

Date: 03/10/2017

To,
BSE Ltd
P.J. Towers, Dalal Street,
Mumbai - 400001

Subject: Submission of Annual Report of Suncity Synthetics Limited for the financial year ended 31st March, 2017.

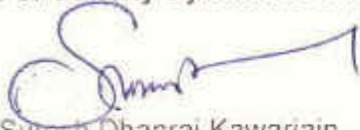
Ref.: Scrip Code: 530795, Stock Code: SUNCITYSY

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith Annual Report of Suncity Synthetics Limited for the financial year ended 31/03/2017.

Kindly take the same on record and confirm.

Thanking You,

For Suncity Synthetics Limited



Suresh Dhanraj Kwarjain
Managing director
(DIN: 00337493)

SUNCITY SYNTHETICS LIMITED

29th Annual Report

For the Year Ended

31.03.2017

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REQUEST:

You may desire to have some clarification or additional information on the accounts for the year ended 31st March, 2017 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

Saturday, 30th September, 2017

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:

State Bank of India

Jodhpur

Auditors:

NAMS & CO

Chartered Accountants

Surat

REGISTERED OFFICE:

205, Rajhans Complex

Ring Road, Surat

Adm. office

1st Floor, C-8 Shastri nagar,

Jodhpur (Raj.) India

Factories

Unit I: E-7, II phase, Boranada

Dist: Jodhpur

Unit II: F-5, II phase, Boranada

Dist: Jodhpur

Registrar & Transfer agent

Universal Capital Securities P Ltd.

21, Shakil Nivas

Mahakali Carve Road, Andheri (E)

Mumbai

NOTICE

Notice is hereby given that the 29th Annual General Meeting of Suncity Synthetics Limited (CIN: L17110GJ1988PLC010397) will be held at Registered office of the company at 205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Ring Road, Surat 395002 on Saturday, 30th September, 2017 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted

2. To appoint a Director in place of Smt. Poonam Suresh Jain (DIN: 01971928), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Smt. Poonam Suresh Jain (DIN: 01971928), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation.

3. To ratify the appointment of statutory auditors and fix their remuneration and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of M/s NAMS & Co., Chartered Accountants, having Firm Registration No. 12088W, be ratified from the conclusion this Annual General meeting till conclusion of Annual General Meeting for the year 2018 at such remuneration plus service tax, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.

SPECIAL BUSINESS

4. To re-appoint Smt. Poonam Suresh Jain (DIN: 01971928) as Whole time director and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of Companies Act, 2013, the members of the Company hereby re-appoint Smt. Poonam Suresh Jain (whose term of appointment as Whole time director expires on 30/09/2017) as Whole time Director with effect from 01/10/2017 for five years at a Remuneration within the limits set out in Part -II of Schedule V of The Companies Act, 2013 and perquisites within the limits set out in section IV of Part- II of Schedule V of The Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of the Whole time Director the Company has no profits or its profits are inadequate, Smt. Poonam Suresh Jain shall be entitled to receive above remuneration including perquisites as minimum remuneration in accordance with the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be applicable from time to time.

RESOLVED FURTHER THAT the terms and conditions of the appointment may be altered and varied from time to time by the Committee approved by the Board as it may in its discretion deem fit within the maximum amount payable to the Whole time Director in accordance with Schedule V to the Companies Act 2013, other relevant provision of the Companies Act, 2013 as may be applicable form time to time.

5. To re-appoint Shri Suresh Dhanraj Kavar jain (DIN: 00337493) as Managing Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of Companies Act, 2013, the members of the Company hereby re-appoint Shri Suresh Dhanraj Kavarjain (whose term of appointment as Managing Director expires on 30/09/2017) as Managing Director with effect from 01/10/2017 for five years at a Remuneration within the limits set out in Part -II of Schedule V of The Companies Act, 2013 and perquisites within the limits set out in section IV of Part- II of Schedule V of The Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of the Managing Director the Company has no profits or its profits are

inadequate, Shri Suresh Dhanraj Kawarjain shall be entitled to receive above remuneration including perquisites as minimum remuneration in accordance with the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be applicable from time to time.

