



SUNCITY SYNTHETICS LTD.

26th Annual Report



2013-14

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Request :

You may desire to have some clarifications or additional information on the accounts for the year ended 31st March 2014 at the ensuing Annual General Meeting. We shall very much appreciate if you will kindly write to us at least ten days in advance to enable us to keep the information ready for you at the meeting.

Annual General Meeting :
Thursday 25 Sept. 2014, At 11.00 A.M.
205, Rajhans Complex,
Ring Road, SURAT

BOARD OF DIRECTORS :

Shri Suresh Dhanraj Kavar
Managing Director

Smt. Poonam Jain
Whole Time Director

Deepak Sharma
Independent Director

Smt. Rachna Jain
Independent Director

Registered Office
205, Rajhans Complex,
Ring Road, SURAT

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

Bankers :
S.B.B.J. Jodhpur

Factories
Unit I : Plot No. E-7, Village Boranada
Dist. Jodhpur
Unit II : Block No. 51, Pipodara
Dist. Surat
Unit III : F-5, (B,C,D) lind Phase,
Boranada,Jodhpur

Auditors:
N.Kumbhat & Co.
Chartered Accountants
Surat

Registrar & Transfer agent
Universal Capital Securities Pvt. Ltd.
21, Shakil Nivas,
Mahakali Carve Road, Andheri (East)
MUMBAI

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SIXTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SUNCITY SYNTHETICS LIMITED WILL BE HELD ON THURSDAY ,25TH SEPTEMBER, 2014 AT 11.00 A.M.. AT THE REGISTERED OFFICE OF THE COMPANY AT 205 RAJHANS COMPLEX , OPP. J.K.TOWERS, RING ROAD SURAT 395002 TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:-

1. To consider and adopt the Balance Sheet as at 31.03.2014 and the Profit and Loss Account for the year ended as on date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Suresh Kawar Jain, (din 00337493) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To considered and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

RESOLVED THAT Pursuant to the provisions of the section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, read with schedule IV of the Act, as amended from time to time Ms.Rachana Akshaya Kataria (Holding DIN 03050635) a non executive Director of the Company who has submitted a declaration that he meets with the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an independent Director of the Company with effect from 30th September, 2014 to 29th September, 2019

5. To considered and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

RESOLVED THAT Pursuant to the provisions of the section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, read with schedule IV of the Act, as amended from time to time Mr.Deepak Sharma (Holding DIN 06701624) a non executive Director of the Company who has submitted a declaration that he meets with the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an independent Director of the Company with effect from 30th September, 2014 to 29th September, 2019

NOTES :-

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- (2) Members desiring any information as regards accounts, are requested to write to the Company at least 10 days before the meeting to enable management to keep the information ready.
- (3) Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting place.
- (4) Statement under section 102(1) is enclosed

Place:Surat

Date :-02.09.2014

By Order of the Board of Directors

Suresh Kawar
Managing Director

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT 2013**ITEM NO. 4**

Ms. Rachana Jain joined the Board of Directors of the Company on 31/07/2003. She is non executive Independent Director of the Company and is considered as an independent Director under clause 49 of the listing Agreement ..

As per the provision of Section 149 of the Companies Act, 2013 which has come into force from 1st April, 2014, and independent Director shall hold office for a term upto 5 consecutive years on the Board of Directors of a Company and is not liable to retire by rotation. Ms. Rachana Jain has given declaration to the Board that He meets the criteria of independent as provided under section 149 (6) of the Act. Copy of the said resolution with other relevant documents would be available for inspection without fees by the members at the Registered office of the Company during the business hours on any working day,

In opinion of the Board Ms. Rachana Jain full fills the conditions specified in the Act and the rules made there under for appointment as independent Director and he is independent of the management. In Compliance with the provisions in section 149 read with Schedule IV of the Act, the appointment of Ms. Rachana Jain as an independent Director is now being place before the members in the general meeting for their approval.

None of the other directors of the Company is in any way concerned or interested in this resolution

ITEM NO. 5

MR. Deepak Sharma joined the Board of Directors of the Company on 30/08/2013. He is non executive Independent Director of the Company and is considered as an independent Director under clause 49 of the listing Agreement ..

As per the provision of Section 149 of the Companies Act, 2013 which has come into force from 1st April, 2014, and independent Director shall hold office for a term up to 5 consecutive years on the Board of Directors of a Company and is not liable to retire by rotation. Mr. Deepak Sharma a has given declaration to the Board that He meets the criteria of independent as provided under section 149 (6) of the Act. Copy of the said resolution with other relevant documents would be available for inspection without fees by the members at the Registered office of the Company during the business hours on any working day,

In opinion of the Board Mr. Deepak Sharma full fills the conditions specified in the Act and the rules made there under for appointment as independent Director and he is independent of the management. In Compliance with the provisions in section 149 read with Schedule IV of the Act, the appointment of Mr. Deepak Sharma as an independent Director is now being place before the members in the general meeting for their approval.

None of the other directors of the Company is in any way concerned or interested in this resolution

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

1. Name of Directors	Suresh Jain	Rachna Jain	Deepak Sharma
2. Date of Birth	18.06.1964	15.01.1972	07-10-1968
3. Qualification	C.A.		
4. Date of Appointment	25.02.1988	31.07.2003	30.08.2013
5. Experience	26 Years	Housewife	20 Years
6. Other Directorship as on 31.3.2014	Nil	Nil	Nil
7. Chairman/member of the Committee as on 31.03.2014	Nil	Nil	Nil

DIRECTORS' REPORT

To,

The Members

Your directors have pleasure in presenting their Twenty Sixth annual report and the audited statement of accounts for the year ended on 31st March, 2014 together with the auditors report thereon.

FINANCIAL RESULTS

The summarized financial results for year end 31st March 2014 are as under

Particulars	Amount in Rupees	
	2013-14	2012-13
Total Revenue (Including other income)	379411937	81913976
Gross Profit before Interest and depreciation	30322448	13085115
Less : Interest	13397298	3684566
Less : depreciation	11783267	6124546
Profit/loss before tax	5141883	3276003
Less: provision for tax including deferred tax	2821488	1667502
Add: Surplus	2348310	1608501

DIVIDEND

With a view of plough back profits for working of company the directors do not recommend any dividend for the year ended 31st March 2014.

