



SUNCITY SYNTHETICS LTD.

27th Annual Report



2014-15

C O N T E N T S

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REQUEST:

You may desire to have some clarification or additional information on the accounts for the year ended 31st March, 2015 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, 24th September 2015

11.00 a.m. at

205, Rajhans Complex

Ring Road

SURAT.

BOARD OF DIRECTORS:

Shri Suresh Dhanraj Kavar
Managing Director

Smt. Poonam Jain
Whole Time Director

Shri Deepak Sharma
Independent Director

Smt. Rachna Jain
Independent Director

Bankers:

S.B.B.J. Bank
Jodhpur

Auditors:
N.KUMBHAT & CO
Chartered Accountants
Surat

REGISTERED OFFICE:

205, Rajhans Complex
Ring Road, Surat

Adm. office
C-8 Shashti nagar,
Jodhpur (Raj.) India

Factories

Unit I: E-7, II phase, Boranada
Dist: Jodhpur
Unit II: F-5, II phase, Boranada
Dist: Jodhpur
Unit III: 51, Pipodara Surat

Registrar & Transfer agent
Universal Capital Securities P Ltd.
21, Shakil Nivas
Mahakali Carve Road, Andheri (E)
Mumbai

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SUNCITY SYNTHETICS LIMITED WILL BE HELD ON THURSDAY, 24TH SEPTEMBER, 2015 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 receive, consider and adopt the Audited Financial Statement of the company including the Balance Sheet as at 31.03.2015 and the statement of Profit and Loss of the company for the financial year (12 month period from 1-4-2014 to 31-3-2015) ended 31st march 2015 and the report of board of director and the Auditors thereon.
2. To appoint a Director in place of Smt. Poonam Suresh Jain, (Din 01971928) who retires by rotation and being eligible, offers himself for reappointment.
- 3 To appoint Auditors and to fix the remuneration.

Place : Surat
Date: 5-8-2015

By Order of the Board of
For: Suncity SyntheticsLtd.

Suresh Dhanraj Kawar
Chairman and managing Director

NOTES :-

(1) A member entitled to attend and vote at the annual general meeting (meeting) is entitled to appoint a proxy to attend and vote instead himself / herself and proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, shall be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting. A proxy form is annexed to this notice.

2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified true copy of board resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. In case of joint holder attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.

4. Pursuant to section 102 of the act, the statement setting out the material facts concerning each item of special business to be conducted at the annual general meeting is annexed hereto.

5. The Register of member and share transfer register books of the company shall remain closed from Tuesday 22nd September, 2015 to Thursday 24th September, 2015 (both days inclusive)

6. Members are requested to furnish their Bank account details of address and all the required details, to the Registrar & Transfer agent Universal Capital Securities P Ltd. In respect of shares if held in physical form. In case of shares held in electronic form should be furnished to the respective Depository participants (DPs).

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in the securities market. Member

holding share in electronic form are therefore, requested to submit their copies of PAN card to their Depository participants with whom they are maintaining their demat accounts, member holding shares in physical form can submit their PAN details to the company /Registrar & Transfer agent

8. For convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by way of attendance slip, which is annexed to this notice. Members are requested to bring their attendance and sign the same at the place provided and hand it over at the entrance of the venue.

9. Member are requested to send all communication relating to shares to the Registrar & Transfer agent of the company at the following address:

Universal Capital Securities P Ltd.
21, Shakil Nivas
Mahakali Carve Road, Andheri (E)
Mumbai

If the share are held in electronic form, then change of address and change in the bank accounts, etc should be furnished to the respective Depository participants (DPs).

Place : Surat
Date :-05-08-2015

By Order of the Board of Directors

Suresh Kwar
Managing Director

DIRECTORS' REPORT

To,
The Members

Your directors have pleasure in presenting their Twenty seventh annual report and the audited statement of accounts for the year ended on 31st March, 2015 together with the auditors report thereon.

FINANCIAL RESULTS

The summarized financial results for year end 31st March 2015 are as under
Amount in Rs.

Particulars	2014-15	2013-14
Total Revenue (Including other income)	445786527	379411937
Gross Profit before Interest and depreciation	33706899	30322448
Less : Interest	17791372	13397298
Less : depreciation	20345142	11783267
Profit/loss before tax	-4429615	5141883
Less: provision for tax including deferred tax	(4201889)	2821488
Add: Surplus	-227726	2348310

DIVIDEND

Since the company does not have profits for year hence
The directors do not recommend any dividend for the year ended 31st March 2015.

COMPANY PERFORMANCE

The company continues to operate in Plastics business mainly production of Polyester staple fiber and nylon granules. The sales for year has increased from Rs. 37,94,11,397/- to Rs.44,57,86,527/-. But net loss of Rs. 222726/- due to change in depreciation rates as per guideline of institute of chartered accountant of India.

MANAGEMENT DISCUSSION AND ANALYSIS.

- (a) **Industry Structure and Developments** :- Company is engaged in business of Polyester staple fiber and nylon granules 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 particular 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 commends 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	2014-15	2013-14
(a) Electricity Purchased	3688432	3047412
Units(KWH)		
Total amount Rs.in lacs	2369.70	1953.11
Rate/Unit (Rs.)	6.42	6.41
Own Generation		
Units (KWH)	16650	27168
Units per liter of diesel oil	3.8	3.6
Rate/unit (Rs.)	17.55	21.75

B. TECHNOLOGY ABSORPTION

Form B

Research & Development (R & D)

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

Technology absorption, adaptation and innovation:

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

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Earning: Rs.Nil **Outgo :** Rs.129.49 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.

