



FUTURA
POLYESTERS
LIMITED

56TH ANNUAL REPORT 2016-17

56TH ANNUAL REPORT 2016-2017

“Request to the Shareholders”

Members desirous of seeking any further information about the accounts and/or operations of the Company are requested to address their queries to the Secretary of the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.

Members are requested to bring this copy of the Annual Report to the meeting.

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Board of Directors	S. B. Ghia	Chairman & Director (Upto 31st March, 2019)
	M. D. Dalal	Director (Upto 31st March, 2019)
	KVK Murthy	Independent Director

Bankers	Bank of India State Bank of India Union Bank of India Indian Bank UCO Bank Canara Bank State Bank of Hyderabad
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Auditors	Messrs. LLB & CO
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Registrar and Share Transfer Agents	Satellite Corporate Services Pvt. Ltd. Unit No. 49. Bldg., No. 13-A-B 2nd floor, Samhita commercial Co-op. Society Ltd. off Andheri Kurla Lane, MTNL lane Sakinaka Mumbai-400 072. Phone: 28520461, 28520462 Fax: 28511809 E-mail:service@satellitecorporate.com
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Registered Office	B/22, TV industrial Estate, S. K. Ahire Marg, Worli, Mumbai-400 030. Phone 022 - 24923080 • Fax 24923142 E-mail: futuraho@futurapolyesters.com Website: www.futurapolyesters.net CIN NO. L65192MH1960PLC011579
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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 56th Annual General Meeting of the Members of **FUTURA POLYESTERS LIMITED** will be held at M.C.Ghia Hall 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Goda Mumbai 400 001 on Tuesday 18th June 2019 at 12.00 p.m., to transact the following business:

Ordinary Business:

To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

1 To receive, consider and adopt the audited financial statement for the year ended 31st March 2017 and the Reports of the Board of Directors' and Auditors thereon.

“RESOLVED THAT the audited financial statement for the year ended 31st March, 2017 along with the notes annexed thereto and the reports of the Board of Directors and the Auditors, be and is hereby considered and adopted.”

2 To appoint Mr. M. D. Dalal (DIN 00005275) who retires by rotation and being eligible offers himself for reappointment.

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. M. D. Dalal (DIN 00005275), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

3 To appoint Mr. KVK Murthy (DIN 02636888) who retires by rotation and being eligible offers himself for reappointment.

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. KVK Murthy (DIN 02636888), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

4 To ratify appointment of M/s LLB & Co., Chartered Accountants, as the Statutory Auditors of the Company.

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

“RESOLVED THAT to the provisions of section 139 and other applicable provisions if any, of the Companies Act 2013, and the rules made thereunder pursuant to the recommendations of Audit committee and that of the Board of Directors and pursuant to the resolution passed by the shareholders at the Annual General Meeting held on 8th March 2018, the appointment of M/s LLB & Co., Chartered Accountants, firm registration number 117758, be and is hereby ratified as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of 56th Annual General Meeting on such remuneration as may be fixed by the board apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT

A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be duly filled in, stamped, signed and deposited at the Registered Office of the company not less than forty-eight hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies, partnership firms etc. must be supported by an appropriate resolution/authority as applicable, issued on behalf of the appointing organisation.

2. Proxies should be lodged at the Company's registered office at least 48 hours before the commencement of the meeting.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. A proxy holder shall prove his identity at the time of attending the AGM.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. A Corporate Member intending to send its authorised representative to attend the AGM in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the relevant Board resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on its behalf at the AGM.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 11-06-2019 to 14-06-2019 (both days inclusive).
7. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agents cannot act on any request received directly from the members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Satellite Corporate Services Pvt Ltd at the earliest.
9. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in dematerialized form may file nomination in the prescribed Form SH-13 (in duplicate) with the respective DPs and in respect of shares held in physical form, such nomination may be filed with the Company's Registrar and Share Transfer Agents.

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10. Members who wish to attend the AGM are requested to bring attendance slip sent herewith duly filled in and the copy of the Annual Report. Copies of Annual Report will not be distributed at the AGM.
11. Members are requested to affix their signature at the place provided on the attendance slip annexed to the proxy form and handover the slip at the entrance to the place of the AGM. The identity/signature of the Members holding shares in dematerialized form are liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the Depository Participant (DP ID) and account number (Client ID) to the AGM for recording of attendance at the AGM.
12. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Secretary of the Company so as to reach at least seven (7) days before the date of the AGM so that the information required may be made available at the AGM, to the best extent possible.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide to members the facility to exercise their right to vote on the resolutions proposed to be passed at this 56th AGM by electronic means and the business may be transacted through e-Voting Services provided by CDSL.
14. All documents referred to in this Notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days of the company between 10.00 am IST and 1.00 pm IST upto the date of the AGM and at the venue of the AGM for the duration of the AGM.
15. With a view to serving the members better and of administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical and in the same order of names in more than one folio are requested to write to the Company's Registrar and Share Transfer Agent M/s Satellite Corporate Services Pvt. Ltd. to consolidate their holdings in one folio.

Registered office:
B/22, T.V. Industrial Estate
S.K. Ahire Marg, Worli,
Mumbai 400 030
Dated: 03-04-2019

By Order of the Board

S. B. Ghia
Chairman & Director

ANNEXURE REGARDING E-VOTING

E - Voting

The Company is pleased to provide e-voting facility to the shareholders of the Company to enable them to cast their votes electronically on the item mentioned in the notice.

The Company has appointed M/s. P. K. Pandya & Co; Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The E-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on 11-06-2019 being the Cut-off date for the purpose.

Shareholders of the Company holding shares either in physical or in dematerialized form, as on the Cut-off date, may cast their vote electronically.

The instructions for members for voting electronically are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com

- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- (viii) After entering these details appropriately, click on “**SUBMIT**” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN No **190606010** for Futura Polyesters Limited on which you choose to vote.
- (xii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- In case of members receiving the physical copy:**
- (A) Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.
- (B) The voting period begins on **15-06-2019 at 10.00 a.m. and ends on 17-06-2019 at 5.00 p.m.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21-03-2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

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BOARDS' REPORT

To

The Members,

Your Directors submit the 56th Annual Report of the Company along with the Audited Statement of Accounts for the period ended 31st March 2017.

1. FINANCIAL RESULTS

	<u>2016-17</u>	<u>(Rupees)</u> <u>2015-16</u>
Gross Profit/(Loss) before interest & Depreciation	—	—
Interest	—	—
Depreciation	—	—
Operating Profit / (Loss)	—	—
Profit / (Loss) before tax	—	—
Excess Provision of earlier years	—	—
Provision for Fringe benefit tax	—	—
Provision for wealth-tax	—	—
Deferred Tax Adjustment	—	—
Provision for taxation Profit / (Loss) after tax	(13,33,78,486)	(27,27,34,037)
Balance of Profit brought forward from previous year	(351,97,65,341)	(324,70,31,304)
Balance carried to Balance Sheet	(365,31,43,827)	(351,97,65,341)

2. DIVIDEND:

Your Directors do not recommend any dividend for the year under review due to the loss suffered by the Company.

3. OPERATIONS

The turnover of the Company during the financial year ending 31st March, 2017 was Rs. Nil which was the same as previous financial year ending 31st March, 2016. The Company faced severe financial crisis and suspended its operations partially in midway through financial year 2012 - 13 and further all operations were suspended with effect from 31st December 2012.

In the previous financial year ending 31st March, 2016, the Company approached the concerned authorities for Corporate Debt Restructuring (“CDR”) for Restructuring of its debts. However the CDR was granted only to the Company sometime later. Though serious efforts were made to comply with the norms and conditions of the CDR, it could not be put into effect thereby losing valuable time and financial resources of the Company. This resulted in making the operations of the Company becoming permanently unviable. As the Company could not continue its operations, it started losing its personnel and employees. However, with temporary

hired personnel, the Company has attempted to retrieve its books of accounts and other books and despite the present adverse circumstances, the Company has completed its accounts for the year ended 31st March 2017. Every effort is being made to present accounts for the remaining financial years. Important and significant steps taken by the Company during this financial year are as under:

- To formalise the action envisaged under MOU dated 19-12-2012, the Company has entered into Agreement for Sale dated 5th September, 2014 with Golden Star Promoters Private Limited (“GSPL”) for sale and transfer of its freehold land situated at Chennai Manali in the state of Tamil Nadu, on behalf of the Company;
- The Company has obtained the approval of Chennai Metropolitan Development Authority (CMDA) for dividing the plot of land situated at Chennai Manali in the state of Tamil Nadu, into separate saleable plots of land.
- Company was required to gift portion of its land situated at Chennai Manali in the state of Tamil Nadu, to CMDA for the purposes of construction or roads and other utilities as a part of the understanding and agreement for

converting land into industrial plots. This would facilitate the transaction.

- Various litigations filed against the Company were defended in the courts of law.
- Meetings were held with joint lenders to explain the financial position of the Company and to request for some time for the repayment of its debts to the lenders. Most lenders have responded positively to the proposition of the Company.
- Settlement was entered into with the labour union of the Company in Chennai to postpone payment dues to the ex-employees of the Company.
- In the financial year ended 31 St March 2018, the Agreement for Sale with GSPL was revoked.

4. EXPLANATION & COMMENTS ON AUDITORS REPORT

Management perception and explanations / clarifications to opinion of the Auditor in the Auditor's Report dated 2nd August, 2017 by the Board of Directors is given below:

- The Company is continuing with the assessment of alternate plans to revive the operations of the Company;
- The Company had entered into an Agreement for Sale dated 5th September, 2014 (refer point 3 above) with GSPL ("**Agreement**") regarding the sale of land situated at Chennai Manali in the state of Tamil Nadu]. However, the Agreement did not envisage, given the abrupt end of the operations of the Company, any clause to recover interest in the event of outstanding amount recoverable form GSPL. Viewing the situation seriously, the Directors concluded that it is in the best interest of the Company to terminate the Company which was done on 28 December, 2017.
- Based on the certificate of bankers, liability has been recorded in the books of accounts of the Company. The impact of the loss to the Company will be computed at the time of final settlement with the bankers. In the consortium of 9 (nine) bankers, 2 (two) banks are charging interest to the Company whereas the remaining banks are no longer charging interest.
- The provision of interest on amounts payable to workers is a subject of on -going negotiations, however the same will be provided as and when necessary.

- Interest shall be payable to banks/lenders in on reimbursement basis other than Canara Bank and IDBI bank. No other bank has charged interest on the one time settlement outstanding as per the bank statement / balance confirmation certificate provided by the banks of the Company.
- The note is self-explanatory and does not call for further explanation. Serious efforts are being made to comply with same.

5. JOINT VENTURES, ASSOCIATES AND SUBSIDIARIES OF THE COMPANY

The Company does not have any Joint Venture or Associate Company Subsidiary Company at present.

6. MEETINGS OF THE BOARD

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, 6 Board meetings were held details of which are given in the corporate governance report

7. FIXED DEPOSITS AND LOANS

As on 31st March, 2017, the Company had an aggregate sum of Rs. 18.45 lakhs as fixed deposits from public / its shareholders. The total number of depositors who have not claimed their deposits on maturity was 39 and the amount that remained unclaimed as on 31st March, 2017 is Rs. 9.57 lakhs. The Company has not accepted any fresh deposits nor renewed any deposits during the period under review. The Company has repaid to all the fixed deposit holders who have claimed and sought payment.

8. INSURANCE

The Company's plant and machineries, stores, inventories have been disposed of and since the Company does not carry on any operations, no insurance have been provided for.

9. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Since the Company does not carry on any operation, the relevant disclosure is not applicable to the Company.

10. SHARE CAPITAL

The Company has only one class of share viz. equity share with a face value of Rs. 10 each. During the year under review, there is no change in the issued and subscribed capital of your Company.

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11. DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Act. In terms of the provisions of the Companies Act, 2013, Mr. M.D. Dalal & MR. KVK Murthy, Directors of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. A brief resume and other relevant details of Mr. M.D. Dalal & MR. KVK Murthy is given in the annexure to the Notice of Annual General Meeting.

12. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(3) (c) and 134(5) of the Companies Act, 2013 ("the Act"), your Directors hereby state as under:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. INTERNAL FINANCIAL CONTROL

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company and no material weakness in the same were observed.

14. AUDITORS

M/s. LLB & Co., Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 28th March, 2018 for a term of five consecutive years to hold office from the conclusion of 54th Annual General Meeting upto the conclusion 58th Annual General Meeting subject to ratification of the appointment by the members at every Annual General Meeting. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

NOMINATION AND REMUNERATION COMMITTEE & STAKEHOLDERS RELATIONSHIP COMMITTEE

Remuneration Committee & Stakeholders Relationship Committee comprises of Mr. K V K Murthy Chairman, Mr. S.B. Ghia and Mr. M.D. Dalal as its members.

15. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by any regulator or courts during this financial year. However the valuation process for determining guideline value in respect of Land at Chennai Manali is at present posing challenges for the finalisation of a favourable conclusion. The Company has appealed to the concerned authorities and the H'ble High Court by way of Writ Petitions whose outcome is awaited.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since the CSR norms are not applicable to the Company hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made

17. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Following are the details of the loans availed by the Company during this financial year:

M/s. Bhupati Investments & Finance Pvt Ltd
Rs.19.24 Lacs

Mr. S.B.Ghia Rs.32.81 Lacs.


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The Company has not given any loan or issued any guarantee during this financial year.