COMPANY PERFORMANCE

The company continues to operate in Plastics business mainly production of nylon and polyester chips. The sales for year has increased from Rs. 8,19,13,976/- to Rs. 37,94,11,397/- due to efforts of management and the profits have also increased for Rs. 16,08,501/- to Rs. 23,48,410/-.

MANAGEMENT DISCUSSION AND ANALYSIS.

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

BOARD OF DIRECTORS:

Mr. Suresh Kavar Jain Managing Director retires by rotation and is eligible for being reappointment as directors. The independent directors are proposed to be appointed for five years in terms of provisions of the Companies Act 2013. The particulars of directors whose appointment is to be considered is given as annexure to notice.

AUDITORS :

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

FIXED DEPOSITS :

Your Company has not accepted any deposits from public.

CORPORATE GOVERNANCE :

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

STATUTORY INFORMATION :

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

A. CONSERVATION OF ENERGY

- a) Energy conservation measures taken: None at present
- b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: There are no proposals.
- c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Does not arise.
- d) Total energy consumption and energy consumption per unit of production as per Form "A" to annexure in respect of industries specified in the schedule thereto

A. Power and fuel consumption	2013-14	2012-13
(a) Electricity Purchased	3047412	507722
Units(KWH)		
Total amount Rs.in lacs	1953.11	40.06
Rate/Unit (Rs.)	6.41	7.88
 Own Generation		
Units (KWH)	27168	19665
Units per liter of diesel oil	3.6	4.10
Rate/unit (Rs.)	21.75	12.5

B. TECHNOLOGY ABSORPTION

Form B

Research & Development (R & D)

Specific area in which R & D carried by the company: None at Present

Benefits derived as a result of the above R & D: Does not arise.

Future plan of action: At present it is not under consideration

Expenditure on R & D: Nil

Technology absorption, adaptation and innovation:

Efforts being made towards technology absorption, adaptation and innovation: None

Benefits derived as a result of the above efforts e.g. Product improvement cost, reduction, product development, import substitution etc. : None

Imported technology : Not applicable as technology has not been imported.

C. FOREIGN EXCHANGE EARNING AND OUTGO: Earning: Rs.Nil Outgo : Rs.24.66 lacs

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

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

DIRECTORS' RESPONSIBILITY STATEMENT.

Your Directors confirm that:

- (i) in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the loss of the company for the year.
- (iii) the Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, and
- (iv) the Directors had prepared the accounts on going concern basis.

INDUSTRIAL RELATIONS:

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

ACKNOWLEDGMENT:

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

Place : Surat
Date : 02/09/2014

For & On Behalf of the Board of Directors

REPORT ON CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS:

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

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

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

Attendance of Directors at the meeting of Board of Directors held during the financial year 2013-2014 and the last Annual General Meeting held for the on 30.08.2013 are as follows:

Details of Meetings of Board of Directors held during the year 2013-2014:

Sr.No.	Date	No. of Directors present
1	30/04/2013	4
2	27/05/2013	4
3	31.07.2013	4
4	20/10/2013	4
5	31/01/2014	4
6	31.03.2014	4

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

Suncity Synthetics Limited 2013-2014

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

Name of Director	Category	AGM attendance	Other directorship in public limited companies	Committee membership
Shri Suresh Kavar	Executive	Yes	Nil	--
Smt. Poonam Suresh Jain	Non Exe.	Yes	Nil	--
Smt.Rachana Jain	Independent	Yes	Nil	1
Shri Madanraj Kothari	Independent	Yes	Nil	1

AUDIT COMMITTEE:

Brief description of terms of reference

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

Composition : Consists of 3 directors as under :
 Name of Members & Chairperson : 1) Mr. Madanraj Kothari (Chairman)
 : 2) Smt. Rachana Jain
 : 3) Smt. Poonam Jain

The Six meetings were held during the year on 30.04.2013, 27.05.2013, 31.07.2013, 20.10.2013, 31.01.2014 and 31.03.2014. All meetings were attended by all directors .

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

Brief description of terms of reference

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

Composition : Consists of 3 directors as under :
 Name of Members & Chairperson : 1) Smt.Rachana Jain Chairperson
 : 2) Mr. Madanraj Kothari
 : 3) Smt. Poonam Jain

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

Name of Compliance Officer : Mr. Suresh Kavar

REMUNERATION COMMITTEE:

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

Composition : Consists of 2 directors as under :
 Name of Members & Chairperson : 1) Mr. Madanraj Kothari (Chairman)
 : 2) Smt. Rachana Jain

The remuneration paid to directors during the year is as under
 1.Shri Suresh kavar Rs.6,00,000/-
 2.Smt..Poonam jain Rs.6,00,000/-

ANNUAL GENERAL MEETING :

Details of last three Annual General Meetings held:

Particulars	2010-2011	2011-12	2012-13
Day	Thursday	Saturday	Friday
Date	18/08/2011	29/09/2012	30./08/2013
Time	11.00 a.m	11.00 a.m.	11.00 a.m.
Venue	205 Rajhans Complex, Ring Road Surat	205 Rajhans Complex, Ring Road Surat	205 Rajhans Complex, Ring Road Surat

DISCLOSURES:

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

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

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

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

MEANS OF COMMUNICATION:

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

COMPLIANCE CERTIFICATE

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

GENERAL SHAREHOLDER INFORMATION:

- 1) Annual General Meeting : 26th Annual General Meeting
Day, Date, Time & Venue : 25/09/2014
At 205 Rajhans Complex Ring Road Surat.
- 2) Financial Year/Calender :
* Results for first Quarter ending 30.06.2014 : On or before 31.07.2014
* Results for second Quarter ending 30.09.2014 : On or before 31.10.2014
* Results for third Quarter ending 31.12.2014 : On or before 31.01.2015
* Results for last Quarter ending 31.03.2015 : On or before 30.04.2015
* Results for year ending 31.03.2015 : On or before 31.08.2016
- 3) Date of Book Closures : 01.08.2011 to 18.08.2010 (both days inclusive)
- 4) Dividend Payment Date : No dividend declared
- 5) Regd. Office : 205 Rajhans Complex, Ring Road Surat.
- 6) Registrar & Share Transfer Agent : M/s. Moodkar Computers Private Limited
Moodkar Computers Private Limited
21 Shakil Niwas Mahakali caves Road
Andheri East Mumbai
- 7) Address of Investors Correspondence : 1)Plot No. E 7 Boranada Dist. Jodhpur
2)Block no.51 Survey no.59 Pipodara Dist .Surat
3)Plot No. F-5 (B,C,D) II Phase , Boranada , Jodhpur
- (9)Stock Code : 530795 Mumbai Stock Exchange
- (10)Demat ISIN No. in NSDL &CSDL : INE584001019
- 12) Distribution of Shareholding as on 31.03.2014