RESOLVED FURTHER THAT the terms and conditions of the appointment may be altered and varied from time to time by the Committee approved by the Board as it may in its discretion deem fit within the maximum amount payable to the Whole time Director in accordance with Schedule V to the Companies Act 2013, other relevant provision of the Companies Act, 2013 as may be applicable form time to time.

By Order of the Board
For Suncity Synthetics Limited

Place: Surat
Date: 30.05.2017

Sd/-
Suresh Dhanraj Kawarjain (DIN: 00337493)
Chairman and Managing Director

Notes:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under item nos. 4 and 5 of the accompanying notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the registered office of the company not later than forty-eight hours before the commencement of the meeting.

3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.
4. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant

board resolution together with the representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.

5. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
6. Relevant documents referred to in the accompanying notice is open for inspection by the members at the Company's registered office on all working days of the Company, during business hours up to the date of the meeting.
7. The Register of Members and Share Transfer Books of the company will be closed from Saturday, 23th September, 2017 to Friday 29th September, 2017, both days inclusive.
8. Members are requested to send all communications relating to shares to the Registrar & Share Transfer Agent of the Company at the following address:

Universal Capital Securities Private Limited

21 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Carve Road,
Andheri (East), Mumbai 400093

If the shares 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).

9. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. **Information and instructions relating to e-voting are as under:**
 - a. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of clause 44 SEBI (LODR) Regulations, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the 29th Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services provided by CDSL. It may be noted that this e-voting facility is optional. In order to facilitate those Members, who do not wish to use the e-voting facility, the company is enclosing a Ballot form, resolution passed by members through e-voting or ballot forms are deemed to have been passed as if they have been passed at Annual General Meeting (AGM). The e-voting facility will be available at the link

<https://www.evotingindia.com> during the following voting period: Commencement of e-voting: From 9.00 a.m. on Tuesday, 26th September, 2017 to 5.00 p.m. on Thursday, 28th September, 2017.

- b. E-voting shall not be allowed beyond 5.00 p.m. on Thursday, 28th September, 2017. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Monday, 25th September, 2017 may cast their vote electronically.
- c. Members can opt for only one mode of voting i.e. either by Ballot Form or e-voting. In case members cast their votes through both modes, voting done by e-voting shall prevail and vote casted through Ballot Form shall be treated as invalid.
- d. In case a member is desirous of obtaining a duplicate Ballot Form, he/she may send an e-mail to suncitysyn@gmail.com by mentioning their Folio No. / DP ID and Client ID No. However the duly completed Ballot Form Should reaches the scrutinizer, Mr. Kunjal Dalal C/o Suncity Synthetics Limited, 205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Ring Road, Surat 395002 not later than Friday, 29th September, 2017 (5.00 p.m.). Ballot Forms received after this date will be treated as invalid.
- e. The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- f. The Company has appointed Mr. Kunjal Dalal, Proprietor K. Dalal & Co., Practicing Company Secretaries, as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, 26th September, 2017 at 09.00 a.m. and ends on Thursday, 28th September, 2017, at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 25th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

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

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Suncity Synthetics Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board
For Suncity Synthetics Limited

Place: Surat
Date: 30.05.2017

Sd/-
Suresh Dhanraj Kwarjain (DIN: 00337493)
Chairman and Managing Director

Explanatory Statement pursuant to section 102(1) of The Companies Act, 2013:-

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business at Item Nos. 4 and 5 of the accompanying notice dated 30th May, 2017.

For Item No. 4

Item no. 4 deals with re-appointment of Smt. Poonam Suresh Jain as Whole-time Director of the Company.

The remuneration and perquisites payable to her shall be within limits set out under provision of section 196, 197 and Schedule V of The Companies Act, 2013.

The board of directors recommends the Resolutions set out in Item No. 4 of the accompanying notice for approval by the members.

