76	-
Sale of Fixed Assets	-	32.53
	<u>32.53</u>	<u>5.40</u>
Less: Purchase of Investments		
-Purchase of Fixed Assets	1.79	32.14
Advance for Fixed Assets	-	1.79
Net Cash Flow from Investing Activities (E)	<u>30.75</u>	<u>(26.73)</u>
C. Cash Flow from Financing Activities		
Add: Increase in Term Loan	(150.20)	63.68
Add: Increase in Share capital (Net of forfeiture)	-	-
Less: Decrease in Working Capital Facilities	-	-
Interest Paid	2.48	2.48
Net Cash Flow from Financing Activities (F)	<u>(152.68)</u>	<u>54.19</u>
Net Changes in Cash & Cash Equivalents (D+E+F)	<u>(41.10)</u>	<u>43.74</u>
Opening Balance of Cash & Cash Equivalents	61.83	18.09
Closing Balance of Cash & Cash Equivalents	20.73	61.83

Place : Surat

For and On behalf of The Board

Date : 31.05.2010

Chairman Managing Director Director



AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of SUNCITY SYNTHETICS LIMITED for the period ended 31st March, 2010. The Statement has been prepared by the Company in accordance with the requirements of listing agreements with the Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our Report of March 31, 2010 to the members of the Company.

For N. Kumbhat & Co.,
Chartered Accountants

Mukesh Khaitan
Partner
FRN No. 113451W
Place : Surat
Date : 18.05.2010

**SUNCITY SYNTHETICS LIMITED**

Regd. Off.: 205, Rajhans Complex, Ring Road, Surat

I/We Of
..... In the
district of
being member/members of of
..... In the district of
..... of
.....
in the district of as my / our proxy to vote for me/us behalf at the 22nd Annual General Meeting of
company to be held on Wednesday 30th June 2010. AT 11.00 A.M. and at any adjournment there
of. Signed Of 2010.

Signed by the said

Reg. Folio No.

No. of Shares Held.....

Note : The companies Act, 1956 lays down that the instrument appointing a proxy shall be
deposited at the Registered office of the Company not less than FORTY-EIGHT hours before the
time for holding the meeting.

SUNCITY SYNTHETICS LIMITED

Regd. Off.: 205, Rajhans Complex, Ring Road, Surat

ATTENDANCE SLIP

I hereby record my presence at the 22nd Annual General Meeting of the Company to be held at
Registered off.: 205, Rajhans Complex, Ring Road, Surat on Wednesday 30th June 2010, At 11.00
A.M.

Name of Shareholder(S)
(In Block Capitals)

Name of Proxy or Company Representative
(In Block Capitals)

Signature of Shareholder(S)
Proxy or Company Representative.

- Note :
1. A Proxy Attending on behalf of Shareholder(s) should please write the name of the shareholder(s) from whom he holds Proxy.
 2. Member are requested to bring to their copy of the Annual Report with them to the meeting as additional copies of the same will not made available at the Meeting.

Book-Post

If Undelivered Please Return To :
Mondkar Computers (P) Ltd.
Unit : SUNCITY,SYNTHETICS LTD.
21, Shakil Niwas, Mahakali Curve Road,
Andheri (East) MUMBAI