Distribution of Shares (Slab wise)	Percentage to total No. of Shareholders	Percentage total Share Capital
Up to 500	58.329	5.393
501 to 1000	24.852	7.999
1001 to 5000	13.477	12.874
5001 to 10000	1.402	4.319
10001 & above	1.941	69.415
Total	100.00	100.00

- 13) SHARE TRANSFER SYSTEM :As per SEBI circular No. B & CC/FITTC/CIR-15/2002 dated 27.12.2002, the Company has decided that all the work related to share transfer in terms of both physical and electronic shall be maintained at a single point. Accordingly Universal Capital Securities Private Limited. (formerly M/s. Moodkar Computers Private Limited) 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali caves Road Andheri East Mumbai 400093 been

assigned the share registry work with effect from 1st April, 2003.

- 14) As per notification issued by SEBI, the shares of company are traded compulsory in dematerialised form by an investor. As on 31st March, 2007, out of total shares of 6593300 fully paid up equity shares of Rs. 10/- each listed with Stock Exchange **** equity shares (*** % of paid up capital) have been demated.
- 15) Outstanding GDRs, AARs warrants or any convertible instruments, etc. : NIL

Place : Surat
Date :02.09.2014

For & On Behalf of the Board of Directors

Sd/-
Chairman

AUDITORS CERTIFICATE ON REPORT ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of corporate governance by Suncity Synthetics Limited (The Company) for the year ended on 31.03.2007 as stipulated in clause 49 of listing agreement entered into with Stock Exchanges.

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

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

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

Place : Surat
Date : 02/09/2014

For N.Kumbhat & Co.
Chartered Accountants

Neeraj Kumbhat
Proprietor Mem No. 74713

Auditors Report

To
The Members of
Suncity Synthetics Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Suncity Synthetics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principal general accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatements.

An Audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act. We give in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(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 purpose of our audit;
 - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appeared from our examinations of these books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;

- e. On the basis of the written representation received from the directors as on March 31, 2014, taken on record by the Board of Directors, non on the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

Place: Surat
Date: 02/09/2014

For, N. Kumbhat & Co.
Chartered Accountants
FRN: 113451W

CA Mukesh Khaitan
Partner
Mem: 402824

Annexure to Independent Auditor's Report

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

1. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of its inventories:

- a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- B) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 302 of the Companies Act, 1956:

- a) The Company has given loans to two parties mentioned under register maintained under section 302 of the Companies Act, 1956. . In respect of the said loans, the maximum amount outstanding at any time during the year was ' 4.55 Lacs and the year end balance is ' Nil Lacs.
- b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.
- c) In respect of the said loans and interest thereon, there are no overdue amounts.
- d) The Company has taken loan during the year from nine Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. In respect of the said loans, the maximum amount outstanding at any time during the year was ' 85.64 Lacs and the year end balance is ' 84.17 Lacs.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. In respect of the contracts or arrangements referred to in section 301 of the companies Act, 1956:

- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance

- of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts/arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the company.
6. According to the information and explanations given to us, the Company has not accepted any deposit from public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. Company is not required to maintain Cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
9. In respect of Statutory dues:
- a) According to the records of Company, undisputed statutory dues including provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, cess and other material Statutory Duty have been generally regularly deposited with the appropriate authorities.
10. The Company has no accumulated losses at the end of the Financial Year. The Company has not incurred cash Losses during the financial year covered by the audit and the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, bank and debenture Holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit Fund/Nidhi/ Mutual benefit Fund/society. Therefore, the provisions of clause (Xiii) of paragraph 4 of the Order are not applicable to the company.
14. The Company has not made any transactions in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the company has not given guarantees for loan taken by others from bank and financial institutions
16. As informed to us, the company has raised new term loans during the year. The term loans outstanding at the beginning of the year and raised during the year have been applied for the purposes for which they are raised.
17. According to the information explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, No debenture is issued during the financial year by the company.
20. The company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

Place: Surat

Date: 02/09/2014

For, N. Kumbhat & Co.
Chartered Accountants
FRN: 113451W

CA Mukesh Khaitan
Partner
Mem: 402824

Balance Sheet As on 31st March, 2014

Particulars	Note	(Amount in INR) As At 31st March, 2014	(Amount in `) As At 31st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	4,94,58,000	4,94,58,000
(b) Reserves and Surplus	2	4,86,60,749	4,63,12,439
		9,81,18,749	9,57,70,439
(2) Share Application Money Pending Allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowing	3	6,10,87,104	5,87,93,502
(b) Deferred Tax Liabilities (Net)	4	77,57,062	59,27,604
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
		6,88,44,166	6,47,21,106
(4) Current Liabilities			
(a) Short-Term Borrowing	5	5,66,55,453	3,17,82,505
(b) Trade Payables	6	79,63,635	69,06,114
(c) Other Current Liabilities	7	2,14,36,391	1,76,20,160
(d) Short-Term Provisions	8	25,55,137	12,11,295
		8,86,10,616	5,75,20,074
	TOTAL	25,55,73,532	21,80,11,619
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	9		
(i) Tangible Assets		15,80,93,326	16,35,20,466
(ii) Intangible Assets		-	-
(iii) Capital Work-In-Progress		-	-
(iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments	10	9,50,000	9,50,000
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans and Advances	11	12,95,087	12,95,087
(e) Other Non-Current Assets		-	-
		16,03,38,413	16,57,65,553
(2) Current assets			
(a) Current Investments		-	-
(b) Inventories	12	5,27,97,845	3,04,80,045
(c) Trade Receivables	13	2,08,11,504	71,83,918
(d) Cash and Cash Equivalents	14	42,35,648	21,05,492
(e) Short-Term Loans and Advances	15	68,41,917	23,99,216
(f) Other Current Assets	16	1,05,48,205	1,00,77,395
		9,52,35,119	5,22,46,066
	TOTAL	25,55,73,532	21,80,11,619

As per our report of even date attached.