For & On Behalf of the Board of Directors

Place : Surat

Date : 05/08/2015

Chairman

REPORT ON CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS:

The present strength of Board of Directors of your Company is Four. Two directors are executive directors and two 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 2014-2015 and the last Annual General Meeting held for the on 25.09.2014 are as follows:

Details of Meetings of Board of Directors held during the year 2014-2015:

Sr.No.	Date	No. of Directors present
1	30/04/2014	4
2	06/08/2014	4
3	25/09/2014	4
4	30/10/2014	4
5	30/01/2015	4
6	31-3-2015	4

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

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

Name of Directors	Category	AGM attendance	Other directorship in public limited companies	Committee membership
Shri Suresh Kwar	Executive	Yes	Nil	--
Smt. Poonam Suresh Jain	Executive.	Yes	Nil	--
Smt.Rachana Jain	Independent	Yes	Nil	1
Shri Deepak sharma	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 Deepak sharma (Chairman)
 : 2) smt Rachana Jain
 : 3) smt Poonam Jain

The six meetings were held during the year on 30.04.2014, 06.08.2014, 25.09.2014, 30.10.2014, 30.01.2015 and 31.03.2015. 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. Deepak Sharma
: 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 Kawar

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. Deeapk Sharma (Chairman)
: 2) Smt. Rachana Jain

The remuneration paid to directors during the year is as under

- 1.Shri Suresh kawar Rs.6,00,000/-
- 2.Smt Poonam jain Rs.6,00,000/-

ANNUAL GENERAL MEETING :

Details of last three Annual General Meetings held:

Particulars	2011-12	2012-13	2013-14
Day	Saturday	Friday	Thursday
Date	29/09/2012	30/08/2013	25/09/2014
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 : 27th Annual General Meeting
Day, Date, Time & Venue : 24/09/2015
At 205 Rajhans Complex Ring Road Surat.
- 2) Financial Year/Calendar:
 - Results for first Quarter ending 30.06.2015 : On or before 15.08.2015
 - Results for second Quarter ending 30.09.2015 : On or before 15.11.2015
 - Results for third Quarter ending 31.12.2015 : On or before 15.02.2016
 - Results for last Quarter ending 31.03.2016 : On or before 15.05.2016
 - Results for year ending 31.03.2016 : On of before 31.08.2016
- 3) Date of Book Closures : 22.09.2015 to 24.09.2015 (both days inclusive)
- 4) Dividend Payment Date: No dividend declared
- 5) Regd. Office : 205 Rajhans Complex, Ring Road Surat.
- 6) Registrar & Share Transfer Agent : Universal Capital Securities P Ltd.

7) Address of Investors Correspondence Universal Capital Securities P Ltd.
21 Shakil Niwas Mahakali caves Road
Andheri (E) Mumbai

8) Plant Location 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 31.03.2015

Distribution of Shares (Slab wise)	Percentage to total No. of Shareholders	Percentage total Share Capital
Up to 500	58.415	5.251
501 to 1000	24.484	7.790
1001 to 5000	13.898	13.151
5001 to 10000	1.412	4.209
10001 & above	1.792	69.599
Total	100	100

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. 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, 2015, out of total shares of 4945800 fully paid up equity shares of Rs. 10/- each listed with Stock Exchange 3355230 equity shares (67.84 % of paid up capital) have been demated.

15) Outstanding GDRs, AARs warrants or any convertible instruments, etc. : NIL
For & On Behalf of the Board of Directors

Place : Surat
Date :05.08.2015

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 31.03.2015 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 : 28/07/2015

For: N. Kumbhat & Co.
Chartered Accountants

Neeraj Kumbhat
Proprietor Mem No. 74713

INDEPENDENT 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, 2015, the Profit and Loss Statement, the 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

The Company's Board of Directors is responsible for the matters stated 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 misstatements.

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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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.

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, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
3. The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
5. On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
6. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. There were no amount which were required to be transferred to the investor Education and Protection Funds by the company.

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

**CA. Mukesh Khaitan
Partner
Mem: 402824**

Date: 28.07.2015
Place: Surat

To the members of SUNCITY SYNTHETICS LIMITED

We refer to our report on the financial statements of SUNCITY SYNTHETICS LIMITED (the company) for the year ended on March 31, 2015.

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.

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 procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:

- (a) The principal amounts are repayable over varying periods upto five years, while the interest is payable annually, both at the discretion of the Company.
- (b) In respect of the said loans and interest thereon, there are no overdue amounts.

In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase 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 such internal control system.

According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

In respect of statutory dues:

- (a) Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
- (b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

Sr.	Name of the statute	Nature of dues	Amount (in lakhs)	Period	Authrity
1.					
2.	NIL				

- (c) According to the records of the Company, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

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 in the immediately preceding financial year.

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, banks and debenture holders.

As informed by the directors, the Company has not given guarantees for loans taken by others from banks and financial institutions.

The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.

In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

**CA. Mukesh Khaitan
Partner
Mem: 402824**

**Date: 28.07.2015
Place: Surat**

INDEPENDENT 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, 2015, the Profit and Loss Statement, the 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

The Company's Board of Directors is responsible for the matters stated 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 thereunder.

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 misstatements.

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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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.

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, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
3. The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
5. On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
6. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. There were no amount which were required to be transferred to the investor Education and Protection Funds by the company.

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

CA. Mukesh Khaitan
Partner
Mem: 402824

Date: 28.07.2015
Place: Surat

To the members of SUNCITY SYNTHETICS LIMITED

We refer to our report on the financial statements of SUNCITY SYNTHETICS LIMITED (the company) for the year ended on March 31, 2015.

- i. 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.
- ii. 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 procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- iii. In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - (a) The principal amounts are repayable over varying periods upto five years, while the interest is payable annually, both at the discretion of the Company.
 - (b) In respect of the said loans and interest thereon, there are no overdue amounts.
- iv. In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase 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 such internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
 - (a) Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other

material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.