19. RELATED PARTY TRANSACTIONS

Name of Related Party	Nature of Contract	Nature of Relationship
M/s. Bhupati Investments & Finance Pvt Ltd	Rs. 19.24 Lakhs	Company in which KMP have significant influence
Mr. S.B.Ghia	Rs. 32.81 Lakhs	KMP
Deposit/Amount outstanding	Rs.206.67 Lakhs.	KMP
Deposit/Amount outstanding	Rs.7358.78 Lakhs.	Company in which KMP have significant influence

OR

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' or which may have potential conflict with interest of the Company at large.

20. LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the annual listing fees for the financial year 2016 -17 to the BSE Limited where the shares of the Company are listed. BSE Limited has suspended the trading of the equity shares of the Company.

21. COST AUDITORS

As the Company does not have operations, the requirement of maintaining of the cost accounts of the Company does not arise.

22. CORPORATE GOVERNANCE

As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, Corporate Governance and Management Discussion and Analysis Report of the Company annexed to this report.

23. INDUSTRIAL RELATIONS

The Company is in the process of arriving at a settlement with the labour union of its workmen at Chennai. The Directors wish to place on record their appreciation for the co-operation extended by the ex – workmen of the Company.

24. COMPLIANCE CERTIFICATE

A certificate from the auditors of the Company regarding compliance of conditions of corporate governance as stipulated under the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 is attached to this report.

25. PERSONNEL

In terms of Section 203 read with the Companies Appointment and Remuneration of Managerial Personnel of Rules, 2014 as amended, none of the Company's employees was in receipt of remuneration aggregating to Rs. 60,00,000/- or more per annum or Rs. 5,00,000/- or more per month during the period under review.

26. ACKNOWLEDGEMENTS

The Board of Directors wishes to place on record its gratitude for the continued support of government and regulatory authorities, banks, its members, etc. towards the Company.

27. CONTINGENT LIABILITY

The contingent Liability not provided for in the books of account of the company amount to Rs.15784.54 Lacs

28. RISK MANAGEMENT

The Company's risk management is continuous process and periodically evaluate various risk encountered by the business and seeks to upgrade the risk management process

29. AUDIT COMMITTEE

The Audit Committee consist of Mr. KVK Murthy as Chairman, Mr. S.B.Ghia and Mr. M.D.Dalal are Committee Members.

30. SECRETARIAL AUDIT

Secretarial Audit Report as provided by Ms. Meghna Mhatre, Practising Company Secretary, is annexed to this Report.

31. EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014 and Extract of Annual Return in Form MGT9 is annexed

By the order of the Board

S. B. Ghia
Chairman & Director

Registered Office:
B22, T.V. Industrial Estate
S.K. Ahire Marg,
Mumbai- 400 030

Place: Mumbai
Dated: 03-04-2019

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MANAGEMENT DISCUSSION & ANALYSIS REPORT: 2016-17

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company has been engaged in the manufacturing and marketing activities of Polyester products namely Polymer, Preforms and Polyester staple Fibre (PSF). The corporate focus has been on manufacture and sale of "Specialty products" across all segments, especially environmental friendly green products. However all these operations have now ceased for a variety of reasons and causes disclosed below.

2. OPPORTUNITIES AND THREATS

The company enjoyed a good standing and reputation in the Polyester fibre market, especially black and dope dyed colour fibre markets.

As already informed earlier in previous years, the Power (electricity) situation in the state of Tamil Nadu was serious and a major concern, the Government's policy of blanket ban on the import of PET Bottle waste left to a complete fault in the Raw Material supply chain whereby causing stop of production. This led to fall off revenue leading to financial crisis finally culminating in the downfall and ceased all operations of the company.

3. PERFORMANCE

During the year the Company had Nil turnover consequent upon ceasure of operations, loss of personnel and had a net loss of Rs. 1,333.78 Lacs for the year under review.

4. OUTLOOK

In order to tide over the financial crisis the company has agreed to selling/disposing off its land and factory etc at Chennai to meet its legal liabilities. Settlement is being arrived at with the Workmen at Chennai. Efforts are on to meet legal payments.

The Company has also approached Lenders/Banks for a One Time Settlement (OTS) of its debts for which the Lenders/Banks. Banks have been cooperative and sensitive to the situation which the company has been facing for the last few years.

5. RISKS & CONCERNS

Adequacy of funds to meet the liabilities inspite of best efforts to raise funds by means of selling / disposing off land etc at Chennai is matter of serious concern. The company is finalising alternate plans for the future.

6. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Audit Committee set up by the Board reviews periodically the status and performance of the company. As the company has ceased operations the need to have internal auditors as also cost auditors has not arisen.

7. DISCUSSION ON FINANCIAL PERFORMANCE

During the year the operating loss was Rs. 1,333.78 Lacs as compared to an Operating Loss of Rs.2,727.34 Lacs incurred during the Previous Year .The net turnover including other income was Rs. Nil Lacs (compared with Rs. Nil Lacs of the previous Year).

8. HUMAN RESOURCES / INDUSTRIAL RELATIONS

A settlement is being arrived at with workmen at Chennai. The Directors wish to place on record their appreciation for the co-operation extended by the Ex. Workmen

Annexure 'B' to the Board Report
CORPORATE GOVERNANCE REPORT FOR FINANCIAL YEAR FROM 01ST APRIL, 2016 TO 31ST MARCH, 2017.

As required under the Guidelines of Corporate Governance stipulated under Securities & Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations, 2015, the report on Corporate Governance is given below:

1. Company's Philosophy on Code of Corporate Governance:

Our Company is committed to achieving high standards of corporate governance recognising the fact that management is accountable to all stakeholders for good governance. Some of the essential elements of good governance are fairness, ethics, transparency, accountability and responsibility.

We will make every effort in raising the standards of corporate governance and will constantly review systems and procedures in order to keep pace with the changing economic environment.

2. Board of Directors (the Board):
a. Composition of the Board of Directors

The Board of the Company comprises of 3 Directors with a combination of 2 Executive Director and 1 Independent Director out of which 1 is Independent Non-Executive Director. Directors include Chairman & Managing Director, Jt. Managing Director and Independent Director. Mr. S.B.Ghia, Chairman & Managing Director, is chairman of the Board.

The Directors are eminent industrialists / professionals with experience in industry / business / finance and bring with them the reputation of independent judgment and experience, which they exercise, and also satisfy the criteria of independence.

The Company has been unable to comply with the requirements of Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as regards the composition of the Board, mainly due to non-availability of directors to act as such. The Company has not appointed woman director.

b. Number of Board Meetings

Six Board Meetings were held during the period under review from 01st April, 2016 to 31st March, 2017 on 2nd May 2016, 2nd August 2016, 29th September, 2016, 24th October, 2016, 19th January, 2017 and 1st March 2017.

Details of Directors attendance at the Board meeting of the Company from 1st April, 2016 to 31st March, 2017 and the last Annual General Meeting.

Name of Director	Category of Director	Relationship inter-se	No. of Board Meetings attended during the period	Attendance in last Annual General Meeting held on 28-03-2018
Mr. S.B.Ghia	E P	Nil	6	yes
Mr. M.D.Dalal	E P	Nil	6	yes
Mr. K.V.K.Muthy	NE I	Nil	6	No

E-Executive, NE-Non-executive, P-Promoter, I-Independent.

Details of Directors of other Company from 01st April, 2016 to 31st March, 2017.

Name of the Directors	No. of Directorship in other Board	No. of Membership of other Board Committees	No. of Chairmanship of other Board Committees
Mr. S. B. Ghia	4	5	3
Mr. M. D. Dalal	1	0	0
Mr. K.V.K Murthy	NIL	0	0

Note:

The number of Directorship, Committee Membership(s) Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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The Directors of the Company are appointed by Members at the General Meetings. In accordance with the Articles of Associations of the Company except for Chairman & Managing director all others retire by rotation and are eligible to offer themselves for re appointment. The Managing Director/Jt. Managing Director of the Company are appointed for a period of Five years as per the requirement of the statute.

The Independent Director Mr. KVK Murthy does not hold any Equity Shares/convertible Debentures in the Company.

The Board takes review of the business environmental situation which in turn is deliberated at Board Meeting.

The Chairman is assessing the risks and opportunities in respect of sale of Land and apprising the Board accordingly.

The performance of Independent Director by the Chairman based on deliberations at Board Meeting.

The Company has not made any succession plan for Directors in view of the business situation.

All Board members affirm compliance with the code of conduct laid down by the Board of Directors everywhere and the same is followed .

Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the Board. As part of the good governance practice. The minutes of the meetings of the Committees are placed before the Board for review.

The Board has currently established the following statutory and non statutory Committees.

3. AUDIT COMMITTEE:

The Audit Committee comprises of Mr. K.V.K. Murthy, (Independent Director), Mr. S.B. Ghia and Mr. M.D. Dalal. Mr. K.V.K. Murthy (Independent Director) is the Chairman of the Committee.

The Company has not complied with the requirements of LODR as regards the composition of the Audit Committee.

The Independent Directors are currently paid sitting fees paid of Rs.5000/- per meeting for attending every meeting of the Board & Audit Committee.

The terms of reference of the Audit committee include the matter speciide under regulation 18 of the LODR as well as swction 177 of the Companies Act,2013 read with the Companies (Meeting and of Board and its power) Rules 2014.

Meeting and attendance during the year

Name of the Directors	Category of Director	No. of Audit Committee Meetings Attended during the period	Attendance in last Annual General Meeting
Mr. S. B. Ghia	E P	6	Present
Mr. M. D. Dalal	E P	6	Present
Mr. K.V.K Murthy	NEI	6	Present

4. Shareholder's Information & Investor's Grievance Committee:

The Committee reviews and deals with complaints and queries received from the investors. It also reviews and deals with responses to letters received from the Ministry of Company Affairs, the Stock Exchanges and Securities and Exchange Board of India.

The Shareholders/Investors Grievance Committee comprises of Mr. S.B. Ghia and Mr. KVK Murthy as the members of Committee. Mr. K.V.K. Murthy, Independent Director is the Chairman of the Committee.

During the Period 01st April, 2016 to 31st March, 2017, four meetings of the Shareholders/Investors Grievance Committee were held on 2nd May, 2016 2nd August, 2016 24th October, 2016 and 19th January, 2017.

The Attendance of members at the meeting was as follows:

Name of the member	No. of Meetings attended
Mr. K.V.K Murthy	4
Mr. S. B. Ghia	4

The status of the complaints received from investors is as follows:

Shareholders' / Investors' Complaints:

Particulars of Complaints	No. of Complaint
Complaints pending as on 01 st April, 2016.	0
Complaints received during period 01 st April, 2016 to 31 st March, 2017.	1
Complaints disposed off during the Period ended on 31 st March, 2017.	1
Complaints pending on 31 st March, 2017	0

The Company Secretary of the Company has resigned w.e.f. 16th July, 2012 and no Company Secretary has been appointed during the said period, the Board designated Mr. S.B. Ghia, Managing Director of the Company as the "Compliance Officer" of the Company.

Satellite Corporate Services Private Limited, bearing CIN U65990MH1994PTC077057 is the Registrar and Share Transfer Agents of the Company.

5. The Remuneration Committee:

a) Terms of reference:

Terms of reference of the Remuneration Committee includes periodical review in accordance with law of the remuneration packages of executive whole-time directors and recommends suitable revision to the Board under L O D R as well as in Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

b) Composition and Category:

Remuneration Committee comprises of Mr. K.V.K. Murthy, Mr. S.B.Ghia and Mr. M.D. Dalal. Mr. K.V.K. Murthy, Independent Director is the Chairman of the Committee.

The Company has not complied with the requirements of Regulation 19 of SEBI (LODR) as regards the composition of the Remuneration Committee.

c) Number and attendance at each Remuneration Committee Meetings:

During the Period from 01st April, 2016 to 31st March, 2017, no remuneration committee meeting was held.

d) Remuneration Policy:

The remuneration policy takes into account the Company's financial position, the grade and the position held by the incumbent concerned and his overall performance.

Remuneration of Executive Directors as per Accounts for Period 01st April, 2016 to 31st March, 2017:

Executive Directors	All elements of remuneration package i.e. salary, benefits, bonuses, pension etc. (In ₹)	Fixed component and performance linked incentives along with the performance criteria (In ₹)	Service contracts notice period, severance fees	Stock option details, if any, and whether issued at discount as well as the period over which accrued and over which exercisable.
**Mr. S. B. Ghia	NIL	NIL	Please see Note 'a'	Please see Note 'b'
**Mr. M.D. Dalal	NIL	NIL	Please see Note 'a'	Please see Note 'b'

** The MD and Joint MD have not received Remuneration for the period under review.

Notes:

The above Directors are not related inter-se, nor are they related to any other Directors of the Company.

- The Service Contracts in case of Mr. S. B. Ghia and Mr. M. D. Dalal is for a period of 5 years from 01.04.2014 to 31.03.2019. In the Board Meeting held on 14th February, 2014 both Mr. S. B. Ghia and Mr. M. D. Dalal have been re-appointed as Chairman & Managing Director and Jt. Managing Director respectively effective from 1st April, 2014 for period of five years which was approved by the Shareholders in the Annual General Meeting held on 03rd December, 2014.
- Presently the Company does not have any Stock Option Scheme.
- No Commission is paid for the period under review.

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Remuneration of Non-executive Directors for the Period from 01st April, 2016 to 31st March, 2017: (Rs. 60,000 Directors')

Name of Directors	Relationship with other Directors	Sitting fees of Board/ Committee Meetings (Gross amount in ₹)
Mr. K. V. K .Murthy	No Relation	Rs.50000/-

**The Non-Executive Director do not hold any shares in the Company as on 31st March, 2017.

Performance evaluation criteria for independent directors.