For And On Behalf Of The Board
SUNCITY SYNTHETICS LIMITED

For N. Kumbhat & Co.
Chartered Accountants.
(Firm Reg. No 113451W)

Director Director

CA Mukesh Khaitan
Partner
Mem. No : 402824

Suncity Synthetics Limited 2013-2014

Statement of Profit and Loss for the period ended on 31st March, 2014

Particulars	Note	(Amount in INR)	(Amount in INR)
		As At 31st March, 2014	As At 31st March, 2013
INCOME			
Revenue From Operations	17	37,90,20,913	8,13,77,335
Other Income	18	3,91,024	5,36,641
	TOTAL REVENUE	37,94,11,937	8,19,13,976
EXPENSES			
Cost of Materials Consumed	19	27,70,50,892	4,92,50,822
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, WIP and Stock-In-Trade	20	(1,25,10,185)	(6,82,150)
Employment Benefit Expenses	21	2,27,69,632	69,67,677
Financial Costs	22	1,33,97,298	36,84,566
Depreciation and Amortization Expenses	23	1,17,83,267	61,24,546
Other Expenses	24	6,17,79,150	1,32,92,512
	TOTAL EXPENSES	37,42,70,054	7,86,37,973
Profit Before Exceptional and Extraordinary Items and Tax		51,41,883	32,76,003
Exceptional Items (Profit on sale of machinery)		27,915	-
Profit Before Extraordinary Items and Tax		51,69,798	32,76,003
Extraordinary Items		-	-
Profit Before Tax		51,69,798	32,76,003
Tax Expense :			
(1) Current Tax		9,92,030	6,29,729
(2) Deferred Tax		18,29,458	10,37,773
Profit for the Year		23,48,310	16,08,501
Profit/(Loss) From Discontinuing Operations		-	-
Tax Expense of Discounting Operations		-	-
Profit/(Loss) From Discontinuing Operations		-	-
Profit/(Loss) For The Period		23,48,310	16,08,501
Earning Per Equity Share:			
(1) Basic		0.47	0.33
(2) Diluted		0.47	0.33

As per our report of even date attached.

For And On Behalf Of The Board
SUNCITY SYNTHETICS LIMITED

For N. Kumbhat & Co.
Chartered Accountants.
(Firm Reg. No 113451W)

Director Director

CA Mukesh Khaitan
Partner
Mem. No : 402824

Notes on Financial Statements for the Period ended 31st March, 2014

Note No. Particulars	(Amount in INR)		(Amount in INR)	
	As At 31st March, 2014		As At 31st March, 2013	
1	Share Capital :			
	Authorised Share Capital			
	70,00,000	Equity Shares of ` 10/- (Each)	7,00,00,000	7,00,00,000
	(Previous Year 70,00,000 Equity Shares Of Rs. 10/- Each.)			
	7,00,00,000		7,00,00,000	7,00,00,000
	Issued, Subscribed & Paid-up Share Capital			
	49,45,800	Equity share of ` 10/- Each fully paid.	49,45,800	49,45,800
	(Previous Year 49,45,800 Equity Shares of Rs.10/- Each Fully paid)			
	4,94,58,000		4,94,58,000	4,94,58,000
1.1	NilShares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium and Reserves.			
1.2	NilShares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payment being received in cash.			
1.3	NilShares out of the issued, subscribed and paid up share capital were allotted on conversion / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception.			
1.4	NilShares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have Voting Rights and are not eligible for Bonus Shares.			
1.5	NilShares out of the issued, subscribed and paid up share capital were allotted as fully paid-up Bonus Shares by way of capitalisation of reserves.			
1.6	The details of Shareholders holding more than 5% shares :		Equity Shares	
	Name of Share Holders		As At	
			31st March, 2014	
			31st March, 2013	
		As At		As At
		No. of Shares		No. of Shares
		% held		% held
	Poonam Suresh Kawar	6,74,450	13.64	6,74,450
	Suresh Dhanraj Kawarjain (HUF)	6,21,846	12.57	6,21,846
	Twinkle Jain	6,74,036	13.63	6,74,036
2.	Rights, preferences and restrictions attaching to equity shares			
	The Company has issued only one class of equity shares having par value of ` 10/- per share. Each holder of equity share is entitled to one vote per shares. Each share is entitled to equal dividend declared by the company and approved by the share holders of the Company.			
	In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the company after making preferential payments.			
2.	The reconciliation of the number of shares outstanding is set out below :			
	Equity Shares			
	Name of Share Holders		As At	
			31st March, 2014	
			31st March, 2013	
			No. of Shares	
			No. of Shares	
	Shares at the beginning of the year	49,45,800		49,45,800
	Add : Shares issued during the year	-		-
	Less :Shares cancelled on buy back of Shares	-		-
	Any Other Movement (Please Specify)	-		-
	Equity Shares at the end of the year	49,45,800		49,45,800
2	Reserves & Surplus :			
			As At	
			31st March, 2014	
			31st March, 2013	
	Shares Forfeiture Reserve	82,37,500		82,37,500
	Cash Subsidy	39,87,000		39,87,000
	Profit & Loss A/c.			
	As per Last Balance sheet	3,40,87,939		3,24,79,438
	Add: Profit for the Year	23,48,310		16,08,501
		3,64,36,249		3,40,87,939
		4,86,60,749		4,63,12,439

Suncity Synthetics Limited 2013-2014

Note No. Particulars	(Amount in INR)		(Amount in INR)	
	As At 31st March, 2014		As At 31st March, 2013	
3 Long Term Borrowings :				
	Non Current	Current	Non Current	Current
Secured				
- Term Loans From Bank				
State Bank of Bikaner & Jaipur-TL-I (carrying interest @ 2.25% above Base Rate i.e. 12.5% per annum, repayable in 78 equal monthly instalment of `6,41,000/- each)	3,51,77,111	76,92,000	4,23,08,000	82,23,463
State Bank of Bikaner & Jaipur-TL-III (carrying interest @ 1.25% above Base Rate i.e. 11.5% per annum, repayable in 72 equal monthly instalment of `2,77,500/- each)	1,43,64,889	33,30,000		
State Bank of Bikaner & Jaipur-TL-IV (carrying interest @ 11.25% per annum for the first year and rate as per credit rating for the remaining period repayable in 72 equal monthly instalment of `2,43,000/- each)	-	16,65,555		
- Lease Finance				
Volkswagen Finance (Car) (carrying interest @ 6.69% per annum, repayable in 36 equated monthly instalment of ` 12,227/- each)	70,989	1,36,961	2,20,177	1,28,122
Unsecured				
From Directors	8,00,000	-	-	-
From Related Parties	82,97,466	-	-	-
From Others	23,76,649	-	1,62,65,325	-
	6,10,87,104	1,28,24,516	5,87,93,502	83,51,585