- (b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

Sr.	Name of the statute	Nature of dues	Amount (in lakhs)	Period	Authrity
1.					
2.			NIL		

- (c) According to the records of the Company, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- viii. 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 in the immediately preceding financial year.
- ix. 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, banks and debenture holders.
- x. As informed by the directors, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- xi. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
- xii. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

CA. Mukesh Khaitan
Partner
Mem: 402824

Date: 28.07.2015
Place: Surat

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Surat - 395002

Balance Sheet As on 31st March, 2015

Particulars	Note	(Amount in ₹)	
		31st March, 2015	31st March, 2014
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	3,92,50,932	4,86,60,749
		8,87,08,932	9,81,18,749
(2) Share Application Money Pending Allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	6,16,52,386	6,10,87,104
(b) Deferred Tax Liabilities (Net)	4	35,55,174	77,57,063
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
		6,52,07,560	6,88,44,167
(4) Current Liabilities			
(a) Short-Term Borrowings	5	6,85,74,392	5,66,55,453
(b) Trade Payables	6	1,08,03,048	79,63,635
(c) Other Current Liabilities	7	2,33,71,502	2,14,36,391
(d) Short-Term Provisions	8	16,29,940	25,55,137
		10,43,78,882	8,86,10,616
TOTAL		25,82,95,374	25,55,73,532
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	9		
(i) Tangible Assets		15,64,29,508	15,80,93,326
(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	26,39,343	12,95,087
(e) Other Non-Current Assets		-	-
		16,00,18,851	16,03,38,413
(2) Current assets			
(a) Current Investments		-	-
(b) Inventories	12	4,82,48,693	5,27,97,845
(c) Trade Receivables	13	3,36,22,519	2,08,11,504
(d) Cash and Cash Equivalents	14	19,43,430	42,35,648
(e) Short-Term Loans and Advances	15	64,19,313	68,41,917
(f) Other Current Assets	16	80,42,568	1,05,48,205
		9,82,76,523	9,52,35,119
TOTAL		25,82,95,374	25,55,73,532

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

Place : Surat
Date : 28-07-2015

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Surat - 395002

Statement of Profit and Loss for the period ended on 31st March, 2015

Particulars	Note	(Amount in ₹)	
		2014-15	2013-14
INCOME			
Revenue From Operations	17	45,87,94,143 (1,35,34,204)	38,47,93,787 (57,72,874)
Other Income	18	44,52,59,939 5,26,588	37,90,20,913 3,91,024
TOTAL REVENUE		44,57,86,527	37,94,11,937
EXPENSES			
Cost of Materials Consumed	19	30,92,89,413	27,70,50,892
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, WIP and Stock-In-Trade	20	57,92,772	(1,25,10,185)
Employment Benefit Expenses	21	2,48,19,662	2,27,69,632
Financial Costs	22	1,77,91,372	1,33,97,298
Depreciation and Amortization Expenses	23	2,03,45,142	1,17,83,267
Other Expenses	24	7,21,77,781	6,17,79,150
TOTAL EXPENSES		45,02,16,142	37,42,70,054
Profit Before Exceptional and Extraordinary Items and Tax		(44,29,615)	51,41,883
Exceptional Items (Profit on sale of machinery)		-	27,915
Profit Before Extraordinary Items and Tax		(44,29,615)	51,69,798
Extraordinary Items		-	-
Profit Before Tax		(44,29,615)	51,69,798
Tax Expense :			
(1) Current Tax		-	9,92,030
(2) Deferred Tax		(42,01,889)	18,29,458
Profit for the Year		(2,27,726)	23,48,310
Profit/(Loss) From Discontinuing Operations		-	-
Tax Expense of Discounting Operations		-	-
Profit/(Loss) From Discontinuing Operations		-	-
Profit/(Loss) For The Period		(2,27,726)	23,48,310
Earning Per Equity Share:			
(1) Basic		(0.05)	0.47
(2) Diluted		(0.05)	0.47

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)

CA. Mukesh Khaitan
Partner
Mem. No : 402824

Director Director

Place : Surat
Date : 28-07-2015

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Surat - 395002

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2015

(Amount in ₹)

A. CASH FLOW FROM OPERATING ACTIVITIES:

Net Profit Before Tax and Extraordinary Items		(44,29,615)
Add:		
Depreciation	1,88,93,170	
Financial Cost	1,77,91,372	
Bad Debts W/off	-	
Pre-Operative Expenses Written off	14,51,972	3,81,36,514
		<u>3,37,06,899</u>
Less: Other Income (Consider Separately)		(5,26,588)
Cash from Operation	Total - A	<u>3,31,80,311</u>
Less: Adjustment for Working Capital Changes		
Add:		
Increase in Other current Liabilities	71,883	
Decrease in Inventories	45,49,152	
Decrease in other Current Assets	12,49,513	
Decrease in advance to suppliers	6,17,112	
Increases in Trade Payable	28,39,413	93,27,073
		<u>1,33,54,291</u>
Less:		
Increase in Sundry Debtors	1,28,11,015	
Decrease in Short Term Provisions	5,43,276	1,33,54,291
		<u>40,27,218</u>
	Total - B	<u>40,27,218</u>
Cash Generated from Operations after Working Capital Changes (A - B)	(C)	2,91,53,093
Less: Income Tax Paid/(Refund)		5,77,769
Net Cash Flow from Operating Activities	(D)	<u><u>2,85,75,324</u></u>

B. Cash Flow from Investing Activities

Add:		
Interest Received	5,26,588	
Subsidy Received	22,89,273	28,15,861
		<u>28,15,861</u>
Less:		
Realisation of Long term Loan and Advances	13,44,256	
Purchase of Fixed Assets	2,87,00,717	
Realisation of Short Term Loan and Advances	1,94,508	3,02,39,481
Net Cash Flow from Investing Activities	(E)	<u><u>(2,74,23,620)</u></u>

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Surat - 395002

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2015

C. Cash Flow from Financing Activities

Add: Increase in Term Loan		33,40,899
Add: Increase in Share Capital & Share Application Money		-
Add: Increase in Working Capital Facilitates		1,19,18,939
Add: Increase in Unsecured Loans		-
Less: Decrease in Unsecured Loans	9,12,389	
Financial Cost	1,77,91,372	1,87,03,761
Net Cash Flow from Financing Activities	(F)	(34,43,923)
Net Changes in Cash & Cash Equivalents (D+G+J)		(22,92,219)
Opening Balance of Cash & Cash Equivalents		42,35,648
Closing Balance of Cash & Cash Equivalents		19,43,430

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of **SUNCITY SYNTHETICS LTD.** for the period ended 31st March, 2015. 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, 2015 to the members of the Company.