Highest personal professional ethics, integrity & values:

Inquisitive and objective perspective practical wisdom and mature judgement ;

DEemonstrated , intelligence, maturity., wisdom and iindependent judgement ;

Self confidence to contribute to Board deliberations.

6. General Body Meetings:

Location and time of last three Annual General Meetings and Extraordinary General Meetings of the Company:

Financial Period	Date	Location of the meeting	Time
Annual General Meetings			
01/07/2011 to 31/12/2012	4 th June, 2013	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4th Floor, 18/20, K. Dubash Marg, Mumbai – 400 001	3.00 p. m.
01/01/2013 to 31/02/2014**	03 rd December, 2014	3 rd Floor, Paragon Condominium, Pandurang Budhkar Marg, Mumbai- 400013.	11.30 a. m
01/04/2014 to 31-03-2015	28 th March, 2018	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4th Floor, 18/20, K. Dubash Marg, Mumbai – 400 001	11.30 a. m
Adjourned Meeting			
01/07/2011 to 31/12/2012	30 th September, 2013	Jaihind College, 4th floor, 'A' Road, Opp. Churchgate station, Mumbai-400 020.	11.30 a. m
01/01/2013 to 31/02/2014	08 th March, 2017	M. C. Ghia Hall, 4 th Floor, Bhogilal Hargovindas Bldg., 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001	11.30 a.m.
Extraordinary General Meetings			
2016-2017	08 th December, 2016	3 rd Floor, Paragon Condominium, Pandurang Budhkar Marg, Mumbai- 400013.	11.30 a. m

** Special Resolution passed:

- (1) Re-appointment of Mr. S.B. Ghia as Managing Director of the Company for a period of 5 years w.e.f. 01st April, 2014 in Annual General Meeting held on 03rd December, 2014.
- (2) Re-appointment of Mr. M.D. Dalal as Joint Managing Director of the Company for a period of 5 years w.e.f. 01st April, 2014, in Annual General Meeting held on 03rd December, 2014.

POSTAL BALLOT:

An Ordinary Resolution was passed through Postal Ballot under section 293(1)(a) of the Companies Act, 1956 to sell, transfer, lease and/or otherwise dispose off, the entire undertaking/all of the premises consisting of land, plant and Machinery and/or structures thereon (“the Premises”) situated in the Company’s factory premises at Manali, Chinnasekkadu, Chennai, Tamil Nadu.

Mr. Prakash Pandya- Practicing Company Secretary, from M/s.P.K.Pandya & Co. was appointed as the Scrutinizer to complete the Postal Ballot Formalities. He has conducted the Postal Ballot process and submitted the Report to the Company.

The Resolution passed through postal ballot was carried out.

7. Disclosures:

Disclosure on Materially significant related party transactions that may have material conflict with the interest of the Company at large.	Details are provided in Note no. 21(a) and (b) to the Notes forming part of the Accounts in accordance with provisions of Accounting Standard 18.
Disclosure of Accounting Treatment	The Company has followed the Accounting Standards prescribed by the Companies (Accounting Standard) Rules 2006 referred to in subsection (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 in the preparation of the financial statements.
Disclosure of Risk management	Since the Company is not carrying any production or sales operations and there are no employees, hence the Company has not devised a Risk Management Policy and in a view of the same, there is no subsequent disclosure.
Whether MD&A is a part of Annual Report or not.	Management Discussion and Analysis Report forms part of this Annual Report.
Details of Directors seeking Re-appointment as required under clause 49 IV(G)(i) of the Listing Agreement entered into with the Stock Exchange:	As required under the Listing Agreement, the particulars of Directors who were appointed /reappointed were pursuant to part of the notes to the Notice of Annual General Meeting held on 28th March 2018 .
Details of non-compliance by the Company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any Statutory Authorities on any matter related to capital markets during the last 3 years.	<ol style="list-style-type: none"> 1) Trading in securities of the Company has been suspended w.e.f. the 21st March, 2013 on account of non-compliance with the provisions of the Listing Agreement. 2) Non-compliance with respect to composition of Board of Directors during the period under review. 3) Non-compliance with respect to composition of Audit committee during the period under review. 4) 5) Non-compliance with respect to composition of Remuneration committee during the period under review. 6) Non- compliance with respect to Publishing and Filing of Quarterly Financial Results accompanied by Limited Review Report under Regulation 33 of the SEBI (LODR) Regulation, 2015. during Financial Year under review. 7) Non- compliance with respect to Appointment of a Company Secretary as Compliance Officer under Regulation 6 of the SEBI (LODR) Regulation, 2015. 8) Non compliance with respect to filing of half yearly Certificate from Practising Company Secretary under Regulation 40(9) of the SEBI (LODR) Regulation, 2015. the period from 01st October, 2014 to 31st March, 2018. 9) Non compliance with respect to filing of Quarterly Compliance Report on Corporate Governance under Regulation 27 of the SEBI (LODR) Regulation, 2015. 10) Non compliance with respect to norms of the Website of the Company under Regulation 46(2) of the SEBI (LODR) Regulation, 2015.
CEO / CFO Certification	There was no person holding position of CEO/CFO of the Company during the period or had not been appointed for the period under review. Mr. S.B. Ghia, Chairman and Managing Director of the Company has certified to the Board with respect to the disclosure of financial statements in the Board Meeting held on 21 st August, 2017.

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8. Means of Communication:

Quarterly Results.	The Company has neither published nor filed Quarterly Results with BSE, during the Financial Year under review.
Newspapers in which results are normally published in.	Not published for the said period under review.
Any website, where displayed.	The Company has recently placed a new website: www.futurapolyesters.net . The Website is in compliance with the Listing Agreement Requirements.
Email – id for investors Grievance	futuraho@futurapolyesters.com
Whether it also displays official news releases.	No
The presentations made to Institutional Investors or to the analysts.	No presentations were made to institutional investors or to the analysts during the Period under review.

9. General Shareholder Information:

AGM: Date, Time and Venue	DATE: 18-06-2019, 12.00 P.M. M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4th Floor, 18/20, K. Dubash Marg, Mumbai – 400 001
Financial Year	From 1 st April, 2016 to 31 st March, 2017.
Date of Book Closure	11th June 2019 to 14th June 2019 both days inclusive
Dividend payment date	N.A.
Listing on Stock Exchange	The Scrip of the Company is suspended on Bombay Stock Exchange Limited (BSE) on 21st March, 2013.
Stock Code(Physical & Demat)	500720 (Suspended)
Payment of listing fees	

Monthly Highest and Lowest Closing quotations of the Equity shares for the Period From 01st April, 2016 to 31st March, 2017 at BSE:

***No records found from the period 01st April, 2016 to 31st March, 2017 as the trading is suspended with effect from 21st March, 2013.**

SENSEX information for the period April, 2016 to March, 2017

Month	SENSEX			
	Open	High	Low	Close
April, 2016	25301.7	26100.54	24523.2	25606.62
May, 2016	25565.44	26837.2	25057.93	26667.96
June, 2016	26684.46	27105.41	25911.33	26999.72
July, 2016	27064.33	28240.2	27034.14	28051.86
August, 2016	28083.08	28532.25	27627.97	28452.17
September, 2016	28459.09	29077.28	27716.78	27865.96
October, 2016	27997.29	28477.65	27488.3	27930.21
November, 2016	27966.18	28029.8	25717.93	26652.81
December, 2016	26756.66	26803.76	25753.74	26626.46
January, 2017	26711.15	27980.39	26447.06	27655.96
February, 2017	27669.08	29065.31	27590.1	28743.32
March, 2017	28849.04	29824.62	28716.21	29620.5


FUTURA POLYESTERS LIMITED

Registrar and Transfer Agents Satellite Corporate Services Pvt. Ltd.
Registered Office at: Unit No 49, Bldg No.13A-B,
2nd Floor, Samhita Commercial co-op Society Ltd
Off Andheri – Kurla Lane MTNL Lane
Sakinaka, Mumbai – 400 072.
Phone: 28520461, 28520462, Fax: 28511809.
E-mail: service@satellitecorporate.com

Share Transfer System **Transfer of shares held in physical mode is processed by M/s Satellite Corporate Services Pvt. Ltd. and approved by the Jt. Managing Director pursuant to the powers delegated to him by the Board of Directors of the Company. The total numbers of equity share transfers during the year were 2,348 shares with an average interval of 30 days between approvals.**

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2017

Share holding of Nominal value of (Amt in ₹)	Shareholders			Share Amount	
	No. of shareholders	% of shareholders to total	Number of Shares	Nominal value of shares	% of share amount to total
Less than 2500	25200	71.90	2081634	20816340	3.793
2501 - 5,000	4783	13.65	1867110	18671100	3.402
5,001 - 10,000	2,631	7.51	2108999	21089990	3.843
10,001 - 20,000	1,211	3.46	1821483	18284830	3.332
20,001 - 30,000	376	1.07	946008	9460080	1.724
30,001 - 40,000	187	0.53	6,71,281	67,12810	1.223
40,001 - 50,000	178	0.51	842525	8425250	1.540
50,001 - 1,00,000	229	0.65	1692132	16921320	3.083
1,00,001 and above	252	0.72	4,28,33,507	42,83,35,070	78.060
TOTAL	34,790	100.00	5,48,71,679	54,87,16,790	100.000

SHAREHOLDING PATTERN AS ON 31-03-2017

	Category	No. of shares held	Percentage of shareholding
A.	Promoter's Holding	-	-
1	Promoters	-	-
	Indian Promoters	441011	0.80
	Foreign Promoters	-	-
2	Persons acting in Concert	8704367	15.86
	Sub-Total	9145378	16.67
B	Non- Promoters Holding	-	-
3	Institutional Investors	-	-
a	Mutual Funds and UTI	157267	0.29
b	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non- Government Institutions)	2922964	5.33
c	FIs	7,012	0.01
	Sub-Total	3087243	5.63
4	Others (Clearing Member)	0	0
a	Private Corporate Bodies	18124018	33.03
b	Indian Public (Including trusts/assn. & other directors)	21142890	38.53
c	NRIs/ OCBs	3372150	6.14
d	Foreign Bank	-	-
e	Any other (In transit)	-	-
f	A.D.R/ G.D.R	-	-
	Sub- Total	42639058	77.70
	GRAND TOTAL	54871679	100.00

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Dematerialization of shares and liquidity	90.80% of the values of the paid-up Share Capital comprising of 4,98,26,763, shares have been dematerialized as on 31 st March, 2017.
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	Nil
Commodity price risk or foreign risk and hedging activities	Nil
Plant Location	The Plants located at Manali, Chennai in the state of Tamil Nadu are non- operational and are in the process of being sold.
Address for Correspondence	Futura Polyesters Limited B-22, T.V. Industrial Estate, S. K. Ahire Marg, Worli, Mumbai -400030. Phone: 022 24923080. Fax: 24923142 Website: www.futurapolyesters.net Email ID: futuraho@futurapolyesters.com

Declaration – Code of Conduct

All Board members have, for the Period ended 31st March, 2017 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the clause 49 of the Listing Agreement entered with the Stock Exchanges.

For Futura Polyesters Limited
S. B. Ghia
Chairman & Director

Place: Mumbai
Date: 03-04-2019



FUTURA POLYESTERS LIMITED

To

The Board of Directors
Futura Polyesters Limited
Mumbai

I Shyam B. Ghia the Chairman & Director of the Company, to the best of my knowledge and belief certify that:

- a) I have reviewed the Financial Statements and the Cash Flow Statements for the year ended 31st March 2017 and:
 - i) This Financial Statements do not contain any materially nature statement or omit any material fact or contain statements that might be misleading ;
 - ii) These Financial 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 is, to best of my knowledge and belief, no transaction entered into by the Company during the year ended 31st March 2017 which is 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 we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee for the year ended 31st March 2016 there were :
 - i) Significant changes, if any, in internal control over financial reporting during the year;
 - ii) significant changes if any, in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - iii) No instances of significant fraud of which we have become aware and there has been no involvement there in of the management or an employee having significant role in the Company's Internal Control System over financial reporting.

Shyam B. Ghia
Chairman & Director

03-04-2019

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CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **FUTURA POLYESTERS LIMITED**

CIN L65192MH1960PLC011579

B-22, T.V. Industrial Estate, S. K. Ahire Marg,

Worli, Mumbai- 400030.

I have examined the compliance of the conditions of Corporate Governance by **Futura Polyesters Limited** ("the Company") for the financial year ended on 31st March, 2017, as stipulated under Regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and Paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulation).

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Regulation. It is neither an audit nor an expression of opinion of the financial statements of the Company.