3.1 Maturity Profile of Unsecured Term Loans are as set out below :

(Amount in INR)

Particulars	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
Secured				
Term Loans - From Bank	-	-	-	-
State Bank of Bikaner & Jaipur-TL-I	76,92,000	76,92,000	76,92,000	1,21,01,111
State Bank of Bikaner & Jaipur-TL-III	33,30,000	33,30,000	33,30,000	43,74,889
State Bank of Bikaner & Jaipur-TL-IV	29,16,000	29,16,000	29,16,000	58,36,000
Repayment to Lease Finance	70,989	-	-	-
Unsecured				
Deposits	-	-	-	-
Loans From Related Parties	-	-	-	82,97,466
Loans From Directors	-	-	-	8,00,000
Other Unsecured Loans	-	-	-	23,76,649
3.2 The Term Loan Facility from State Bank of Bikaner and Jaipur is secured by way of:				
a) First charge over entire fixed assets of the company present and future of the company.				
b) First charge by way of equitable mortgage by way of deposit of original title deeds of company's Factory Land and Building at Plot No. F-5 (B,C,D) RIICO Industrial Area, 2nd Phase, Boranada, Jodhpur, Rajasthan.				
3.3 The Term Loan VI from State Bank of Bikaner and Jaipur for ` 200Lacs is partly disbursed in the current Financial Year. The remaining amount will be disbursed in the next financial year and the repayment will be started from July 2014.				
4 Deferred Tax Liabilities (Net) :				
Deferred Tax Liability				
Related to Fixed Assets	96,19,214		72,51,623	
Deferred Tax Assets				
Related to Disallowances as per Income Tax Act.	-		-	
Related to C/F loss and Unabsorbed Depreciation	(18,62,151)		(13,24,019)	
		77,57,062		59,27,604
		77,57,062		59,27,604

Suncity Synthetics Limited 2013-2014

Note No.	Particulars	(Amount in INR)										
		As At 31st March, 2014	As At 31st March, 2013									
5	Short Term Borrowings :											
	Secured											
	- From Bank											
	State Bank of Bikaner and Jaipur	5,66,55,453	3,17,82,505									
		5,66,55,453	3,17,82,505									
5.1	The Working capital facilities [Both fund and Non Fund] availed from the bank, are secured by way of first charge ranking pari passu on current Assets i.e. Hypothecation of Stocks of Raw Materials, Work-in-Progress, Finished Goods, Stores & Spares and Book Debts and 2nd charge on Fixed Assets of the Company [Except specifically charged for Term Loan]											
6	Trades Payable :											
	Creditors For Goods	79,63,635	69,06,114									
		79,63,635	69,06,114									
7	Other Current Liabilities :											
	Maturity to Long Term Debt	1,26,87,555	82,23,463									
	Maturity to Lease Finance	1,36,961	1,28,122									
	Statutory Dues	1,37,281	2,08,118									
	Creditors For Capital Goods	-	35,13,300									
	Creditors For Expenses	84,74,594	55,47,157									
		2,14,36,391	1,76,20,160									
7.1	Statutory dues denotes TDS deducted on various kind of expenses which are liable to be deducted at source.											
8	Short Term Provisions :											
	Provision From Employees Benefit	21,73,216	9,16,586									
	Provision For Income Tax	9,92,030	6,29,729									
	Less: Advance Tax	5,00,000	-									
	Less: TDS Receivable	26,170	39,239									
	Less: TCS Receivable	83,939	2,95,781									
		25,55,137	12,11,295									
9.	Fixed Assets Share Capital :											
Particulars	Rate	Value at the Beginning	GROSS BLOCK		Value at the end	DEPRECIATION			Value at the end	NET BLOCK		
			Addition during the Year	Deduction during the Year		Value at the beginning	Addition during the year	Deduction during the year		WDV as on 31-3-14	31-3-13	
Tangible Assets												
Land	-	1,73,37,406	-	-	1,73,37,406	-	-	-	-	1,73,37,406	1,73,37,406	
Building	3.34%	68,77,650	-	-	68,77,650	27,09,453	2,29,714	-	29,39,167	39,38,483	41,68,197	
Building (Fiber Unit)	3.34%	2,16,87,453	4,00,000	-	2,20,87,453	65,491	7,24,581	-	7,90,072	2,12,97,381	2,16,21,962	
Office at Surat	3.34%	5,00,000	-	-	5,00,000	1,21,155	16,700	-	1,37,855	3,62,145	3,78,845	
Building Pet Unit & ETP Plant	3.34%	39,91,685	-	-	39,91,685	1,07,054	1,33,322	-	2,40,376	37,51,309	38,84,631	
Office equipments	4.75%	9,74,660	-	-	9,74,660	4,70,448	46,296	-	5,16,744	4,57,916	5,04,212	
Plant and Machinery	5.28%	15,75,60,464	50,83,340	1,00,00,000	15,26,43,804	4,39,40,106	83,26,639	93,70,915	4,28,95,830	10,97,47,974	11,36,20,358	
Computers	16.21%	3,89,580	-	-	3,89,580	3,33,985	55,595	-	3,89,580	-	55,595	
Solar Dryers	10.34%	10,02,189	-	-	10,02,189	9,47,345	54,844	-	10,02,189	-	54,844	
Vehicles	9.50%	77,91,864	49,900	-	78,41,764	58,97,448	7,43,604	-	66,41,052	12,00,712	18,94,416	
SUB TOTAL (A)		21,81,12,951	55,33,240	1,00,00,000	21,36,46,191	5,45,92,485	1,03,31,295	93,70,915	5,55,52,865	15,80,93,326	16,35,20,466	
Intangible Assets												
SUB TOTAL (B)		-	-	-	-	-	-	-	-	-	-	
Capital Work-in-progress												
SUB TOTAL (C)		-	-	-	-	-	-	-	-	-	-	
Intangible Assets Under Development												
SUB TOTAL (D)		-	-	-	-	-	-	-	-	-	-	
Total [A + B + C + D] (Current Period)		21,81,12,951	55,33,240	1,00,00,000	21,36,46,191	5,45,92,485	1,03,31,295	93,70,915	5,55,52,865	15,80,93,326	16,35,20,466	
Previous Year		13,58,74,687	11,78,39,901	3,56,01,637	21,81,12,951	4,92,75,590	61,24,546	8,07,651	5,45,92,485	16,35,20,466	7,95,11,844	