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 : 28-07-2015

SUNCITY SYNTHETICS LTD.

205, Rajhans Complex, Nr. Nirmal Childrens' hospital, Ring Road, Surat - 395002
Notes forming part of the Balance sheet and Profit and loss account as at 31st March, 2015

❖ Significant Accounting Policy

A. Basis of preparation of financial statements:

- These financial statements have been prepared to comply with the Accounting Principles generally accepted in India (India GAAP), the Accounting Standards notified under the companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

B. Use of Estimates:

- The preparation of financial statements in conformity with generally accepted accounting principles requires estimates, judgements and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expense during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialise.

C. Fixed Assets:

Tangible Assets

Depreciation on fixed assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on the useful life of the assets as prescribed in the schedule II of the companies Act, 2013. In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets, depreciation is provided from the date of such addition is put to use by the company.

Assets having opening balance as on the last day of previous year and useful life thereof has been "Nil" as per the provisions of the schedule II of the companies Act, 2013 has been written off during the year to the extent of "salvage Value" or "Opening Balance" whichever is lower and adjusted to "Reserve and Surplus" of the Company.

D. Investments:

Long term Investments are stated at cost and where there is permanent diminution in the value of investments a provision is made wherever applicable. Current Investments are carried at lower of cost or quoted/fair value, computed category wise. Dividend is accounted for as and when received.

E. Impairment:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of the

SUNCITY SYNTHETICS LTD.

205, Rajhans Complex, Nr. Nirmal Childrens' hospital, Ring Road, Surat - 395002
Notes forming part of the Balance sheet and Profit and loss account as at 31st March, 2015

recoverable amount. However, No Impairment loss is charged to Profit and loss for the current reporting period.

F. Inventories:

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on FIFO Method.

G. Revenue Recognition:

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, service tax, excise duty and sales during trial run period, adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Interest income is recognised on a time proportion basis taking into account outstanding and the interest rate applicable.

EXCISE DUTY/SERVICE TAX

Excise duty/Service Tax is accounted on the basis of both, payment made in respect of goods cleared / services provided and provisions made for goods lying in bonded warehouses.

H. Earnings per Share:

Basic earning per equity share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

I. Employee Benefits

The undiscounted amount of short -term benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when employees render the services. These benefits include performance incentive and compensated absences. Post-employment benefits are not being treated as expenditure in the year in which the amount is liable to be paid by the company. No provision is made for such post-employment benefits.

SUNCITY SYNTHETICS LTD.

205, Rajhans Complex, Nr. Nirmal Childrens' hospital, Ring Road, Surat - 395002
Notes forming part of the Balance sheet and Profit and loss account as at 31st March, 2015

J. Borrowing Cost

Borrowing cost related to acquisition or construction of qualifying specific Fixed Assets have been capitalised. A qualifying asset is one that takes substantial period of time to get ready for intended use or sale. However, if the cost is not bifurcable to specific Fixed assets, such costs have been treated as pre operative expenses and such expenses to write off within next five years. All other borrowing costs are charged to revenue.

K. Income Taxes:

Tax expense comprises of Current tax as well as deferred Tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax asset are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same. However, due to depreciation losses during the current financial year, no provision for Income Tax is made for the year.

In accordance with Accounting Standard 22 - Taxes on income, deferred tax is recognised, subject to consideration of prudence, being the difference between accounting and taxable income that originate in one year and are capable of reversal in a subsequent year. Deferred Tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet Date.

L. Impairment of Assets:

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amounts, an impairment loss is recognised in the statement of profit and loss to the extent that carrying amount exceeds the recoverable amount. There is no impairment loss during the year.

M. Provisions and Contingencies:

The Company creates a provision when there is a present obligation as result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. The Provisions, Contingent Liabilities and Contingent Asset are reviewed at each balance sheet date.

SUNCITY SYNTHETICS LTD.

205, Rajhans Complex, Nr. Nirmal Childrens' hospital, Ring Road, Surat - 395002
Notes forming part of the Balance sheet and Profit and loss account as at 31st March, 2015

N. PRELIMINARY AND PRE-OPERATIVE EXPENSES

Expenditures regarding incorporation of the company including business establishment expenses are treated as pre-operative expenditure. Any Expenditures recurring in nature incurred for commencement of production and are treated as Pre-operative Expenses. Such kind of expenses are capitalised and charged to profit and loss account in such a way that the same get written off within Five Financial year.

O. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

	(Amount in ₹)	(Amount in ₹)
1 Share Capital :	As At 31st March, 2015	As At 31st March, 2014
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 ₹. 10/- Each.)		
	7,00,00,000	7,00,00,000
Issued, Subscribed & Paid-up Share Capital		
49,45,800 Equity share of ₹. 10/- Each fully paid.	4,94,58,000	4,94,58,000
(Previous Year 49,45,800 Equity Shares of ₹. 10/- Each Fully paid)		
	4,94,58,000	4,94,58,000

- 1.1 **Nil** Shares 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 **Nil** Shares 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 **Nil** Shares 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 **Nil** Shares 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 **Nil** Shares 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 :

Name of Share Holders	Equity Shares			
	As At 31st March, 2015		As At 31st March, 2014	
	No. of Shares	% held	No. of Shares	% held
Poonam Suresh Kawar	6,74,450	13.64	6,74,450	13.64
Suresh Dhanraj Kawarjain (HUF)	6,21,846	12.57	6,21,846	12.57
Twinkle Jain	6,74,036	13.63	6,74,036	13.63

1.7 **Rights, preferences and restrictions attaching to equity shares:**

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.