I state that the certificate on compliance of Corporate Governance is neither an assurance to the future viability of the Company's **Revival of Suspension imposed by Bombay Stock Exchange (BSE)** on the trading of securities of company. Further Certificate does not provide any guarantee of the revival of Company's operation in future. The Certificate also does not assure the efficiency or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the management, I observed and report the following:

1. Trading in securities of the Company has been suspended from BSE w.e.f. 21st March, 2013 vide BSE letter dated 27th February, 2013 on account of Non-Compliance of the provisions of the Listing Agreement by the Company and the suspension still continues. Further, the BSE website mentions the reasons for suspension as "due to penal reasons".
2. Board of Directors:
 - (i) There was **non-compliance with respect to the Composition of Board of Directors** of the Company during the financial year 2016-2017 **including the appointment of woman Director**.
 - (ii) There was **non-compliance with respect to performance evaluation of Independent Director** during the financial year 2016-2017.
 - (iii) **No separate meeting of the Independent Director** of the Company has been held during the financial year 2016-2017.
 - (iv) There was **non-compliance with respect to familiarization programme for Independent Director** during the financial year 2016-2017.
 - (v) The Board of Directors **does not review Compliance reports pertaining to all applicable laws** to the Company and steps taken to rectify the same during the financial year 2016-2017

3. Audit Committee:

- (i) There was **non-compliance with respect to the Composition of Audit Committee** of the Company during the financial year 2016-2017.
 - (ii) **Related party transactions** entered by the Company during the financial year 2016-2017 are **not approved by the Audit Committee** of the Company.
4. There was **non-compliance with respect to the Composition of Nomination and Remuneration Committee** of the Company during the financial year 2016-2017.
 5. The Company has **not established a vigil mechanism for Directors and its employees** as required under Regulation 22 of the SEBI Listing Regulation.
 6. The Company has **not formulated a policy on materiality of related party transactions and on dealing with related party transactions** as required under Regulation 23 of the SEBI Listing Regulation.
 7. The Company has **not disclosed the policy on dealing with Related Party transactions on its website**.
 8. During the financial year 2016-2017, Company has **not submitted quarterly compliance report on Corporate Governance to the Stock Exchange**.
 9. The **Quarterly Financial Results accompanied by Limited Review Report for the quarters for the financial year 2016-2017 have neither been filed nor have been published in the Newspaper**.
 10. There was **non-compliance with respect to appointment of a Company Secretary as Compliance Officer**.
 11. There was **non-compliance with respect to filing of half yearly certificate from Practicing Company Secretary under Regulation 40(9)** for the financial year 2016-2017.
 12. There was **non-compliance** with respect to norms of the **website of the Company** under Regulation 46(2) of SEBI Listing Regulation.
 13. There was **delay in filing of shareholding pattern** as per the requirements of Regulation 31 of SEBI Listing Regulation **for the quarter ended June, 2016, September, 2016 and December, 2016**.
 14. There was **no person holding position of CEO/CFO of the Company** during the financial year 2016-2017 or had not been appointed for the period under review.

Restriction on use of this certificate:

This certificate is issued solely for the purpose of complying with the aforesaid Regulation and may not be suitable for any other purpose.

For Seeta V. Iyer & Co.

Seeta V. Iyer

Proprietor

Practicing Company Secretary

Membership No. A17489

Certificate of Practice No. 16686

Place : Mumbai

Date: 03-04-2019

FORM NO MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017

[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,
Futura Polyesters Limited
CIN L65192MH1960PLC011579
B-22, T. V. Industrial Estate, S. K. Ahire Marg,
Worli, Mumbai- 400030

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Futura Polyesters Limited (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 on 31st March, 2017, generally 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 Futura Polyesters Limited for the financial year ended on 31st March, 2017 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz: -
 - 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, 2009; (Not applicable to the company during the audit period under review)
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the audit period under review)
 - 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 under review)
 - 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;(Not applicable to the company during the audit period under review) and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period under review)
 - i) The Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015
- (vi) *As informed to us there are no other laws applicable specifically to the Company.*

We further report that:

The Company has discontinued its operation since 2012 and there are no employees other than Managing Director and Jt Managing Director of the Company. Consequently, the records related to Labour laws were not furnished during the Secretarial Audit for the financial year.

Compliances of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this audit report and the same has been subject to review by the Statutory Auditors and other designated professionals.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2).
- (ii) The Listing Agreement entered into by the Company with BSE Limited (BSE) and Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 wherever applicable.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. Following observations have been brought before shareholders which are treated material in nature:

1. *Substantial filing of the Forms with MCA was beyond the prescribed time.*
2. *The Company has maintained registers/ records and updated entries therein except part of registers was not kept at registered office and register of fixed deposits was maintained in electronic form.*
3. *Secretarial standard on Meetings were compiled generally. The notice, agenda and notes to agenda for few committee meetings were not produced for audit.*
4. *The Company has repaid only to the depositors who have claimed and sought repayment by March 31, 2017 under provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and it has not filed return of deposits in form DPT-3 for the Financial Year 2016-17 in accordance with rule 16 of the Companies (Acceptance of Deposit) Rules, 2014.*
5. *The Company has failed to transfer Rs. 1,20,000/- to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013. The Company has defaulted in repayment of dues of the financial institution/ bank to the tune of RS. 146 crores.*
6. *The Company has not convened Annual General Meeting of its Members for the financial year 2014-2015 and 2015-16 under section 96 of the Companies Act, 2013. Consequently, financial statement for the financial year ending as on March 31, 2015 and March 31, 2016 was not laid before the annual general meeting in accordance with section 129 (2) of the Companies Act, 2013 and filed with Registrar in accordance with section 137(1) of the Companies Act, 2013.*
7. *Subsequently, the financial statement for financial year ending as on March 31, 2016 were signed by statutory auditors as on August 21, 2017. However, the financial statement and Board Report the Company were not approved by the Board of Directors at their Board meeting held during the under review in accordance with section 173 of the Companies Act, 2013 resulting in violation of section 134 of the Companies Act and connected rules and applicable regulations.*
8. *The Company failed to comply with provisions of section 92 of the Companies Act, 2013 and connected rules framed thereunder pertaining to the preparation and filing of the Annual return for financial year 2014-15 and 2015-16 within prescribed period.*
9. *The Company has failed to appoint an Internal Auditor under section 138 of the Companies Act, 2013 and connected rules framed thereunder.*
10. *The approval of Board of Directors was not obtained for the borrowings made during financial Year 2016-17 from the related party in accordance with section 179(3)(d). The approval of its members pursuant to section 180(1)(c) of the Companies Act, 2013 was obtained vide resolution dated December 8, 2016.*
11. *The Company has not filed form MGT 14 for Board resolutions dated March 1, 2017 for the appointment of Secretarial Auditors.*
12. *The Company has formed Audit Committee. However, the company has defaulted in compliances connected to the composition of Audit Committee as such pursuant to section 177 of the companies Act 2013 and regulation 18 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 in the absence of required number of two independent directors.*
13. *The Company has formed Nomination and Remuneration committee and Stakeholders Relationship Committee. However, composition of Nomination and Remuneration committee and Stakeholders Relationship Committee is not in accordance with section 178 of the Companies Act, 2013 and regulation 19 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 in absence of required number two non-executive directors. No disclosure in the board's report on the remuneration policy relating to the remuneration of the directors and other employees and the evaluation criteria of independent directors and statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors as the company has no employees except two executive directors.*

14. BSE Limited has suspended trading of securities of the company since March 31, 2013 due to non-compliance of listing agreement and suspension still continues.
15. The Company has not complied with:
- a) Optimum combination of executive and non-executive director pursuant to regulation 17(1)(a) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - b) Appointment of a woman director as required by section 149(1) of the Companies Act, 2013 and regulation 17(1)(a) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - c) Constitution of Board with minimum requirement of independent directors in accordance with provisions of section 149(4) of the Companies Act, 2013 and regulation 17(1)(b) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - d) Placing periodic compliance reports, certificates and information before board of directors and sub regulation (3), (7) and (8) of regulation 17 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - e) Appointment of Chief Financial Officer or Company secretary as prescribed under the section 203 of the Companies Act, 2013 and appointment of company secretary as compliance officer pursuant to regulation 6(1) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and connected compliances therein.
 - f) Formulation of plans for orderly succession for appointment to the Board of Director and senior management pursuant to regulation 17(5) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - g) Formulation of policy on preservation of documents as per regulation 9 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - h) Establishment of Vigil Mechanism for directors in accordance with section 177(9) of the Companies Act, 2013 and regulation 22 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 there being no employees except directors of the Company.
 - i) Formulation of risk management policy under clause 49 of the listing agreement and Constitution of Risk Management Committee and framing and implementing risk management plan and procedure in accordance with regulation 21 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as the company has stopped its business operations indefinitely.
 - j) Formulation on policy on materiality of related party and Related party transactions entered by the Company during the financial year is not approved by the Audit Committee of the Company as per section 177 of the Companies Act, 2013 and regulation 23 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - k) Intimation of corporate actions to BSE was delayed under various regulations of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - l) Website related disclosures under various clauses of Companies Act, 2013 and norms of the website of the Company under Clause 54 of the Listing Agreement and Regulation 46(2) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 though company has maintained its website.
- Intimation of resignation of statutory auditors and the subsequent appointment of new statutory Auditors in accordance with regulation 30 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
17. Submission of Compliance Certificate certifying maintaining physical & electronic transfer facility to BSE Listing Centre delayed under regulation 7(3) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
18. The Company has not submitted quarterly statement of investor complaints as required under regulation 13 sub regulation (3) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
19. The Company has not submitted quarterly compliance report on corporate governance as required under clause 49 of the listing agreement

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vis a vis Regulation 27(2) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

20. The company has not complied with Regulation 33 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 pertaining to preparation and submission of financial results either quarterly or annually and subsequent publication of the same in accordance with Regulation 47 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
21. The Company delayed in submitting the half yearly certificate from Practising Company Secretary under regulation 40 sub regulation (9) and (10) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
22. The company delayed in submitting the Quarterly report on reconciliation of share capital of the company pursuant to Securities Exchange Board of India (Depositories and Participants) Regulations, 1996.
23. There was delay in filing some of the shareholding patterns as per the requirements of Clause 35 of Listing Agreement and Regulation 31 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
24. The Company has not complied with various provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to formulation of procedures, code of conducts or appointed chief investor relation officer as the company has no employees and the trading of the Company's security is suspended on exchange.
25. The payment of Annual Listing Fees for the financial year 2016-17 to BSE was delayed. The trading in the securities of the Company has been suspended from BSE Limited w.e.f. 21st March 2013 on account of non-compliance of clauses of Listing Agreement and suspension still continues.
26. The Company has received show cause notice dated 28th September, 2016 under section 137/92/96 of the Companies Act, 2013 for default / non-compliance of laying Annual Accounts, Annual General Meeting & Annual Return for year ended 31st March 2015 from The Registrar of Companies, Maharashtra, Mumbai which was responded by the Company.

We further report that-

The Board of Directors of the Company is duly constituted except with proper balance of Executive Directors, Non-

Executive Directors and Independent Directors. The Company has one independent director and no other non-executive director or woman director. There were no changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, 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. However notice, agenda and detailed notes on agenda were not circulated for few committee meetings.

All the decision in the board meetings were carried through by majority while there were no dissenting members' views and hence not captured and recorded as part of the minutes.

We further report that there was no adequate staff in the company to carry out systems and processes commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further Report that during the audit period the company has –

- i) Resignation of Statutory Auditors vide letter dated September 19, 2015
- ii) Convened extra ordinary general meeting on December 8, 2016 for a) appointment of M/s. LLB & Co, Chartered Accountants, Mumbai as a statutory Auditors to fill up the casual vacancy raised due to resignation of the auditors. b) increase in borrowing limits pursuant to section 180(1)(c) of the Companies Act, 2013 to Rs. 500 Crores.
- iii) shifted its registered office within city limits w.e.f. March 1, 2017.
- iv) convened adjourned 53rd Annual General Meeting of the company on March 8, 2017 for the financial year 2013-14.

For Meghana Mhatre & Associates

Meghana Mhatre

Date: April 3, 2019

Place: Mumbai

Proprietor

ACS: 18352 CP: 7499

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.

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended 31-3-2017 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Annexure-1
REGISTRATION & OTHER DETAILS

Sr. No.	Description	Details
1	CIN	L65192MH1960PLC011579
2	Registration Date	10/2/1960
3	Name of Company	Futura Polyesters Limited
4	Category/Sub Category of the company	Public Limited Company
5	Address of the Registered office	B/22, T.V. Industrial Estate S.K. Ahire Marg, Worli, Mumbai-400030
6	Whether Listed Company	Listed on Bombay Stock Exchange
7	Name Address & contact details of Registrar & Share Transfer Agents if any	M/s. Satellite Corporate Services Private Limited,- Unit No 49, Bldg No 13 A-B 2nd Floor, Samhita Commercial Co-op Scty Ltd off Andheri Kurla Lane, MTNL Lane Sakinaka Mumbai- 400072 Tel-022 28520461/2 Fax-222 28511809 email:service@satellitecorporate.com

Annexure-2
PRICIPAL & BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name & Description of the Product	NIC Code of the product	% of the total turnover of the Company
1	Polyester Staple fibre	N A	NIL
2	PET Bottles	N.A	NIL

The Company has ceased its business activity since 2012

Annexure 3
PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name of the Company	CIN/GLN	Holding Subsidiary Associates	% of the Shares Held	Applicable Section
	NIL	NA	NIL	NIL	NA

Annexure-4
SHARE HOLDING PATTERN (Equity Share Capital breakup as % to total equity)
Category-wise Shareholding

Category of Shareholders	No. of shares at the beginning of the year as on 31st March 2016				No. of shares at the end of the year as on 1st April 2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A: Promoters									
(1) Indian									
a) Individual	441011	0	441011	0.8	441011	0	441011	0.80	0
b) Centre/State Govt	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	8704367	0	8704367	15.86	8704367	0	8704367	15.86	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
f) Director's and their relatives	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (1)	9145378	0	9145378	16.67	9145378	0	9145378	16.67	0