Suncity Synthetics Limited 2013-2014

10	Non Current Investment :	As At	As At
		31st March, 2014	31st March, 2013
	Investment in Equity Instrument	9,40,000	9,40,000
	Investment in Government or Trust Securities	10,000	10,000
		9,50,000	9,50,000
10.1	Company has invested in Equity Shares of following Companies		
	Particulars	Current Year	Previous Year
	Dhara Fabrics Pvt. Ltd.	7,00,000	7,00,000
	(70,000 Equity Shares (Previous Year - 70,000) of `10/- each		
	Gujarat State Financial Corporation	30,000	30,000
	(28,00 Equity Shares (Previous Year - 28,00) of `10/- each at premium of ` ___/- , partly paid up ` ___/-)		
	Moti Finance Limited	2,10,000	2,10,000
	(21,000 Equity Shares (Previous Year - 21,000) of `10/- each		
	Total	9,40,000	9,40,000
11	Long Term Loans and Advances :		
	Security Deposit :		
	A) Unsecured, Considered Good :	12,95,087	12,95,087
	Total	12,95,087	12,95,087
	Particulars	Current Year	Previous Year
	Dakshin Gujarat Vij Co. Ltd.	5,16,861	5,16,861
	RSEB	7,78,226	7,78,226
	Total	12,95,087	12,95,087
12.	Inventories :		
	(as taken, valued and certified by the management)		
	Raw Material	3,80,11,855	2,85,44,210
	Finished Goods	1,42,28,160	16,01,425
	Stores, Spares and Packing Materials	4,85,380	1,45,410
	Other (Wastage)	72,450	1,89,000
	Total	5,27,97,845	3,04,80,045
13	Trade Receivables :		
	- Unsecured, Considered Good :	2,08,11,504	71,83,918
	Total	2,08,11,504	71,83,918
14	Cash and Cash Equivalent :		
	(A)Cash-in-Hand		
	(as certified by the management)	18,10,982	16,11,966
	(B)Bank Balance	18,10,982	16,11,966
	Indusind Bank Ltd	8,646	2,10,000
	State Bank of Bikaner & Jaipur	85,069	26,651
		93,715	2,36,651
	(C) Fixed Deposits		
	State Bank of Bikaner & Jaipur	23,30,951	2,56,875
	Total	42,35,648	21,05,492
15	Short Terms Loans and Advances :		
	Others		
	Advance to Suppliers	44,84,440	-
	Advances for Capital Goods	1,03,999	-
	Excise Duty Receivable	-	-

Suncity Synthetics Limited 2013-2014

	Other Loans and Advances (Including Interest , if any)	22,53,478 68,41,917		23,99,216 23,99,216
		68,41,917		23,99,216
16	Other Current Assets :			
	Duties & Taxes Receivable	32,96,533		27,81,415
	Pre-paid Expenses	43,378		36,119
	Pre-operative Expenses	72,59,862	72,59,861	
	Less: Written Off	14,51,972	-	72,59,861
	Int. Rebate Receivable	14,00,404		-
		1,05,48,205		1,00,77,395
16.1	Duty & Taxes Receivable includes the following items			
	Particulars	Current Year		Previous Year
	Central Excise Receivable	2,47,744		2,85,061
	Income Tax Refundable (08-09)	7,52,372		7,52,372
	Income Tax Refundable (09-10)	2,67,165		2,67,165
	Income Tax Refundable (11-12)	3,02,750		3,02,750
	Service Tax	743		1,46,610
	VAT	17,25,759		10,27,457
	Total	32,96,533		27,81,415

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation. (Amount in INR)

17	Revenue From Operations :	For The Period Up To 31 March 2014		2012-13
	Sales of Products			
	Sales-Granules (JDR)	5,03,40,169		,60,37,783
	Sales-Granules (SRT)	-		33,05,828
	Sales-PSF (JDR)	33,10,34,239		-
	Sales-PSF (SRT)	43,76,886		-
	Sales-Nylon Waste (JDR)	6,09,607		1,26,000
	Sales-Nylon Waste (SRT)	12,47,848		-
	Sales-Old Scrap (JDR)	-		10,000
	Sales-Lump Waste (JDR)	2,81,349		-
	Sales-Pet Bottle Scrap (JDR)	-		17,15,680
	Sales Waste (PSF)	2,25,575		-
		38,81,15,673		9,11,95,291
	Less:			
	Excise Duty	(57,72,874)		(98,28,115)
	Sales Return & Discount	(34,12,986)		(49,820)
		37,89,29,813		8,13,17,356
	Others			
	Interest Received On Late Payment	91,100		59,979
		37,90,20,913		8,13,77,335
18	Other Income :	For The Period Up To 31 March 2014		2012-13
	Interest Income			
	Interest Received on Fixed Deposit	47,864		1,32,083
	Interest Received on Loan	2,77,011		3,21,040
	Interest On Security Deposit	66,149		61,078
		3,91,024		5,14,201