1.8 The reconciliation of the number of shares outstanding is set out below :

Name of Share Holders	Equity Shares	
	As At 31st March, 2015	As At 31st March, 2014
	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

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

2 Reserves & Surplus :	As At 31st March, 2015		As At 31st March, 2014	
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	3,64,36,249		3,40,87,939	
Add: Profit for the Year	(2,27,726)		23,48,310	
	3,62,08,524		3,64,36,249	
Less: Depreciation	(91,82,092)		-	
(of the assets having no useful life as per schedule II of the Companies Act, 2013)	3,92,50,932		4,86,60,749	

- 2.1 Depreciation of Rs. 91,82,092.00 for the assets having WDV but having useful life "Nil" under the provision of the Schedule II of the Companies Act, 2013 has been passed through the reserve and surplus during the year after providing suitable value for "Salvage Value" as per the provisions of Companies Act, 2013.

3 Long Term Borrowings :	As At 31st March, 2015		As At 31st March, 2014	
	Non Current	Current	Non Current	Current
Secured				
- Term Loans From Bank				
State Bank of Bikaner & Jaipur-TL-I <i>(carrying interest @ 2.00% above Base Rate i.e. 12.25% per annum, repayable in 78 equal monthly instalment of ₹6,41,000/- each)</i>	2,59,41,893	76,92,000	3,51,77,111	76,92,000
State Bank of Bikaner & Jaipur-TL-III <i>(carrying interest @ 2.00% above Base Rate i.e. 12.25% per annum, repayable in 72 equal monthly instalment of ₹2,77,500/- each)</i>	1,08,99,503	33,30,000	1,43,64,889	33,30,000
State Bank of Bikaner & Jaipur-TL-IV <i>(carrying interest @ 2.00% above Base Rate i.e. 12.25% per annum for the first year and rate as per credit rating for the remaining period repayable in 71 equal monthly instalment of ₹2,43,000/- each and 72nd Instalment of ₹ 2,47,000/-)</i>	1,22,64,704	29,16,000	-	16,65,555
- Lease Finance				
Volkswagen Finance (Car) <i>(carrying interest @ 6.69% per annum, repayable in 36 equated monthly instalment of ₹ 12,227/- each)</i>	-	70,989	70,989	1,36,961
Volkswagen Finance (OD) <i>(carrying interest @ 10.75% per annum, repayable in 60 equated monthly instalment of ₹ 49,722/- each)</i>	16,30,510	3,97,840	-	-
Sundram Finance (Mini Truck) <i>(carrying Flat interest @ 6.03% per annum, repayable in 36 equated monthly instalment of ₹ 27,900/- each)</i>	3,54,050	2,80,915	-	-
Unsecured				
From Directors	15,87,110	-	8,00,000	-
From Related Parties	84,82,967	-	82,97,466	-
From Others	4,91,649	-	23,76,649	-
	6,16,52,386	1,46,87,744	6,10,87,104	1,28,24,516

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

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

(Amount in ₹)

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	28,65,893
State Bank of Bikaner & Jaipur-TL-III	33,30,000	33,30,000	33,30,000	9,09,503
State Bank of Bikaner & Jaipur-TL-IV	29,16,000	29,16,000	29,16,000	35,16,704
Repayment to Lease Finance				
Volkwagon Finance (Car)	-	-	-	-
Volkwagon Finance (OD)	4,42,778	4,92,794.12	5,96,868.97	98,068.68
Sundaram Finance (Mini Truck)	2,85,048.00	69,002.00	-	-
Unsecured				
Loans From Related Parties	-	-	-	84,82,967
Loans From Directors	-	-	-	15,87,110
Other Unsecured Loans	-	-	-	4,91,649

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.

4 Deferred Tax Liabilities (Net) :	As At 31st March, 2015	As At 31st March, 2014
Deferred Tax Liability		
Related to Fixed Assets	81,51,281	96,19,214
Deferred Tax Assets		
Related to Disallowances as per Income Tax Act.	-	-
Related to C/F loss and Unabsorbed Depreciation	(45,96,107)	(18,62,151)
	35,55,174	77,57,063
	35,55,174	77,57,063
5 Short Term Borrowings :	As At 31st March, 2015	As At 31st March, 2014
Secured		
- From Bank		
State Bank of Bikaner and Jaipur (at 1.75% above Base Rate, Presently Effective 12.00%)	6,85,74,392	5,66,55,453
	6,85,74,392	5,66,55,453
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 :	As At 31st March, 2015	As At 31st March, 2014
Creditors For Rawmaterials & Goods	1,08,03,048	79,63,635
	1,08,03,048	79,63,635

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

7 Other Current Liabilities :	As At 31st March, 2015	As At 31st March, 2014
Maturity to Long Term Debt	1,39,38,000	1,26,87,555
Interest on Term Loan Accrued but not Due	6,86,102	-
Maturity to Lease Finance	7,49,744	1,36,961
Statutory Dues	7,32,828	1,37,281
Creditors For Expenses	72,64,828	84,74,594
	2,33,71,502	2,14,36,391

7.1 Statutory dues denotes TDS deducted on various kind of expenses which are liable to be deducted at source.

8 Short Term Provisions :	As At 31st March, 2015	As At 31st March, 2014
Provision From Employees Benefit	16,29,940	21,73,216
Provision For Income Tax	-	9,92,030
Less: Advance Tax	-	5,00,000
Less: TDS Receivable	-	26,170
Less: TCS Receivable	-	83,939
	16,29,940	25,55,137

10 Non Current Investment :	As At 31st March, 2015	As At 31st March, 2014
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. <i>(70,000 Equity Shares (Previous Year - 70,000) of ₹10/- each</i>	7,00,000	7,00,000
Gujarat State Financial Corporation <i>(2,800 Equity Shares (Previous Year - 2,800) of ₹10/- each at premium of ₹ ___/- , partly paid up ₹ ___/-)</i>	30,000	30,000
Moti Finance Limited <i>(21,000 Equity Shares (Previous Year - 21,000) of ₹10/- each</i>	2,10,000	2,10,000
Total	9,40,000	9,40,000

11 Long Term Loans and Advances :	As At 31st March, 2015	As At 31st March, 2014
Security Deposit :		
a) Unsecured, Considered Good :	24,43,495	12,95,087
Income Tax Refunable		
TDS Receivable	1,09,665	-
TCS Receivable	86,183	-
Less: Provision for Taxation	-	-
	1,95,848	-
	26,39,343	12,95,087