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Category of Shareholders	No. of shares at the beginning of the year as on 31st March 2016				No. of shares at the end of the year as on 1st April 2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI-Individual	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of									
Promoters(A)=(A)(1)+(A)(2)	9145378	0	9145378	16.66	9145378	0	9145378	16.66	0
B. Public Shareholding									
1) Institutions									
a) MF	290	156977	157267	0.29	290	156977	157267	0.29	0
b) Banks/FI	7166	18415	25581	0.05	7166	18619	25785	0.05	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt	0	0	0	0	0	0	0	0	0
e) Venture Capital	0	0	0	0	0	0	0	0	0
f) Insc Companies	2896347	832	2897179	5.28	2896347	832	2897179	5.28	0
g) FII	0	7012	7012	0.01	0	7012	7012	0.01	0
h) Foreign Venture capital Funds	0	0	0	0	0	0	0	0	0
i) Others Specify	0	0	0	0	0	0	0	0	0
SUB TOTAL (B) (1)	2903803	183236	3087039	5.63	2903803	183440	3087243	5.63	0
(B) 2) Non Institutions									
a) Bodies Corporate	17268645	89303	17357948	31.63	18034919	89099	18124018	33.03	0
b) Individuals									
i) individual share holders holding nominal share capital upto Rs. 1 Lac	8643885	2429413	11073298	20.18	8628794	2428781	11057575	20.15	-0.03
ii) individual share holders holding nominal share capital in excess of Rs.1 Lac	9222568	29416	9251984	16.86	8572460	29416	8601876	15.68	-1.18
c) Others (specify)									
Overseas Corp Bodies	0	2293690	2293690	4.18	0	2293690	2293690	4.18	0
Directors	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Non Resident Indians	1041886	4803	1046689	1.91	1073657	4803	1078460	1.97	0.06
Trusts	3976	15587	19563	0.04	4247	15587	19834	0.04	0
NBFC	0	0	0	0	0	0	0	0	0
Hindu undivided Families	1595990	100	1596090	2.91	1463505	100	1463605	2.67	-0.24
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
Director's and their relatives	0	0	0	0	0	0	0	0	0
SUB TOTAL (B) (2)	37776950	4862312	42639262	77.71	37777582	4861476	42639058	77.71	0
Total Public Shareholding									
(B)=(B)(1)+(B)(2)	40680753	5045548	45726301	83.33	40681385	5044916	45726301	83.33	0
(C) Shares Held by Custodians	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	49826131	5045548	54871679	100.00	49826763	5044916	54871679	100.00	0

Annexure-5
SHRAE HOLDING OF PROMOTERS

Sr. No.	Shareholders Name	No. of shares at the beginning of the year as on 1st April 2016			No. of shares at the end of the year as on 31st March 2017			% change during year
		No. of Shares	% of total shares of the Company	% of Shares pledged encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged encumbered to total shares	
1	Bhupati Investments & Finance Pvt Ltd	8347971	15.21	0	8347971	15.21	0	
2	Distributors Bombay Pvt Ltd	322404	0.59	0	322404	0.59	0	
3	Chika Pvt Ltd	7000	0.01	0	7000	0.01	0	
4	Daltreya Investments & Finance Pvt Ltd	26992	0.05	0	26992	0.05	0	
5	Nikhil Shyam Ghia	70623	0.13	0	70623	0.13	0	
6	Bela Mukund Dalal	53662	0.1	0	53662	0.1	0	
7	Deepika S Chandratreya	37155	0.07	0	37155	0.07	0	
8	Disha S Chandratreya	6805	0.01	0	6805	0.01	0	
9	Shyam Bhupatirai Ghia	1012	0	100.00	1012	0	100.00	
10	Mukund Dharamdas Dalal	271754	0.50	96.52	271754	0.50	96.52	
	Total	9145378	16.67	196.52	9145378	16.67	196.52	

Annexure-6
CHANGE IN PROMOTERS' SHARE HOLDING

Sr. No.	Shareholders Name	No. of shares at the beginning of the year as on 1st April 2016		No. of shares at the end of the year as on 31st March 2017	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

There is no change in Promoters Shareholding

Annexure-7
CHANGE IN PROMOTERS' SHARE HOLDING

Sr. No.	Shareholders Name (For each of the top 10 shareholders)	No. of shares at the beginning of the year Cumulative Shareholding during the year			
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	R.Raheja Properties Private Ltd	2450000	4.46	2450000	4.46
2	Life Insurance Corporation of India	2410352	4.39	2410352	4.39
3	M.Phinite Technologies Pvt Ltd	2287355	4.17	2287355	4.17
4	Hridaynath Consultancy PVt Ltd	11391620	20.76	11391620	20.76
5	Deepak Kalyan Shah	—	—	1150000	—
6	Bharat Jamnadas Dattani	547641	1.52	514885	0.94
7	Persiphone Investments Ltd	1683616	3.07	1683616	3.07
8	Sharad Kanayalal Shah	—	0.00	554330	1.01
9	Acira Consultancy	—	0	800000	2.1
10	Sudhir Keshavji Sampat	778727	1.42	778727	1.42
	Total	21549311	39.79	24020885	42.32

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Annexure 8

SHRAE HOLDING OF DIRECTORS & KMP

Sr. No.	Shareholders Name (For each of the top 10 shareholders)	No of shares at the beginning of the year Cumulative Shareholding during the year			
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Shyam Bhupatirai Ghia	1012	0.01	1012	0.01
	Mukund Dharamdas Dalal	271754	0.50	271754	0.50

Annexure-9

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

		Secured Loans Excluding Deposit	Unsecured Loans	Deposits	Total indebtedness Rs.
Sr. No.	Indebtedness at the beginning of the Financial year				
i	Principal Amount				
ii	Interest due but not paid				
iii	Interest Accrued but due				
	Total (i+ii+iii)				2,634,689,989.00
Change in Indebtedness during the Financial year					
	Additions				
	Reduction				
	Net Change				
Indebtedness at end of the Financial year					
i	Principal Amount				
ii	Interest due but not paid				
iii	Interest Accrued but due				
	Total (i+ii+iii)				2,572,010,164.00

Annexure 10

REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Remuneration to Managing Director/Whole time Director & Key Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount Rs.
		Mr. S.B.Ghia Rupees	Mr. M.D.Dalal Rupees	
1)	Gross Salary			
	a) Salary as per provision contained in section 17 of the Income Tax Act 1961	NIL	NIL	
	b) Value of Perquisites u/s 17(2) of the Income Tax Act 1961			
	c) Profits in lieu of the salary u/s 17(3) of the Income Tax Act 1961	NIL	NIL	
2	Stock Option	NIL	NIL	
3	Sweat Equity	NIL	NIL	
4	Commission as % of Profit	NIL	NIL	
5	Other specify	NIL	NIL	
	Total	NIL	NIL	N.A.

Celing as per the Act

- Note**
1. No remuneration paid to the Mr. S.B. Ghia & Mr. M.D. Dalal as per the resolution passed by the shareholders earlier.
 2. There are no KMP's /employees other than Mr. S.B. Ghia & Mr. M.D. Dalal

Annexure 11
REMUNERATION TO OTHER DIRECTORS

Sr. No.	Independent Directors	Mr.KVK Murthy
1	a) Fee for Attending Board & other Committee Meetings	Rs. 27,000.00
	b) Commission	0
	c) Others, please specify	0
	Total (1)	27,000.00
2	Other Non Executive Directors	
	a) Fee for Attending Board & other Committee Meetings	NIL
	b) Commission	NIL
	c) Others, please specify	NIL
	Total (2)	NIL
	Total(B)= (1)+2)	
Total Managerial Remuneration	—	
	Overall ceiling as per Act	

Note: Sitting fees paid to independent Director, paid after date of Audit Report.

Annexure 12
Penalties punishments compounding of offences

There were no Penalties punishments compounding of offences for the year ending 31st March 2017

Annexure -13
Particular od Contracts arrangement made with related parties pursuant to clause (h) of subsection 3 of section 134 of the Act & rule 8(2) of the companies (Accounts Rule 2014-Form AOC-2)

Form of disclosure of particulars of contract /arrangements entered into by the company with Related Parties referred to in subsection(1) of section 188 of the Companies Act 2013 including certain arm's length transactions under third proviso thereto

1) Details of Contract s of arrangements or transactions not at arm's length basis:

2) Details of material contracts or arrangement or transactions at arm's length basis

Name of Related Party:-	Nature of contract	Nature of Relationship
M/s. Bhupati Investments & Finance Pvt Ltd	2,342.57	Company in Which KMP have significant interest
Mr. S.B. Ghia	83.4	KMP
Deposit amount outstanding from KMP/ Company in which KMP have significant influence payable	7,151.81 Lakhs	KMP/Company in which KMP have significant influence payable
Deposit/Amount outstanding	0	
Deposit/Amount outstanding	0	

for various payments to be made.

Annexure-14
Information of Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company has not paid any remuneration to its Director, hence the information is not provided

For & on behalf of the Board

Dt. 03-04-2019

S.B. Ghia
Chairman & Director

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Annexure A

To
The Members,
Futura Polyesters Limited
CIN L65192MH1960PLC011579
B-22, T.V. Industrial Estate, S. K. Ahire Marg,
Worli, Mumbai- 400030

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 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 test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Meghana Mhatre & Associates

Meghana Mhatre
Practicing Company Secretary
ACS: 18352 CP: 7499

Date: April 3, 2019
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To The Members of **FUTURA POLYESTERS LIMITED**

We have audited the accompanying financial statements of FUTURA POLYESTERS LIMITED ('the Company') which comprise of the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements except stated otherwise.

Basis for Qualified Opinion

1. Attention is invited to :
 - a) Note No. 14 for assuming 'going concern basis' despite closure of manufacturing operation, sale of all the immovable assets of the company, suffering recurring losses from discontinued operations, having negative net worth and initiating recovery proceedings by banks and SARFAESI Act, 2002 in view of the failure of OTS with them and thus have substantial uncertainty about the intention of the company to continue as a 'going concern'.
 - b) Note No. 14 towards non acknowledging the interest dues of the banks following the failure of OTS on 31-12-2016 with banks, amount of which is unascertainable.
 - c) Note No. 15 regarding not charging of any interest on the amounts receivable from Golden Star Promoters Pvt. Ltd. (GSPL) towards sale assets. The pending recovery from GSPL is leading to unwarranted delay in settling the dues of banks/creditors and statutory authorities and consequent monetary losses impact thereof are unascertainable.

The MOU dated 19-12-2012 entered with GSPL has expired on 31-12-2016. We understand that following the non-performance of MOU due to non receipt of sale consideration within a reasonable period of time, the company should have proceeded either to recover the dues from GSPL or to cancel the MOU dated 19-12-2012 to safeguard the interest of the company.
 - d) Note No. 19(B)(d), it is observed that the company is facilitating the sale of industrial plots during the year and the sale proceeds are partially appropriated by GSPL. We are of the

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- opinion that the sale proceeds fully should have been appropriated against the dues recoverable from GSPL.
- e) Note No. 10 regarding amounts of bank balances in current and deposit account of Rs. 224.74 Lakhs (Previous Year Rs. 132.63 Lakhs) which are subject to adjustment against the agreed liability of the banks and thus the liability of banks is overstated and consequently the Cash & Cash Equivalents are overstated.
 - f) Non provision of Interest on amounts payable to workers amounting to Rs. 290.99 Lakhs (Previous Year Rs. 314.03 Lakhs) and thus the liability of the Workers is understated and consequently the same has not been recovered from GSPL thereby understating the receivable from GSPL.
 - g) Note No. 15 regarding not recovering of interest payable to Banks/Lenders of Rs. 11.79 Crores (Previous Year Rs. 11.51 Crores) from GSPL and thus the liability of GSPL is understated and consequently the losses of the company are overstated.
 - h) Note No. 19 regarding cash balance of Rs. 19.18 Lakhs. Despite suffering recurring losses, and pending dues of banks/creditors and statutory authorities, the company was maintaining a cash balance of Rs. 19.18 Lakhs. We are of the opinion that the high cash balance should have been used to settle the outstanding dues.
 - i) Note No. 19(B)(f), the company has sold investment in Innovassynth Technologies (I) Ltd. for a consideration of Rs. 1.50 Crores incurring a loss of Rs. 70 Lakhs.
 - j) Trade Payable, Trade Receivable, Loans, Advances, deposit, other current liabilities and other current assets are subject to confirmation, reconciliation and consequent adjustment as to its recoverability and payment obligation, effect thereof shall be recognised in the year of such confirmation /reconciliation. The amount of such impact is unascertainable.
 - k) Note No. 17 (b) regarding contingent liabilities of Rs. 1916.20 Lakhs (Previous Year Rs. 1916.20 Lakhs), details thereof are not available for verification.

Qualified Opinion

In our opinion and best to our information and according to the explanations given to us, except for the possible effects of the matter described in 1(a) to (i) in the Basis for Qualified Opinion paragraph above, the aforesaid

financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Profit and Loss Account, of the **LOSS** for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flow for the period ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub -section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have 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 appears from our examination of such books;
 - c. The Balance Sheet, the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act
 - f. With respect to 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 B**", and
 - g. 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)



FUTURA POLYESTERS LIMITED

Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 17 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There company was required to be transfer an amount of Rs. 120,000/- to the Investor Education and Protection Fund which has not been transferred.
- iv. The company has provided requisite disclosure in its financial statements as to holding as well as dealing in Specified

Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of accounts maintained by the company and as produced to us by the management. Refer Note No. 23 to the financial statements.

For **LLB & Co.**
Chartered Accountants
Firm's Registration No.: 117758W

CA Lalit Bajaj
Partner
Membership No.: 104234

Place: Mumbai
Date: August 21, 2017

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Annexure - A referred to in paragraph titled as “Report on other Legal and Regulatory Requirements” of Auditor’s report to the members FUTURA POLYESTERS LIMITED for the year ended 31st March 2017.

The annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- i. (a) The company does not have any fixed assets accordingly, paragraph 3(i)(a) and (b) is not applicable
- ii. (a) As explained to us, the company does not hold any inventories. Accordingly, paragraph 3(ii) (a), (b) and (c) of the Order is not applicable.
- iii. The company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect of loans, investments, guarantees and security.
- v. The Company has not complied the directives issued by Reserve Bank of India and the provision of the section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder, where applicable.
 - a. There were delays in the repayment of matured Fixed Deposit.
 - b. There were delays in intimating to the tribunal about deposits in respect of repayment of Fixed Deposits.
 - c. There were delays in filling of return of Deposits with the Registrar of Companies.
 - d. There were no deposits maturing after 31st March 2017.
- vi. As per information & explanation given by the management the company do not have any operations thus the requirement of maintenance of cost records under sub-section (1) of section 148 of the Act are not applicable to the company.
- vii. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees’ State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally **not** been regularly deposited with the appropriate authorities. According to the

information and explanations given to us there are undisputed amount payable in respect of the wealth tax, income tax, property tax, excise duty, service tax and others were outstanding as at 31st March 2017 for a period of more than six months from the date they became payable

Statement of arrears of statutory dues outstanding for more than six months.

Name of the Statute	Nature of Dues	Amount (Rs. In lacs)
Employees Provident Fund Act, 1948	Provident Fund - Penalty	3.11
Excise Act, 1944	Excise Duty	176.35
Tamil Nadu Vat Act	VAT	28.37
Finance Act, 1994	Service Tax	9.66
Foreign Trade (Development and regulation) Act, 1992	Penalty for advance license	52.00
Income Tax Act, 1961	Tax Deducted at Source	159.46
	Professional Tax	4.24
Central Sales Tax Act, 1956	CST	3241.95
Various Statutes	ESIC, Labour Welfare Fund, EPS etc.	2.71

- (b) According to the information and explanations given by the management, the details of dues of income tax/ sales tax/ wealth tax/ custom duty/ excise duty/ cess, which have not been deposited with the appropriate authorities on account of dispute, are given in the Appendix to this report.
- (c) According to the information and explanations given to us the company was required to transfer an amount of Rs. 120,000/- to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under, which has **not been transferred**.
- viii. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues of financial institution/banks to the tune of Rs 146 Crores. However, the OTS offered to the lenders was valid till 31-12-2016 only.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company did not raise moneys by way of initial public offer or further public offer including debt instruments. The terms loans


FUTURA POLYESTERS LIMITED

- outstanding at the beginning of the current year and those raised during the current year have been applied for the purposes for which those were raised.
- x. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration
- xii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For **LLB & Co.**
Chartered Accountants
Firm's Registration No.: 117758W

CA Lalit Bajaj
Partner
Membership No.: 104234

Place: Mumbai
Date: August 21, 2017

Appendix to Auditor's Report

Name of the Statute	Nature of Dues	Amount (Rs In lacs)	Assessment to which the matter pertains	Forum where dispute is pending
The Central Excise Act, 1944, Service Tax Act, 1994	Excise Duty Service Tax	4588.43	Various Periods	Various Forums
		501.76	Various Periods	CESTAT
		82.92	Various Periods	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax, Interest	957.61	2014-15	Commissioner (Appeals)
		12592.81	2013-14	Commissioner (Appeals)
		1.50	2012-13	Commissioner (Appeals)
		0.34	2011-12	Commissioner (Appeals)
		449.03	2008-09	ITAT
		131.60	2007-08	ITAT
Govt. of Maharashtra – Irrigation Department	Water Charges	185.38		High Court
Foreign Trade (Development and regulation Act, 1992	Penalty	52.00	2010-11, 2011-12	Joint Director General

*The Customs, Excise and Service Tax Appellate Tribunal

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Annexure- B referred to in paragraph titled as “Report on the Internal Financial Controls 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 FUTURA POLYESTERS LIMITED (“the Company”) as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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 (‘ICAI’). 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 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Company’s internal financial controls system over financial reporting.

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.

Inherent 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, the Company has, in all material respects, an **inadequate** internal financial controls system over financial reporting and such internal financial controls over financial reporting were **not** operating effectively as at 31st March 2017, 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 **LLB & Co.**
Chartered Accountants
Firm’s Registration No.: 117758W

CA Lalit Bajaj

Partner

Place: Mumbai
Date: August 21, 2017

Membership No.: 104234


FUTURA POLYESTERS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2017
CIN NO L65192MH1960PLC011579

Particulars	Note No.	Rupees	
		As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	747,616,790	747,616,790
(b) Reserves and Surplus	3	(2,083,849,369)	(1,950,470,883)
(c) Money received against share warrants		—	—
(2) Share application money pending allotment			
		—	—
(3) Non-Current Liabilities			
(a) Long-term borrowings		—	—
(b) Other Long term liabilities		—	—
(c) Long term provisions		—	—
(4) Current Liabilities			
(a) Short-term borrowings	4	2,572,010,164	2,634,689,989
(b) Trade payables	5	477,514,061	518,734,178
(c) Other current liabilities	6	1,326,654,771	1,226,022,590
(d) Short-term provisions	7	7,235,005	7,235,005
Total		3,047,181,422	3,183,827,669
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets		—	—
(ii) Intangible assets		—	—
(iii) Capital work-in-progress		—	—
(iv) Intangible assets under development		—	—
(b) Non-current investments		—	—
(c) Deferred tax assets (net)		—	—
(d) Long term loans and advances		—	—
(e) Other non-current assets		—	—
(2) Current assets			
(a) Current investments	8	525,375	22,373,376
(b) Inventories		—	—
(c) Trade receivables	9	534,326	534,327
(d) Cash and cash equivalents	10	24,501,926	13,771,455
(e) Short-term loans and advances	11	68,351,361	66,335,460
(f) Other current assets	12	2,953,268,434	3,080,813,050
Total		3,047,181,422	3,183,827,669

See accompanying notes to the financial statements
As per our Report Attached

For, **LLB & Co.**
Chartered Accountants
FRN: 117758W

Lalit Bajaj
Partner
M. No. 104234

Place: Mumbai
Date: 21-08-2017

For and on Behalf of the Board

S. B. Ghia (Chairman and Managing Director)

M.D. Dalal (Joint Managing Director)

Place: Mumbai
Date: 21-08-2017

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STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2017 (Discontinued Operations) CINNO.L65192MH1960PLC011579

Rupees

Particulars	Note No	Period ended	
		March 31, 2017	March 31, 2016
I. Revenue from operations		—	—
II. Other Income		—	—
III. Total Revenue (I + II)		—	—
IV. Expenses:			
Cost of materials consumed		—	—
Purchase of Stock-in-Trade		—	—
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		—	—
Employee benefit expense		—	—
Financial costs		—	—
Depreciation and amortization expense		—	—
Less: Transferred from Revaluation Reserve		—	—
Other expenses		—	—
Total Expenses		—	—
V. Profit before exceptional and extraordinary item and tax (III - IV)		—	—
VI. Exceptional Item		—	—
VII. Profit before extraordinary item and tax (V - VI)		—	—
VIII. Extraordinary Item		—	—
IX. Profit before tax (VII - VIII)		—	—
X. Tax expense:			
(1) Current tax		—	—
(2) Deferred tax		—	—
(3) Wealth Tax		—	—
(4) Excess/(Short) provision of tax for earlier years		—	—
XI. Profit(Loss) from the period from continuing operations (IX-X)		—	—
XII. Profit/(Loss) from discontinuing operations	13	(133,378,486)	(272,734,037)
XIII. Tax expense of discounting operations		—	—
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		(133,378,486)	(272,734,037)
XV. Profit/(Loss) for the period (XI + XIV)		(133,378,486)	(272,734,037)
XVI. Earnings per equity share			
— Basic and Diluted		(2.43)	(4.97)

See accompanying notes to the financial statements

As per our Report Attached

For, **LLB & Co.**

Chartered Accountants

FRN: 117758W

Lalit Bajaj

Partner

M. No. 104234

Place: Mumbai

Date: 21-08-2017

For and on Behalf of the Board

S. B. Ghia (Chairman and Managing Director)

M.D. Dalal (Joint Managing Director)

Place: Mumbai

Date: 21-08-2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	<u>For the Current Year ended 31.03.2017</u>	<u>For the Current Year ended 30.03.2016</u>
(A) CASH FLOW FROM OPERATIONS		
Net Profit / (Loss) before tax and extra-ordinary item	—	—
Add : Profit from discontinuing operations	(133,378,486)	(272,734,037)
Adjustment for		
Foreign Exchange Fluctuation (Net)	(4,932,453)	19,972,065
Interest / Dividend Income	(3,045)	(3,045)
Interest Expenses	119,069,403	237,140,949
Loss / (Profit) on Sale of Fixed Assets (Net)	—	—
Provision for Doubtful Debts / Advances and Bad Debts w/off	—	—
Loss on Sale of Investments	7,024,500	—
Diminution in the value of Investment	—	—
Provision no longer required written back	(200,999)	(70,500)
	<u>120,957,406</u>	<u>257,039,469</u>
Operating Profit before working capital changes	(12,421,080)	(15,694,568)
Adjustment for Working Capital Changes		
Trade and Other Receivables	127,544,616	77,661,604
Other Current Liabilities	100,632,181	106,614,506
Short Term Provisions	—	—
Trade Payables	(36,287,664)	(36,588,486)
	<u>191,889,133</u>	<u>147,687,624</u>
Cash generated from operations	<u>179,468,053</u>	<u>131,993,057</u>
Direct Taxes (Paid) / Refund	—	—
Cashflow before extra-ordinary item	<u>179,468,053</u>	<u>131,993,057</u>
NET CASH FROM OPERATING ACTIVITIES (A)	<u>179,468,053</u>	<u>131,993,057</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Disposal of Fixed Assets	—	—
Sale / Purchase of Investments	15,024,500	—
Short Term Loans & Advances	(2,015,900)	(1,147,040)
Interest Received/Dividend Received (Net)	3,045	3,045
	<u>13,011,645</u>	<u>(1,143,995)</u>
NET CASH USED IN INVESTING ACTIVITIES (B)	<u>13,011,645</u>	<u>(1,143,995)</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from Short Term borrowings	(62,679,825)	85,365,428
Interest paid	(119,069,403)	(237,140,949)
NET CASH USED IN FINANCING ACTIVITIES (C)	<u>(181,749,227)</u>	<u>(151,775,521)</u>
NET INCREASE IN CASH AND CASH ACTIVITIES (A + B + C)	<u>10,730,471</u>	<u>(20,926,459)</u>
Cash and cash equivalents (Opening Balance)	<u>13,771,455</u>	<u>34,697,915</u>
Cash and cash equivalents (Closing Balance)	<u>24,501,926</u>	<u>13,771,455</u>
NET INCREASE / (DECREASE) AS DISCLOSED ABOVE	<u>10,730,471</u>	<u>(20,926,459)</u>

Notes :

- Cash and Bank Balances as per accounts have been classified as cash and cash equivalent.
- Figures of the previous year has been regrouped wherever necessary.
- All figures in brackets are outflows.

See accompanying notes to the financial statements

As per our Report Attached

For, **LLB & Co.**
Chartered Accountants
FRN: 117758W

Lalit Bajaj
Partner
M. No. 104234

Place: Mumbai
Date: 21-08-2017

For and on Behalf of the Board

S. B. Ghia (Chairman and Managing Director)

M.D. Dalal (Joint Managing Director)

Place: Mumbai
Date: 21-08-2017

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting and Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

c. Fixed Assets:

Fixed Assets are stated at cost / revalued amount less depreciation. Cost comprises of Cost of acquisition, cost of improvements and any attributable cost of bringing the asset to condition for its intended use. Interest on loans taken for the procurement of specific assets accrued upto the date of acquisition/ installation of the said assets is capitalised along with the cost of the assets.

d. Depreciation and Amortisation:

Depreciation on tangible fixed assets of the Company has been provided on the Written Down Value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

e. Investments:

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value, Long term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in value of long term investments.

f. Inventories:

Inventories are valued as under:
Raw Materials, Packing Materials, Stores and

Spares: at Cost (Weighted average method)
Materials-in-transit and Semi Finished Goods: at Cost. (Weighted average method)

Finished Goods: at lower of cost or net realisable value. (Weighted average method)

Traded items: at lower of cost or net realisable value. (Weighted average method)

g. Revenue Recognition:

Revenue from sale of goods is recognised net of returns, product expiry claims and trade discounts, on transfer of significant risks and rewards in respect of ownership to the buyer.

Revenue is recognised when it is reasonable to expect that the ultimate collection will be made.

Interest income is accounted on accrual basis. Dividend from investment is recognised as revenue when right to receive is established.

h. Export Incentives:

Export Incentives are accounted on an accrual basis.

i. Foreign Currency Transactions:

Transactions in foreign currencies are recorded at current rates except transactions covered by forward contracts. Assets and Liabilities denominated in foreign currency are restated at the year end rates. All exchange gains and losses except those relating to acquisition of fixed assets which are adjusted to the carrying cost of such assets, are accounted for in the Profit and Loss Account.

j. Research and Development:

Revenue expenditure on Research and Development is charged as an expense in the year in which they are incurred. Capital expenditure is shown as an addition to Fixed Assets.