Suncity Synthetics Limited 2013-2014

	Other Non-Operative Income			-	22,440
	Profit on Sale of Land (net of Expenses)				
				3,91,024	5,36,641
19	Cost of Material Consumed :			For The Period Up To 31 March 2014	2012-13
	Raw Material Consumed	Jodhpur	Surat		
	Purchase Nylon Waste				
	Opening Stock	1,24,18,160	30,42,240	1,54,60,400	1,51,91,840
	Add: Purchases	3,44,55,149	1,70,248	3,46,25,397	5,10,97,096
	Less: Closing Stock	(1,96,95,180)	-	(1,96,95,180)	(1,54,60,400)
				3,03,90,617	5,08,28,536
	Purchase Pet Waste				
	Opening Stock	1,09,16,400	21,67,410	1,30,83,810	46,50,801
	Add: Purchases	24,63,82,403	78,40,249	25,42,22,652	71,77,631
	Less: Closing Stock	(95,65,010)	(87,51,665)	(1,83,16,675)	(1,30,83,810)
				24,89,89,787	(12,55,378)
	Deductions				
	Purchase Return & Discount			(23,29,512)	(3,22,336)
				27,70,50,892	4,92,50,822
20	Change in Inventories :			For The Period Up To 31 March 2014	2012-13
	Stock of Finished Goods	Jodhpur	Surat		
	Opening Balance	1,50,000	16,625	1,66,625	10,33,125
	Closing Balance	(32,55,000)	-	(32,55,000)	(1,66,625)
				(30,88,375)	8,66,500
	Stock Of Fibres				
	Opening Balance			14,34,800	-
	Closing Balance			(1,09,73,160)	(14,34,800)
				(95,38,360)	(14,34,800)
	Stock of Lump Wastage				
	Opening Balance			1,89,000	75,150
	Closing Balance			(72,450)	(1,89,000)
				1,16,550	(1,13,850)
				(1,25,10,185)	(6,82,150)
21	Employment Benefit Expenses :			For The Period Up To 31 March 2014	2012-13
	Salary & Wages Exp			1,92,85,252	53,92,280
	Bonus			7,32,100	1,66,650
	Contributions to - Provident Fund			74,910	1,04,203
	E.S.I.C.			60,121	25,267
	Staff Welfare Exp.			3,55,249	79,277
	Staff Salary			10,62,000	-
	Managerial Salary				
	Director Remuneration			12,00,000	12,00,000
				2,27,69,632	69,67,677

Suncity Synthetics Limited 2013-2014

22	Financial Cost :	For The Period Up To 31 March 2014	2012-13
	Interest Expenses		
	Interest On Unsecured Loan	6,56,312	4,85,155
	Bank Interest	1,20,48,474	30,71,274
	Interest on Car Loan	18,602	-
		1,27,23,388	35,56,429
	Other Financial Charges		
	Bank Charges	1,06,807	1,28,137
	Loan Processing Charges	5,67,103	-
		6,73,910	1,28,137
		1,33,97,298	36,84,566
23	Depreciation & Amortised Cost :	For The Period Up To 31 March 2014	2012-13
	Depreciation Expense	1,03,31,295	61,24,546
	Pre operative Expenses	14,51,972	-
		1,17,83,267	61,24,546
24	Other Expenses :	For The Period Up To 31 March 2014	2012-13
	Manufacturing Expenses		
	Consumables, Stores & Spare		
	Opening Stock	1,45,410	1,29,375
	Add: Purchases	1,60,60,288	17,37,779
	Less: Closing Stock	(4,85,380)	(1,45,410)
		1,57,20,318	17,21,744
	Direct Expenses		
	Laboratory Exp	62,391	-
	Freight Inward Expenses	38,22,818	15,18,144
	Custom & Port Charges	2,47,679	-
	Power & Fuel Charges	2,07,70,576	43,17,641
	Repair & Maintenance Charges	91,57,710	34,37,116
	Water Expenses	11,14,353	3,27,567
		3,51,75,527	96,00,468
	Administrative Expenses		
	Advertisement Expenses	51,259	12,070
	Auditors Remuneration	28,090	28,090
	Repair & Maintenance Charges (Building)	58,933	19,500
	Sales Commission Expenses	17,98,867	-
	Conveyance, Travel & Vehicle Expenses	1,82,227	1,69,973
	Insurance Charges	2,39,724	79,170
	Interest & Penalty Paid	93,718	32,682
	Legal, Professional & Consultancy Fees	3,12,233	2,38,691
	Listing Fees	16,854	16,854
	Membership Fees	1,03,049	2,61,820
	Office Expenses	4,53,052	95,350
	Printing & Stationery Expenses	1,21,466	58,842
	Rent Paid	3,96,000	5,76,000
	Service Tax	2,81,064	-
	Security Expenses	91,011	-
	Telephone, Postage & Courier Expenses	63,826	69,572
	Travelling Expenses	1,69,035	2,46,942
	Transportation Charges	63,40,827	64,744
	Vat Expenses	82,070	-
		6,17,79,150	1,32,92,512

Suncity Synthetics Limited 2013-2014

24.1	Payment to Auditors as Particulars	Current Year	Previous Year
	For Statutory Audit	15,000.00	15,000.00
	For Tax Audit	10,000.00	10,000.00
	For Taxation Matter	-	-
	For Company Law Matters	-	-
	Towards Service Tax	3,090.00	3,090.00
	Total	28,090.00	28,090.00

25	EARNINGS PER SHARE Particulars	For The Period Up To 31 March 2014	2012-13
	1) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (‘)	23,48,310	16,08,501
	2) Weighted Average number of equity shares used as denominator for calculating EPS	49,45,800	49,45,800
	3) Basic and Diluted Earnings per share (‘)	0.47	0.33
	4) Face Value per equity share (‘)	10.00	10.00

27	REMITTANCE IN FOREIGN CURRENCY Particulars	31 March 2014	2012-13
	Purchase of Plant & Machinery (including Advance)	24,66,377	3,77,11,047
	Purchase of Raw Materials	-	-
	Others	-	-

28 RELATED PARTY DISCLOSURE
As per Accounting Standard - 18, the disclosure of Transactions with the related parties are given below:

A. Key Management Personals and their relatives

- (i) Enterprises Owned or Controlled By KMP's
Dhara Fabrics Pvt. Ltd.
K D S Textiles Pvt Ltd.