Particulars	Current Year	Previous Year
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Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

Dakshin Gujarat Vij Co. Ltd.	5,16,861	5,16,861
RSEB	19,26,634	7,78,226
Total	24,43,495	12,95,087
12 Inventories :	As At	As At
<i>(as taken, valued and certified by the management)</i>	31st March, 2015	31st March, 2014
Raw Material	3,85,22,500	3,80,11,855
Finished Goods	83,50,788	1,42,28,160
Stores, Spares and Packing Materials	12,18,355	4,85,380
Other (Wastage)	1,57,050	72,450
	4,82,48,693	5,27,97,845
13 Trade Receivables :	As At	As At
	31st March, 2015	31st March, 2014
Exceeding 6 Months		
- Unsecured, Considered Good :	13,78,800	-
Others		
- Unsecured, Considered Good :	3,22,43,719	2,08,11,504
	3,36,22,519	2,08,11,504
14 Cash and Cash Equivalent :	As At	As At
	31st March, 2015	31st March, 2014
(A) Cash-in-Hand		
<i>(as certified by the management)</i>	16,34,842	18,10,982
	16,34,842	18,10,982
(B) Bank Balance		
Indusind Bank Ltd.	-	8,646
State Bank of Bikaner & Jaipur	4,593	85,069
	4,593	93,715
(C) Fixed Deposits		
State Bank of Bikaner & Jaipur	3,03,995	23,30,951
	19,43,430	42,35,648
15 Short Terms Loans and Advances :	As At	As At
	31st March, 2015	31st March, 2014
Others		
Advance to Suppliers	38,67,328	44,84,440
Advances for Capital Goods	-	1,03,999
Other Loans and Advances <i>(Including Interest , if any)</i>	25,51,985	22,53,478
	64,19,313	68,41,917
	64,19,313	68,41,917

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

16 Other Current Assets :	As At 31st March, 2015	As At 31st March, 2014
Duties & Taxes Receivable	24,33,024	32,96,533
Pre-paid Expenses	15,610	43,378
Pre-operative Expenses	58,07,890	72,59,862
Less: Written Off	14,51,972	14,51,972
Int. Rebate Receivable	12,38,016	14,00,404
	80,42,568	1,05,48,205

16.1 Duty & Taxes Receivable includes the following items

Particulars	Current Year	Previous Year
Central Excise Receivable	5,36,427	2,47,744
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
VAT	5,74,309	17,25,759
Total	24,33,024	32,96,533

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Surat - 395002

Schedule Forming Part of the Balance Sheet as at 31st March, 2015

Schedule : 9

Fixed Assets :

Particulars	Rate	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Charged to Reserve & Surplus	Deduction during the year	Value at the end	WDV As On	
											31-Mar-15	31-Mar-14
LAND		1,73,37,406	-	-	1,73,37,406	-	-	-	-	-	1,73,37,406	1,73,37,406
LAND		1,73,37,406	-	-	1,73,37,406	-	-	-	-	-	1,73,37,406	1,73,37,406
BUILDING		3,34,56,788	-	-	3,34,56,788	41,07,470	7,05,309	-	-	48,12,779	2,86,44,009	2,93,49,318
OFFICE AT SURAT		5,00,000	-	-	5,00,000	1,37,855	15,510	-	-	1,53,365	3,46,635	3,62,145
BUILDING PET UNIT & ETP PLANT		39,91,685	-	-	39,91,685	2,40,376	1,25,962	-	-	3,66,338	36,25,347	37,51,309
BUILDING (FIBER UNIT)		2,20,87,453	-	-	2,20,87,453	7,90,072	3,42,679	-	-	11,32,751	2,09,54,702	2,12,97,381
BUILDING		68,77,650	-	-	68,77,650	29,39,167	2,21,158	-	-	31,60,325	37,17,325	39,38,483
OFFICE EQUIPMENTS		9,74,660	1,47,100	-	11,21,760	5,16,744	92,960	1,52,988	-	7,62,692	3,59,068	4,57,916
OFFICE EQUIPMENTS		9,74,660	1,47,100	-	11,21,760	5,16,744	92,960	1,52,988	-	7,62,692	3,59,068	4,57,916
PLANT AND MACHINERY		13,94,31,859	2,43,01,323	22,89,273	16,14,43,909	4,28,14,287	1,53,52,972	1,02,87,119	-	6,84,54,378	9,29,89,531	9,66,17,572
SOLAR DRYER		10,02,189	-	-	10,02,189	10,02,189	-	-	-	10,02,189	-	-
PLANT AND MACHINERY(FIBRE UNI		5,17,79,535	2,28,43,934	-	7,46,23,469	28,65,286	89,61,410	-	-	1,18,26,696	6,27,96,773	4,89,14,249
PLANT & MACHINERY(PET)		3,34,00,376	13,56,675	22,89,273	3,24,67,778	29,79,066	46,76,362	-	-	76,55,428	2,48,12,350	3,04,21,310
PLANT & MACHINERY		5,32,49,759	1,00,714	-	5,33,50,473	3,59,67,746	17,15,200	1,02,87,119	-	4,79,70,065	53,80,408	1,72,82,013
COMPUTERS		3,89,580	57,111	-	4,46,691	3,89,580	-	-	-	3,89,580	57,111	-
COMPUTER		3,89,580	57,111	-	4,46,691	3,89,580	-	-	-	3,89,580	57,111	-
ELECTRICAL INSTALLATIONS AND EQUIPMENTS		1,42,14,134	-	-	1,42,14,134	10,83,732	14,46,633	-	-	25,30,365	1,16,83,769	1,31,30,402
LAB EQUIPMENT		6,73,950	-	-	6,73,950	40,115	67,655	-	-	1,07,770	5,66,180	6,33,835
ELECTRIFICATION		1,35,40,184	-	-	1,35,40,184	10,43,617	13,78,978	-	-	24,22,595	1,11,17,589	1,24,96,567
MOTOR VEHICLES		78,41,764	41,95,183	-	1,20,36,947	66,41,052	12,95,296	(12,58,015)	-	66,78,333	53,58,614	12,00,712
Wagon R Old Car Model 2007		-	1,53,000	-	1,53,000	-	1,45,350	-	-	1,45,350	7,650	-
Vehicles		78,41,764	-	-	78,41,764	66,41,052	5,98,984	(12,58,015)	-	59,82,021	18,59,743	12,00,712
SWARAJ MAZDA		-	11,05,000	-	11,05,000	-	97,066	-	-	97,066	10,07,934	-
HERO SPLENDAR		-	47,240	-	47,240	-	4,094	-	-	4,094	43,146	-
AUDI Q3		-	28,89,943	-	28,89,943	-	4,49,802	-	-	4,49,802	24,40,141	-
Grand Total		21,36,46,191	2,87,00,717	22,89,273	24,00,57,635	5,55,52,865	1,88,93,170	91,82,092	-	8,36,28,127	15,64,29,508	15,80,93,326
Previous Year		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	