Expenditure incurred on development of new products are amortised over a period of 10 years.

k. Employee Benefits:

i. Defined Contribution Plan

Company's contributions paid /payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in the Profit and Loss Account. There are no other obligations other than the contribution payable to the respective trust/fund. Company's Contribution towards Superannuation and ESIC is based on a percentage of salary which is made to an approved fund.

ii. Defined Benefit Plan

Company's Contribution towards Provident Fund is based on a percentage of salary which is made to an approved fund.

Company's Contribution towards Gratuity is made to an approved fund as per actuarial

valuation certificate obtained from an actuary which is determined using projected unit credit method.

- iii. Short term compensated absences are provided as per actuarial valuation certificate obtained from an actuary which is determined using projected unit credit method.
- iv. Long term employee benefit
Long term compensated absences are provided as per actuarial valuation certificate obtained from an actuary which is determined using projected unit credit method.
- v. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.

1. Taxes on Income:

- i. Current Tax: Provision for Income Tax is determined in accordance with the provision of Income Tax Act, 1961.
- ii. Deferred Tax Provision: Deferred Tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted on the Balance Sheet date. Deferred Tax Assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2. SHARE CAPITAL

	<u>March 31, 2017</u>	<u>March 31, 2016</u>
		(Rupees)
Authorised		
60,000,000 (Previous year 60,000,000) Equity Shares of Rs. 10 each	600,000,000	600,000,000
2,000,000 (Previous year 2,000,000) 9% Non Cumulative Redeemable Preference Shares of Rs. 100 each	<u>200,000,000</u>	<u>200,000,000</u>
	<u>800,000,000</u>	<u>800,000,000</u>
Issued, Subscribed and Fully paid up		
54,871,679 (Previous year 54,871,679) Equity Shares of Rs. 10 each	548,716,790	548,716,790
1,989,000 (Previous year 1,989,000) 9% Non Cumulative Redeemable Preference Shares of Rs. 100 each	<u>198,900,000</u>	<u>198,900,000</u>
	<u>747,616,790</u>	<u>747,616,790</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2017		March 31, 2016	
	Number of Shares	Amount (Rs)	Number of Shares	Amount (Rs)
(a) Equity shares				
Number of shares at the beginning	54,871,679	548,716,790	54,871,679	548,716,790
Issued during the year	—	—	—	—
Number of shares at the end	54,871,679	548,716,790	54,871,679	548,716,790
(b) 9% Non Cumulative Redeemable Preference Shares				
Number of shares at the beginning	1,989,000	198,900,000	1,989,000	198,900,000
Issued during the year	—	—	—	—
Number of shares at the end	1,989,000	198,900,000	1,989,000	198,900,000

(b) Terms / rights attached to equity shares

The Company has equity shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividends proposed by the Board of Directors and approved by the shareholders. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shareholders have all other rights as available to the equity shareholders as per the provisions of Companies Act, 1956 read together with the Memorandum of Association and Articles of Association of the Company as applicable.

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(c) Terms / rights attached to preference shares

The Non Cumulative Redeemable Preference Shares shall confer upon the holders thereof the right out of the Profits of the Company to a fixed Non Cumulative preferential dividend at the rate of 9% per annum (free of Company's tax but subject to deduction of tax at source as required under the provisions of the Indian Income Tax Act for the time being in force and amended from time to time) on the capital for the time being paid up there on and the right, in a winding up, to payment of capital and arrears of dividends declared up to the commencement of the winding up in priority to the Equity Shares, and also confer the right to any further participation in profits or assets, except that the holders thereof shall have the right to attend and vote at any general meeting of the Company as provided by the Act.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	March 31, 2017		March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhupati Investments and Finance Private Limited	8,347,971	15.20%	8,347,971	15.20%
Hridaynath Consultancy Private Limited	1,391,620	20.76%	11,391,620	20.76%

3. RESERVES AND SURPLUS

(Rupees)

Capital Reserve

Opening

9,505,827

9,505,827

Closing

9,505,827

9,505,827

Securities Premium Account

Opening

444,195,713

444,195,713

Closing

444,195,713

444,195,713

General Reserve

Opening

1,115,592,918

1,115,592,918

Closing

1,115,592,918

1,115,592,918

Surplus

Opening

(3,519,765,343)

(3,247,031,304)

Additions

(133,378,484)

(272,734,037)

Closing

(3,653,143,827)

(3,519,765,341)

(2,083,849,369)

(1,950,470,883)

4. SHORT TERM BORROWINGS

Secured - from banks

Cash Credit Facilities

234,780,099

299,372,984

Term loan and others

1,002,853,962

1,003,668,232

Unsecured

Directors-Related parties

23,798,018

20,668,018

Public Deposit

170,000,000

172,327,000

Inter Corporate Deposits - Related Parties

411,568,324

411,568,324

Intercorporate Deposits - Others

729,009,761

727,085,431

2,572,010,164

2,634,689,989

Notes: Applicable to Note 4

- a) The Term Loans and Other credit facilities granted by the Banks were secured by way of equitable mortgage by deposit of title deeds in respect of the Company's Land and other movable/immovable assets situated at Chinnasekkadu, Manali, Chennai, Tamil Nadu. These Immovable/movable Properties were sold to one M/s Golden Star promoters Pvt. Ltd. (GSPL) subject to various necessary approvals from statutory authorities vide MOU dated 19-12-2012. In view of non receipt of the consideration, the validity of the said MOU was extended from time to time and was valid till 31-12-2016 and is yet to be renewed. Pending vacation of the charge of the bankers/lenders on paying of all their dues, the immovable assets are continued to be charged /lien in favour of the lender banks.


FUTURA POLYESTERS LIMITED

- b) Due to defaults in repayment of principal and interest, the accounts became non performing assets (NPA) . Subsequently, the company has made an offer for One Time Settlement (OTS) with consortium of Banks (COB) to accept the amount of Rs. 161,01,51,000/- along with interest @ 12% Payable. The COB further extended the OTS to be paid up to 31st December, 2016 along with additional interest @ 0.50% on cumulative quarterly rests. In view of the expiry of the OTS, the COB have resolved not to provide further extension and to recall the advance and initiate legal proceedings. The company has been served notice u/s 13(2) of the SARFAESI Act, 2002 by Bank of India dated 15/06/2017 to recall its dues of Rs. 55,00,16,044.04 alongwith interest.
- c) Intercompany deposits are crystallised and does not bear any interest and repayable on demand.
- d) Certain Term Loans, Cash Credit and Other facilities which were Secured by way of Hypothecation of Companies Movable Fixed assets and Current Assets which have been sold in the previous period but modification of the charge in favour of the banks/lenders are yet to be made.
- e) Public deposits includes Rs. 1,700 Lakhs due to Ex-Directors are interest free and repayable on demand.
- f) Public Deposit of Rs. 1,20,000/- were due for 7 years from the date they became payable.

5. TRADE PAYABLES

	March 31, 2017	March 31, 2016
Due to Micro, Small and Medium Enterprises	685,206	1,095,330
Trade Payable	476,828,855	517,638,848
	477,514,061	518,734,178

Notes: Applicable to Note 5

- a) Balances of trade payable are subject to confirmation, reconciliation and adjustment, if any.

6. OTHER CURRENT LIABILITIES

	March 31, 2017	March 31, 2016
<u>Other Payables</u>		
Statutory Dues	25,150,832	30,693,405
Other Liabilities	846,974,462	739,690,708
Workers	276,531,470	276,531,470
Officers	129,760,005	129,760,005
Advance From Customer	45,815,720	45,815,720
Unpaid Matured Deposits and Interest Accrued thereon	2,422,282	3,531,282
	1,326,654,771	1,226,022,590

Notes: Applicable to Note 6

- a) Workers' Dues reflects the amount of settlement dues in respect of wages, benefits, arrears, bonus, leave salaries, gratuity etc.
- b) Balances of all the creditors and advances received are subject to confirmation/reconciliation and adjustment, if any.
- c) Unpaid Matured Deposits include payable to IEPF of Rs. 1,20,000/-

7. SHORT TERM PROVISIONS

	March 31, 2017	March 31, 2016
<u>Provision for Employee Benefits</u>		
Superannuation	4,179,567	4,179,567
Gratuity	3,055,438	3,055,438
	7,235,005	7,235,005

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8. CURRENT INVESTMENTS (At lower of Cost or Fair Value)

	March 31, 2017			March 31, 2016		
	Face Value	Numbers of Shares / Units	Amount (Rs.)	Face Value	Numbers of Shares / Units	Amount (Rs.)
Equity						
Quoted						
Innovassynth Investments Limited	10	50,000	500,000	10	50,000	348,000
Unquoted						
SVC Co-operative Bank Limited	25	1,015	25,375	25	1,015	25,375
Innovassynth Technologies (India) Limited	10	—	—	10	2,000,000	22,000,000
FPL Properties Developers Private Limited	10	—	—	10	4,900	49,000
			525,375			22,422,375
Less: Provision for Diminution			—			48,999
			525,375			22,373,376
Aggregate Cost Of Quoted Investments			500,000			500,000
Aggregate Cost Of Unquoted Investments			25,375			22,074,375
Market Value of Quoted Investments			705,000			277,500

9. TRADE RECEIVABLES

Debts outstanding for a period more than six months

Unsecured

Considered Goods

March 31, 2017	March 31, 2016
534,326	534,327
534,326	534,327
March 31, 2017	March 31, 2016
14,134,231	5,108,226
8,449,691	8,274,442
1,918,004	388,786
24,501,926	13,771,455

10. CASH AND CASH EQUIVALENTS

Current account*

Deposit account**

Cash in hand

** Lodged with banks as Margin Money and for Bank Guarantee, and subject to adjustment against OTS (Maturity details not available)

*Includes earmarked balances aggregating to Rs. 109,376/- towards settlement of workers union.

11. SHORT TERM LOANS & ADVANCES

Unsecured, Considered goods unless otherwise stated

Other Loans and Advances

Advance Receivable in Cash or Kind or for Value to be Received

Considered goods

Loans and Deposits

Advance Payment of Tax (Net of Provision)

March 31, 2017	March 31, 2016
9,238,053	9,340,973
28,891,160	28,970,410
30,222,148	28,024,078
68,351,361	66,335,460

12. OTHER CURRENT ASSETS

Other Receivables

March 31, 2017	March 31, 2016
2,953,268,434	3,080,813,050
2,953,268,434	3,080,813,050

Notes: Applicable to Note 12

- a) The above represents the amount receivable from Golden Star Promoters Pvt. Ltd. (GSPL) towards sale proceeds of all movable and immovable assets of the company in terms of MOU dated 19-12-2012.
- b) An amount of Rs. 4,46,82,191/- being interest payable to bankers/lenders have been debited to GSPL.

13 PROFIT/ LOSS FROM DISCONTINUED OPERATIONS

	01-04-2016 to 31.03.2017	(Rupees) 01-01-2015 to 31.03.2016
Revenue from Discontinued operations		
Dividend	3,045.0	3,045.0
Claims Received	—	645,929.0
Provision No Longer Required	200,999.0	70,500.0
Exchange Rate Fluctuation	4,932,453.0	—
Total (A)	<u>5,136,497.0</u>	<u>719,474.0</u>
Expenditure related to Discontinued operations		
Interest Expenses (Net)	119,069,403	237,140,949
Director's Fees	50,000	50,000
Electricity Charges	109,820	128,465
Rent	774,728	805,360
Insurance	60,622	80,067
Repairs and Maintainance	254,886	665,756
Travel	839,377	991,366
Printing And Stationary	597,025	71,709
Advertisement Expenses	41,412	—
Audit Fees - Statutory	460,000	400,000
Communication Expenses	591,894	—
Shipping Charges	—	275,501
Penalty	500,000	—
Loss on Sale of Investment	7,024,500	—
Custodian Fees	504,476	—
Exchange Rate Fluctuation	—	19,972,065
Legal & Professional Fees	6,502,038	10,184,754
General Expenses	1,134,800	2,687,519
Total (B)	<u>138,514,981</u>	<u>273,453,511</u>
Profit / (Loss) from Discontinuing Operations (A-B)	<u>(133,378,486)</u>	<u>(272,734,037)</u>

14. The Company has disposed all its Land, Building and Plant & Machineries situated at Chennai to one M/s. Golden Star Promoters Pvt. Ltd. (GSPL) as per the MOU dated 19th December, 2012 subject to certain statutory approvals among others for a total consideration of Rs. 355 Crores, comprising of Rs. 315 Crores towards Land and Rs. 40 Crores towards movable Machineries /Scrap on 'as is where is basis' and closed down all its manufacturing and other operation. Accordingly, the company has affected the sale of the assets in the books of accounts for the period ending on 31-12-2012. Thereafter, the Company has obtained the permission of the shareholders by way of postal ballot on 26th June, 2013 for sale of assets by giving authority to board to take appropriate action in this regard and also executed the Registered Deed/Agreement for Sale of immovable assets with GSPL on 05-09-2014. The company has also acted as attorney of GSPL to effect sale of all movables/scrap etc. Due to non fixing of the statutory guideline value for the sale of the land and consequent non execution of the said MOU, the validity of the MOU have been extended from time to time till 31st December, 2016 which too was expired.

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Further, the various banks had accepted the offer of One time Settlement (OTS) made by the company to accept Rs 161.01 Crores as against book dues of Rs. 161.45 Crores to be paid along with interest @ 12% till 30-06-2016, 12.50% till 30-09-2016 and 13% till 31-12-2016. In view of the expiry of deadline to comply the OTS, the Bank/Lenders have decided to recall the advance and initiate legal proceedings. The company has been served notice u/s 13(2) of the SARFAESI Act, 2002 by Bank of India (Lead Bank) dated 15/06/2017 to recall its dues of Rs. 55 Crores alongwith interest.