- (ii) Key Management Personnel
Poonam Suresh Jain
Suresh Dhanraj Jain

- (iii) Relatives of Key Management Personnel
Ajay Lodha
Ajay Lodha HUF
Anita Jain
J K Kothari
Mahendra Kawar
Ramesh Kawar
Suresh Kawar HUF
Twinkle Jain
Mohan Singh Sanjay Kumar HUF
Shakuntala Lodha
Neha Kothari
Naresh Jain
Samyak Jain

B. Transaction Entered into with Related Parties with Nature of Relation

Particulars		Transaction entered into Current Year	Previous Year
	Enterprises Owned or Controlled By KMP's	3,96,000.00	3,96,000.00
	Rent Paid	3,96,000.00	3,96,000.00
	Key Management Personnel	12,00,000.00	13,80,000.00
	Directors Remuneration	12,00,000.00	12,00,000.00
	Rent Paid	-	1,80,000.00
	Unsecured Loan Received	8,00,000.00	-
	Relatives of Key Management Personnel	99,90,483.00	35,75,880.00
	Interest Income	1,79,346.00	1,88,130.00
	Interest Paid	6,47,437.00	1,60,750.00

Suncity Synthetics Limited 2013-2014

Loans & Advances Given/Repaid	5,05,700.00	52,000.00
Unsecured Loan Received	60,50,000.00	31,75,000.00
Unsecured Loan Paid	26,08,000.00	-
Grand Total	1,23,86,483.00	53,51,880.00

C.Outstanding Balances as on Last day of Financial Year for the Related Parties

	Current Year	O/s Balances of Previous Year
Enterprise Owned or Controlled by KMPs	16,80,938.00	13,61,400.00
Investment	7,00,000.00	7,00,000.00
Trades & Other Payable	4,05,938.00	86,400.00
Unsecured Loans	5,75,000.00	5,75,000.00
Key Managerial Personnel	12,29,000.00	10,79,000.00
Trades & Other Payable	4,29,000.00	10,79,000.00
Unsecured Loans	8,00,000.00	-
Relatives of Key Management Personnel	93,96,360.00	42,57,922.00
Loans & Advances	16,73,894.00	17,63,248.00
Unsecured Loans	77,22,466.00	24,94,674.00
Grand Total	1,23,06,298.00	66,98,322.00

As informed by the Management of the company and as per our observation under audit, no Contingent liabilities and commitments against the company is pending on which provision is required to be made or deferred for the current financial year.

As per our report of even date attached.
For N. Kumbhat & Co.
Chartered Accountants.
(Firm Reg. No 113451W)

For And On Behalf Of The Board
SUNCITY SYNTHETICS LIMITED

CA Mukesh Khaitan
Partner
Mem. No : 402824

Director

Director

Place : Surat
Date : 02/09/2014

Suncity Synthetics Limited 2013-2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2014

A. CASH FLOW FROM OPERATING ACTIVITIES:			..
Net Profit Before Tax and Extraordinary Items			51,41,882.60
Add:			
Depreciation	1,03,31,295.00		
Financial Cost	1,33,97,298.00		
Bad Debts W/off	-		
Pre-Operative Expenses Written off	14,51,972.40		<u>2,51,80,565.40</u>
			3,03,22,448.00
Less: Other Income (Consider Separately)			<u>(3,91,024.00)</u>
Cash from Operation	Total - A		<u>2,99,31,424.00</u>
Less: Adjustment for Working Capital Changes			
Add:			
Increase in Provisions	12,56,630.00		
Trade Payable	10,57,521.00		<u>23,14,151.00</u>
Less:			
Inventories	2,23,17,800.00		
Sundry Debtors	1,36,27,586.00		
Other current Liabilities	6,56,700.00		
Other Receivables	62,61,483.00		<u>4,28,63,569.00</u>
	Total - B		<u>4,05,49,418.00</u>
Cash Generated from Operations after Working Capital Changes (A - B)	(C)		(1,06,17,994.00)
Less: Income Tax Paid/(Refund)			<u>9,04,818.00</u>
Net Cash Flow from Operating Activities	(D)		<u>(1,15,22,812.00)</u>
B. Cash Flow from Investing Activities			
Interest Received	3,91,024.00		
Long Term Loans & Advance	-		
Sale of Fixed Assets	6,57,000.00		<u>10,48,024.00</u>
Less:			
Purchase of Investments	-		
Purchase of Fixed Assets	55,33,240.00		
Advance for Fixed Assets	1,03,999.00		<u>56,37,239.00</u>
Net Cash Flow from Investing Activities	(E)		<u>(45,89,215.00)</u>
C. Cash Flow from Financing Activities			
Add: Increase in Term Loan			67,66,533.00
Add: Increase in Share Capital & Share Application Money			-
Add: Increase in Working Capital Facilitates			2,48,72,948.00
Less: Decrease in Working Capital Facilitates			-
Financial Cost	1,33,97,298.00		<u>1,33,97,298.00</u>
Net Cash Flow from Financing Activities	(F)		<u>1,82,42,183.00</u>
Net Changes in Cash & Cash Equivalents (D+G+J)			21,30,156.00
Opening Balance of Cash & Cash Equivalents			21,05,492.00
Closing Balance of Cash & Cash Equivalents			42,35,648.00

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of SUNCITY SYNTHETICS LTD. for the period ended 31st March, 2014. The Statement has been prepared by the Company in accordance with the requirements of listing agreements with the Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our Report of March 31, 2013 to the members of the Company.

As per our report of even date attached.

For N. Kumbhat & Co.
Chartered Accountants.
(Firm Reg. No 113451W)
CA Mukesh Khaitan
Partner
Mem. No : 402824
Place : Surat
Date : 02/09/2014

For And On Behalf Of The Board
SUNCITY SYNTHETICS LIMITED

Director Director

SUNCITY SYNTHETICS LIMITED
Regd. off.:205, Rajhans Complex, Ring Road, Surat

I/Weof
..... in the
district of
being member/member of
.....of
..... In the
District of O
..... in the
district of as my/ our proxy to vote for me/us behalf at the 26th Annual General Meeting of Company to be held on
Thursday 25 September, 2014. At 11.00 A.M. and at any adjournment there of . Signed of2014

Signed by the Said

Reg. Folio No.

No. of Shares Held

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

SUNCITY SYNTHETICS LIMITED
Regd. off.:205, Rajhans Complex, Ring Road, Surat

I hereby record my presence at the 26th Annual General Meeting of the Company to be held at Registered off.:205, Rajhans Complex, Ring Road, Surat on Thursday 25th September 2014, At 11.00 A.M.

Name of Shareholder(S)
.....

(In Block Capitals)

Name of Proxy or Company Representative
.....

(In Block Capitals)

Signature os Shareholder(S)
.....

Proxy or Company Representative.

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

Book-Post

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Universal Capital Securities Private Limited
21, Shakil Nivas,
Mahakali Carve Road, Andheri (East)
MUMBAI