9.1 Depreciation of Rs. 91,82,092.00 for the assets having WDV but having useful life "Nil" under the provision of the Schedule II of the Companies Act, 2013 has been passed through the reserve and surplus during the year after providing suitable value for "Salvage Value" as per the provisions of Companies Act, 2013.

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

(Amount in ₹)

17 Revenue From Operations :

	2014-15	2013-14
Sales of Products		
Sales-Granules (JDR)	7,21,84,650	5,03,40,169
Sales (Nylon Staple Fibre)	19,125	-
Sales-PSF (JDR)	39,05,54,679	33,10,34,239
Sales-PSF (SRT)	-	43,76,886
Sales-Nylon Waste (JDR)	67,687	6,09,607
Sales-Nylon Waste (SRT)	-	12,47,848
Sales (Surat)	47,28,394	-
Sales-Lump Waste (JDR)	-	2,81,349
Sales Waste (PSF)	8,65,360	2,25,575
	46,84,19,895	38,81,15,673
Less:		
Sales Return & Discount	(1,09,94,643)	(34,12,986)
	45,74,25,252	38,47,02,687
Other Non Operating Income		
Interest Received On Late Payment	8,61,278	91,100
Freight & Forwarding	5,07,613	-
	45,87,94,143	38,47,93,787

18 Other Income :

	2014-15	2013-14
Interest Income		
Interest Received on Fixed Deposit	42,286	47,864
Interest Received on Loan	3,26,997	2,77,011
Interest On Security Deposit	1,57,305	66,149
	5,26,588	3,91,024
	5,26,588	3,91,024

19 Cost of Material Consumed :

	2014-15	2013-14
Raw Material Consumed		
Purchase Nylon & Nylon Waste		
Opening Stock	1,96,95,180	1,54,60,400
Add: Purchases	3,89,98,777	3,46,25,397
Less: Closing Stock	(1,37,81,175)	(1,96,95,180)
	4,49,12,782	3,03,90,617
Purchase (NSF)		
Opening Stock	-	-
Add: Purchases	25,52,130	-
Less: Closing Stock	(16,75,000)	-
	8,77,130	-
Purchase Pet & Pet Waste		
Opening Stock	1,83,16,675	1,30,83,810
Add: Purchases	27,09,30,709	25,42,22,652
Less: Closing Stock	(2,30,66,325)	(1,83,16,675)
	26,61,81,059	24,89,89,787
Deductions		
Purchase Return & Discount	(26,81,558)	(23,29,512)
	30,92,89,413	27,70,50,892

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

20 Change in Inventories :

	2014-15	2013-14
Stock of Finished Goods		
Opening Balance	32,55,000	1,66,625
Closing Balance	<u>(22,07,500)</u>	<u>(32,55,000)</u>
	10,47,500	(30,88,375)
Stock Of Fibres		
Opening Balance	1,09,73,160	14,34,800
Closing Balance	<u>(61,43,288)</u>	<u>(1,09,73,160)</u>
	48,29,872	(95,38,360)
Stock of Lump Wastage		
Opening Balance	72,450	1,89,000
Closing Balance	<u>(1,57,050)</u>	<u>(72,450)</u>
	(84,600)	1,16,550
	<u>57,92,772</u>	<u>(1,25,10,185)</u>

21 Employment Benefit Expenses :

	2014-15	2013-14
Salary & Wages Exp.	2,20,91,923	1,92,85,252
Bonus	8,51,824	7,32,100
Contributions to -		
Provident Fund	1,54,732	74,910
E.S.I.C.	98,133	60,121
Staff Welfare Exp.	1,83,050	3,55,249
Staff Salary	2,40,000	10,62,000
Managerial Salary		
Director Remuneration	12,00,000	12,00,000
	<u>2,48,19,662</u>	<u>2,27,69,632</u>

22 Financial Cost :

	2014-15	2013-14
Interest Expenses		
Interest On Unsecured Loan	7,63,968	6,56,312
Bank Interest	1,64,81,224	1,20,48,474
Interest on Sundaram Finance	33,165	-
Interest on VolkWagon (OD)	1,75,848	-
Interest on Car Loan	9,763	18,602
	1,74,63,968	1,27,23,388
Other Financial Charges		
Bank Charges	3,27,404	1,06,807
Loan Processing Charges	-	5,67,103
	3,27,404	6,73,910
	<u>1,77,91,372</u>	<u>1,33,97,298</u>

23 Depreciation & Amortised Cost :

	2014-15	2013-14
Depreciation Expense	1,88,93,170	1,03,31,295
Pre operative Expenses	14,51,972	14,51,972
	<u>2,03,45,142</u>	<u>1,17,83,267</u>