Pending outcome of the legal proceedings being initiated by the lender banks and receipt of consideration from GSPL in terms of the MOU dated 19-12-2012 and Agreement for Sale dated 05-09-2014, the accounts have been prepared under going concern basis.

15. The Company did not charge any interest on the amounts receivable from GSPL towards sale of assets, which were not recovered fully in view of non performance of MOU following to non availability of statutory guideline value for the sale of land. The company has provided for Rs. 11.79 Crores towards interest payable to banks/lenders under the agreed terms of OTS. The company will claim the liability of Rs. 11.79 Crores from GSPL in the year of final payment to the banks/lenders. However, the company has claimed the interest of Rs. 4.47 Crores from GSPL as per the agreement, being the interest debited by Canara Bank and IDBI Bank.
16. Innovassynth Technologies (I) Ltd. has on behalf of the company deposited an amount of Rs. 2.56 Crores in deposit accounts with Syndicate Bank and State Bank of India (Formerly State Bank of Hyderabad) as per the directives of the High Court in the matter relating to Irrigation Department. The company has recorded an income of Rs. 15.18 Lakhs towards the interest accrued on such deposits.
17. **Contingent Liabilities and Commitments made by the company:**
 - a. Estimated amount of contracts remaining to be executed on capital account paid and not provided as on 31st March, 2017 Rs. Nil . (Previous year Rs. Nil).
 - b. Contingent Liabilities not provided for

(Rs. in Lakhs)

Sr. No.	Particulars	31-03-2017	31-03-2016
1.	Regarding Income tax on account of disputes raised by the Income tax department under the Income tax, Act 1961. Madras High Court Income Tax Appellate Tribunal Commissioner of Income Tax (Appeals) Commissioner of Income Tax – TDS (Appeals) (Chennai)	303.73 580.64 13552.21 170.23	303.73 580.64 12594.60 170.23
2.	Service Tax and Penalty demanded on technology transfer agreement. CESTAT Service Tax demand on Goods Transport Agency Service Tax Credit denial on Outward Freight and Canteen Services Commissioner Appeals CESTAT	485.00 6.29 76.63 16.76	485.00 6.29 76.63 16.76
3.	Central Excise: Claims against the company on various issues pending before various forum	339.80	339.80
4.	Irrigation Department- Government of Maharashtra High Court	185.38	NIL
5.	Labour Matters	9.87	10.86
6.	Customs Commissioner Appeal: PBS wrong import of PVC Import of PBS without MOEF permission DRI	5.00 53.00	5.00 53.00
7.	Others	264.51	264.51

c. Claims against the Company not acknowledged as debts Rs. Nil (Previous Year Rs.Nil).

18. There are Micro, Small and Medium Enterprises, as defined in the Micro, Small Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

(Rs. in Lakhs)

Sr. No.	Particulars	31-03-2017	31-03-2016
1.	TGI Packaging Limited	—	4.10
2.	Aruna Chaleshwar Industries	5.45	5.45
3.	Galada Agro Industries	1.40	1.40
	Total	6.85	10.95

(Rs. in Lakhs)

Particulars	Amount
Principal Amount due to any supplier as at the year end	10.95
Interest due on the principal amount unpaid at the year end to any supplier	12.28
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	NIL
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	12.28
The amount of interest accrued and remaining unpaid at the end of each accounting year	12.28

19. **A . Discontinuing Operations (for the period ended on December 31, 2012)**

- The company has entered into Memorandum of Understanding (MOU) dated 19th December, 2012 for sale of its asset at Manali Chennai - Land, Factory, Building, Plant and Machinery, Office Equipment, Furniture and Fixture and Inventory on an "As is where is" basis for an aggregating consideration of Rs. 355 Crores. The MOU is subject to all the necessary and required approvals. Effect of the above MOU has been given in the Accounts of previous period.
- The Company was operating only in single Product – Polyester Products which has been discontinued from 19th December, 2012.
- Revenue of Rs.21473.67 Lakhs, expenses of Rs.43346.14 Lakhs, and pretax profit of Rs.-21872.45 Lakhs in respect of the ordinary activities attributable to the discontinuing operation during the period ended 31/12/2012.
- Carrying amount of Rs.38285.17 Lakhs of assets and Rs 36608.57 Lakhs Liabilities to be settled as on 31.12.12.
- Allocation of Sale Proceeds to Land, Inventory and Other Fixed Assets is as per details given below. The same is subject to realisation.
- The Company has Sold its inventory consisting of Raw Material, Semi Finished Goods, Finished Goods, Stores and Spares as per above MOU as per details given below.

Profit from Discontinued Operations - As on 19/12/2012

(Rs. in Lakhs)

Particulars	WDV as on 19.12.2012	Sale Proceeds (b)	Profit/ -loss(b-a)
Asset Sold			
Factory Buildings -	698.41	195.19	-503.22
Plant & Machinery -	8958.60	2503.74	-6454.86
Furnitures & fixtures	14.49	4.05	-10.44
Vehicles (Excluding cars)	1.48	0.41	-1.07
Office Equipments	53.76	15.02	-38.73
Weigh Bridge	5.17	1.44	-3.73
Total Assets (A)	9731.90	2719.86	-7012.04
Inventories Sold	Cost	Sale Proceeds	Profit/ -loss(b-a)
Raw materials	2088.88	583.80	-1505.08
Semi finished goods	1451.88	405.77	-1046.11
Finished goods	208.35	58.23	-150.12
Stores and spares	831.34	232.34	-599.00
Total Inventories (B)	4580.44	1280.14	-3300.31
Total (A+B)	14312.35	4000.00	-10312.35
Land	Cost	Sale Proceeds	Profit/ -loss(b-a)
Sale of Land -Profit C	17321.15	31500.00	14178.85
Total (A+B+C)			3866.50

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B. Other Disclosures for the current period

- a. The MOU entered with M/s. Golden Star Promoters Pvt. Ltd. (GSPL) on 19th December 2012 was extended from time to time and was valid till 31st December 2016 which is yet to be renewed.
- b. Various Banks had accepted the offer of One Time Settlement (OTS) made by the company to accept Rs. 161.01 Crores as against the book debts of Rs. 161.45 Crores to be paid along with interest @ 12% till 30-06-2016, 12.50% till 30-09-2016 and 13% till 31-12-2016. Pending payments from GSPL, the company could not fulfill the OTS which led to expiry of the same. The Banks have resolved not to extend the validity of OTS and to recall the advance and initiate legal proceedings. The company has been served notice u/s 13(2) of the SARFAESI Act, 2002 by Bank of India dated 15/06/2017 to recall its dues of Rs. 55 Crores alongwith interest.
- c. In respect of sale of assets at Manali Chennai - Land, Factory, Building, Plant and Machinery, Office Equipment, Furniture and Fixture and Inventory, the Company has received amount of Rs.17.22 Crores during the FY 2016-17 aggregating to the cumulative amount of Rs. 85.03 Crores as against Rs. 355 Crores. The details of which are as under :

(Rs. in Lakhs)

Particulars	Amount
Opening Balance Receivable	30813.48
Add : Amount debited for delay in payments to banks	446.82
Less: Remittance Received	1722.27
Amount Receivable from GSPL as on 31-03-2016	29538.03

- d. In view of Non Performance of the MOU by GSPL and in order to sell the land in the distressed market, the company had got approved the layout plan of Futura Business Park from CMDA Chennai on 08/07/2015 and Corporation of Chennai on 25/08/2015 by dividing the Industrial Land into 149 plots. The company has executed a gift deed in favour of The Commissioner, Corporation of Chennai and Registrar, Thiruvottiyur, bequeathing Road and Park area of the approved Industrial Layout.
The company has upto 31-03-2017 sold 25 plots for a value of Rs. 65.14 Crores and received Rs. 34.11 Crores. The balance of Rs. 31.03 Crores was received by GSPL which is yet to be received by the company.
 - e. The Company has also entered into a Memorandum of Understanding (MOU) dated 17/10/2016 for sale of Non Agricultural land held at Mehsana, Gujarat, admeasuring to approx 1711.5 sq mts for Rs. 44.01 lakhs which is subject to certain terms and conditions. Of the above amount, Rs. 7.01 Lakhs was receivable as on 31/03/2017.
 - f. During the year the company has sold investment in Innovassynth Technologies (I) Ltd. for a consideration of Rs. 1.50 Crores incurring a loss of Rs. 70 Lakhs. The investment in FPL Properties Developers Private Limited has been sold for a consideration of Rs. 24,500/-.
19. The Company has entered into Agency agreement with M/s. Golden Star Promoters Private Limited for sale of its Goods on a commission of 0.25% on the proceeds collected by the Company.
 20. Interest and penalty payable on delayed payment of statutory charges/ dues are provided to the extent raised /intimated to the Company.
 21. **Related Party Transactions:**
 - a. Related Parties (As Certified by the Management):

Names	List of Related Parties	Nature of Relationship
Mr. S.B. Ghia - Chairman & Managing Director#	Bhupati Investments & Finance Private Limited	Significant influence (through VIPL), Spouse Mrs. R. S. Ghia as Chairperson and brother's Wife Mrs.V.D.Ghia as Director
	Chika Private Limited	Son Mr. N.S. Ghia as Chairman Spouse, brother's wife as Directors
	Innovassynth Technologies (I) Limited Sonata Software Limited	Common Key management personnel
Mr.M.D.Dalal - Jt. Managing Director#	Sonata Software Limited	Common Key management personnel
	Daltreya Investments & Finance Private Limited	Spouse and sister are Directors (Significant influence)

Key Management Personnel


FUTURA POLYESTERS LIMITED

b. Related Party Transactions during the period 01.04.2016 TO 31.03.2017

(Rs. in Lakhs)

Sr No.	Nature of Transaction	Key Management Personnel	Company in which Key Management Personnel have significant influence	Relatives of Key Management Personnel	Subsidiary	TOTAL
1.	Deposits received	32.81 83.40	19.24 2342.57	— —	— —	52.05 2425.97
2.	Deposits Repaid	1.50 —	— —	— —	— —	— —
3.	Deposits / Amount outstanding as on 31.03.17 payable	237.98 206.67	7378.02 7358.78	— —	— —	7616.00 7565.45

22. Earnings per share

(Rs. in Lakhs)

Particulars	31-03-2017	31-03-2016
Profit / (Loss) after Tax	(1333.78)	(2727.34)
Weighted Average Number of Equity Shares		
- Basic	548,71,679	548,71,679
- Diluted	548,71,679	548,71,679
Earnings per Share (in Rs.)		
- Basic	(2.43)	(4.97)
- Diluted	(2.43)	(4.97)

23. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	110,000	17,91,886	19,01,886
(+) Permitted Receipts	Nil	3,19,000	3,19,000
(-) Permitted Payments	Nil	2,42,423	2,42,423
(-) Amount Deposited in Banks	110,000	Nil	110,000
Closing Cash in hand as on 30.12.2016	Nil	18,68,463	18,68,463

24. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report Attached

For and on Behalf of the Board

For, **LLB & Co.**
Chartered Accountants
FRN: 117758W

S. B. Ghia (Chairman and Managing Director)

Lalit Bajaj
Partner
M. No. 104234

M.D. Dalal (Joint Managing Director)

Place: Mumbai
Date: 21-08-2017

Place: Mumbai
Date: 21-08-2017

FUTURA POLYESTERS LIMITED

Registered Office:

B/22, TV Industrial Estate, S. K. Ahire Marg, Worli, Mumbai 400 030.

FORM NO : MGT-11

[PROXY FORM]

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management & Administration) Rules, 2014] (CIN: L65192MH1960PLC011579)

Name of the Company: FUTURA POLYESTERS LIMITED

Registered Office: B/22, TV Industrial Estate, S. K. Ahire Marg, Worli, Mumbai 400 030.

Web Site: WWW.futurapolyesters.net **Email ID:** futuraho@futurapolyesters.com

Tel. No: 022 24923080 **Fax:** 022 24923142

Name of the Member(s):	
Registered Address:	
E-mail ID:	
Folio No./ Client ID:	
DP ID:	

I/ We, being the member(s) _____ shares of the above named company, hereby appoint:

(1) Name _____
Address: _____
E-mail ID/ _____ Signature _____ or failing him/her

(2) Name _____
Address: _____
E-mail ID/ _____ Signature _____ or failing him/her

As my/our proxy to attend and vote(on a poll) for me /us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday the 18th June, 2019, at 12.00 P.M. at M.C. Ghia Hall, 18/20, Dubash Marg, Kala Goda Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions is indicated below.

Resolution No.	Resolutions	Optional	
		For	Against
	Ordinary Business		
1.	To receive, consider and adopt the audited Balance Sheet as at 31st March, 2017 and Profit and Loss Account for the year ended 31st March, 2017 and the Reports of the Directors' and Auditors thereon.		
2	To consider and appoint M/s. LLB & Co., Chartered Accountants as Statutory Auditors of hte Company.		
3	To Re-appointment of Mr. M.D. Dalal (DIN 00005275) as a Director of the Company		
4	To Re-appointment of Mr. KVK Murthy (DIN 02636888) as a Director of the Company		

Signed this _____ day of _____ 2019

Signature of the Shareholder

Signature of proxy holder(s)

Affix Re.1
Revenue
Stamp

Note: This form in order to be effective should be duly stamped, completed and deposited at the Registered Office of the Company, not less than 48 hours before commence of the meeting.

BOOK POST

To,

If Undelivered please return to
FUTURA POLYESTERS LIMITED
B/22, T.V. Industrial Estate, S.K. Ahire Marg,
Worli, Mumbai 400 030.