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

24 Other Expenses :

	2014-15	2013-14
<u>Manufacturing Expenses</u>		
Consumables, Stores & Spare		
Opening Stock	4,85,380	1,45,410
Add: Purchases	1,83,22,112	1,60,60,288
Less: Closing Stock	(12,18,355)	(4,85,380)
	1,75,89,137	1,57,20,318
Direct Expenses		
Laboratory Exp	62,910	62,391
Freight Inward Expenses	45,34,747	38,22,818
Custom Duty	9,15,085	-
Custom & Port Charges	12,98,228	2,47,679
Excise Duty	5,978	-
Power & Fuel Charges	2,51,97,704	2,07,70,576
Repair & Maintenance Charges	1,12,75,213	91,57,710
Water Expenses	8,42,395	11,14,353
	4,41,32,260	3,51,75,527
Administrative Expenses		
Advertisement Expenses	20,556	51,259
Auditors Remuneration	51,300	28,090
Conveyance, Travel & Vehicle Expenses	2,29,845	1,82,227
Donation	5,000	-
Insurance Charges	2,18,496	2,39,724
Interest & Penalty Paid	2,23,504	93,718
Legal, Professional & Consultancy Fees	1,93,576	3,12,233
Listing Fees	1,12,360	16,854
Membership Fees	31,967	1,03,049
Office Expenses	2,89,754	4,53,052
Printing & Stationery Expenses	1,05,313	1,21,466
Rent Paid	5,01,000	3,96,000
Repair & Maintenance Charges (Building)	2,48,749	58,933
Sales Commission Expenses	14,33,612	17,98,867
Security Expenses	-	91,011
Service Tax	5,11,470	2,81,064
Telephone, Postage & Courier Expenses	56,698	63,826
Transportation Charges	59,90,811	63,40,827
Travelling Expenses	1,76,355	1,69,035
Vat Expenses	56,018	82,070
	7,21,77,781	6,17,79,150

24 Payment to Auditors as

Particulars	Current Year	Previous Year
For Statutory Audit	30,000.00	15,000.00
For Tax Audit	15,000.00	10,000.00
For Taxation Matter	-	-
For Company Law Matters	-	-
Towards Service Tax	6,300.00	3,090.00
Total	51,300.00	28,090.00

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

25 EARNINGS PER SHARE

(Amount in ₹)

Particulars	2014-15	2013-14
1) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(2,27,726)	23,48,310
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 (₹)	(0.05)	0.47
4) Face Value per equity share (₹)	10.00	10.00

27 REMITTANCE IN FOREIGN CURRENCY

(Amount in ₹)

Particulars	2014-15	2013-14
Purchase of Plant & Machinery (including Advance)	92,23,201	24,66,377
Purchase of Raw Materials	33,76,282	-

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

J. K. KOTHARI

TWINKLE JAIN

MOHAN SINGH SANJAY KUMAR HUF

SURESH KAWAD HUF

SHAKUNTALA LODHA

ANITA JAIN

SAMYAK JAIN

SANJAY PATHAK

MAHENDRA KAWAD

RAMESH KAWAD

Notes on Financial Statements for the Period ended 31st March, 2015

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

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	30,92,890.00	20,00,000.00
Directors Remuneration	12,00,000.00	12,00,000.00
Unsecured Loan Obtained	13,40,000.00	8,00,000.00
Unsecured Loan repaid	5,52,890.00	-
Relatives of Key Management Personnel	14,47,535.00	99,90,483.00
Interest Income	2,00,867.00	1,79,346.00
Salary and Wages	3,00,000.00	-
Interest Paid	7,61,668.00	6,47,437.00
Loans & Advances Given/Repaid	-	5,05,700.00
Unsecured Loan Obtained	1,50,000.00	60,50,000.00
Unsecured Loan repaid	35,000.00	26,08,000.00
Grand Total	49,36,425.00	1,23,86,483.00

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

	O/s Balances of	
	Current Year	Previous Year
Enterprise Owned or Controlled by KMPs	19,53,800.00	25,51,738.00
Trades & Other Payable	-	4,05,938.00
Trade Receivables	13,78,800.00	15,70,800.00
Unsecured Loans	5,75,000.00	5,75,000.00
Key Managerial Personnel	15,87,110.00	12,29,000.00
Trades & Other Payable	-	4,29,000.00
Unsecured Loans	15,87,110.00	8,00,000.00
Relatives of Key Management Personnel	98,97,728.00	96,96,360.00
Loans & Advances	18,74,761.00	16,73,894.00
Unsecured Loans	80,22,967.00	80,22,466.00
Grand Total	1,34,38,638.00	1,34,77,098.00

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

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 : 28-07-2015

CIN : L17110GJ1988PLC010397

Date: 10/10/2015



To
BSE Limited
Department of Corporate Services
P. J Towers, Dalal Street,
Mumbai – 400001.

Thro, BSE online portal /By Post/Courier

Dear Sir,

Sub: Submission of Annual report for year ending 31/03/2015 along with form A
Ref.: Scrip Code No. 530795

FORM A
FORMAT OF COVERING LETTER OF ANNUAL AUDIT REPORT TO BE FILED WITH
STOCK EXCHANGE

1	Name of company	Suncity Synthetics Limited
2	Annual Financial results for year ended	31 st March 2015
3	Type of Audit Observation	Un qualified/matter of Emphasis
4	Frequency of observation	Weather appeared first time / repetitive/since how long period : Not Applicable
5	To be signed by CEO/Managing Director CFO Auditor of company Audit Committee Chairman	

Kindly take note of the same and confirm

Thanking you
Yours faithfully
Suncity Synthetics Limited


Suresh Kavar
Managing Director
DIN 00337493

Adm.Off. : C-8, 1st Floor, Shastri Nagar, Jodhpur (Raj.)
Fact. : E-7, IInd Phase, Boranada, Jodhpur (Raj.)
Fact. : F-5, B-C & D, IInd phase, Boranada, Jodhpur
Mob. : 099833-29877



Regd. Office : 205, Rajhans Complex, Ring Road, Surat
Fact. : Block No. 51, Pipodara, Surat (Gujarat)
Email : suncitysyn@gmail.com
website : www.suncitysyntheticsltd.com

CIN NO. L17110GJ1988PLC010397