None of the Directors or Key Managerial Personnel and their relatives except the appointee director, is in any way concerned or interested in the Resolution.

For Item No. 5

Item no. 4 deals with re-appointment of Shri Suresh Dhanraj Kwarjain as Managing Director of the Company.

The remuneration and perquisites payable to her shall be within limits set out under provision of section 196, 197 and Schedule V of The Companies Act, 2013.

The board of directors recommends the Resolutions set out in Item No. 5 of the accompanying notice for approval by the members.

None of the Directors or Key Managerial Personnel and their relatives except the appointee director, is in any way concerned or interested in the Resolution.

Information in respect of appointment / re-appointment of directors at Annual General Meeting Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015		
Name of director	Smt. Poonam Suresh Jain	Shri Suresh Dhanraj Kawarjain
Age	49 Years	53 Years
Qualifications	B.S.C	Chartered Accountant
Experience	9 year	28 Years
Nature of Expertise	Management	Management
Inter-se Relationship	Smt. Poonam Suresh Jain is the wife of Mr. Suresh Dhanraj Kawarjain Managing director of the Company.	Shri Suresh Dhanraj Kawarjain is the husband of Smt. Poonam Jain, the Whole-time director of the Company.
Name of the listed entity in which person holds directorship and membership of committee of board	Nil	Nil
Shareholding of non-executive directors	Not applicable since the appointee is executive director.	Not applicable since the appointee is executive director.

Place: Surat
Date: 30.05.2017

By Order of the Board
For Suncity Synthetics Limited

Sd/-
Suresh Dhanraj Kawarjain
(DIN: 00337493)
Chairman and Managing Director

BOARD OF DIRECTOR'S REPORT

To
The Members,
Suncity Synthetics Limited

Your directors present Annual report on the business and operations of the company to gather with Audited Statement of Accounts of the company for the year ending 31st March 2017.

The particulars pursuant to sub section 3 of section 134 of the companies act, 2013 are given below.

a) The extract of annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013:

The extract of Annual return is in format MGT-9 for the financial year ended 31/03/2017 is enclosed at "Annexure A" of this report.

b) Number of meetings of the Board:

During the year 2016-17, 4 meetings of Board of Directors were held on 30.05.2016, 05.08.2016, 09.11.2016, 08.02.2017.

c) Director's Responsibility Statements:

The director's state that:

- i) In the preparation of annual accounts for the financial year ended 31st March 2017, 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 as at 31st March and of the profit/loss of the company for that period;
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The director had prepared the annual accounts on a going concern basis;
- v) The director had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The director had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ca) Details of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the central government.

Auditor has not reported any fraud under sub-section (12) of section 143 of The Companies Act, 2013.

d) A Statement on Declaration given by Independent Directors under sub-section (6) of section 149.

The independent Directors have submitted declaration pursuant to Section 149(7) confirming that he meets the criteria of independence pursuant to section 149(6). The statement has been noted by Board of Directors.

e) If Company covered under sub-section (1) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and other matter provided under sub-section (3) of section 178.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of director and key managerial personal and their remuneration. The policy is disclosed at "Annexure B" in pursuance of provision to section 178(3) of the companies Act 2013.

The Company does not pay any remuneration to the Non-Executive/Independent Directors of the company other than sitting fees for attending the meeting of the Board/Committee. Remuneration to the Whole Time Director/Managing Director is governed by the relevant provisions of the Companies Act, 2013.

f) Explanations or comments by the board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report / by the company secretary in practice in his secretarial audit report.

The statutory auditors have not made any qualifications, reservations or adverse remarks or disclaimer in the report and no explanation or comments by the board is required.

The Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013 in prescribed Form MR-3 is attached to as "Annexure C" to this report. The Company has taken note of Qualification, Reservation etc in the Said report and shall make arrangement for necessary compliance in future.

g) Particulars of loans, guarantees or investments under section 186 of Companies act, 2013

Company has not during the year under review (a) given any loan to any person or other body corporate (b) Given any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) Acquired

by way of subscription, purchase or otherwise, the securities of any other body corporate, Exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more and hence the particulars are not required to be included in this report.

h) Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form (Form AOC-2)

The company has entered into transactions referred to in section 188(1) of The Companies Act, 2013 with related party and as such particulars in form AOC-2 are attached to this report.

FORM AOC-2

Material related party Transactions

- I. Details of contract or arrangements or transactions not at arm's length basis:
There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2017 which were not at arm's length basis
- II. Details of material contracts or arrangements or transactions at arm's length basis:
The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2017 are as follows.

Sr. No.	Name of the Related Party & Relationship	Nature of Transaction	Duration	Salient Terms	Amount
01	Suresh Kavar Jain-Director	Director's Remuneration	Ongoing	On arm's length basis in ordinary course of business	6,00,000/-
02	Poonam Suresh Jain-Director	Director's Remuneration			6,00,000/-

i) The state of Company's affairs

There is no Material change in the state of affairs of the company particularly nature of business being carried out.

The income of the company has increased from Rs. 3332.96 Lacs in the year 2015-16 to Rs. 3777.85 Lacs in the year 2016-17. The Company had a loss of Rs. 117.97 Lacs in the year 2015-16 and in the year 2016-17 company earned a nominal profit of Rs. 13.27 Lacs.

The Company has not issued any share capital or Debentures during the year. There is no change in the status of the company or the accounting year.

j) The amount, if any, which it proposes to carry to any reserves

The Directors to carry 13.27 lac amounts to reserves.

k) The amount, if any, which it recommends should be paid by way of dividend

The Directors do not recommend any amount to be paid by way of dividend.

l) Material Changes and commitments, if any, Affecting the Financial Position of the Company which have occurred between the Ends of the financial year of the company to which the financial statements relate and the date of the report.

There are no material changes and/or commitments affecting financial position of the Company occurred after end of financial year till date of this report.

m) The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in such manner as may be prescribed.

Information and details pursuant to Rule 8(3) of the companies (Accounts) Rules, 2014 with respect to above is given below.

(A) CONSERVATION OF ENERGY-

- i) The steps taken or impact on conservation of energy: NIL
- ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- iii) The capital investment on energy conservation equipments: NIL

A. Power and fuel consumption	2016-17	2015-16
(a) Electricity Purchased Units (KWH)	4503532	3899240
Total amount (Rs. in lacs)	3477.97	2986.52
Rate/Unit (Rs.)	7.72	7.66
Own Generation		
Units (KWH)	50760	9261
Units per liter of diesel oil	3.70	3.90
Rate/Unit (Rs.)	16.00	18.60

(B) TECHNOLOGY ABSORPTION-

- i) The efforts made towards technology absorption: Not Applicable
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a. The details of technology imported : Not Applicable
 - b. The year of import: Not Applicable
 - c. Whether the technology been fully absorbed: Not Applicable
 - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable and
- iv) The expenditure incurred on Research and Development: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

Foreign Exchange earned (actual inflows during the year): NIL

Foreign Exchange outgo (actual outflows): NIL

- n) **A statement including development and implementation of a Risk Management Policy for the company including identification therein of elements of risk, if any, which in the opinion of the board may threaten the existence of the company;**

The Directors do not foresee any risk that may threaten the existence of the company in normal course. The Directors proposes to develop and implement specific Risk Management Policy on identification of any risk.

- o) **The details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;**

Since the net worth of the company is below Five Hundred crores, Turnover of the company is below one thousand crores, Net Profit of the company is below five crores. The provision of Section 135 of The Companies Act, 2013 is not applicable to the company and hence the company is not required undertake any corporate Social Responsibility (CSR) initiatives.

- p) **In case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors:**

Pursuant to provision of the Companies Act, 2013 the board has carried out the annual performance evaluation of its own performance as well as the evaluation of the Audit Committee and Nomination & Remuneration Committee.

The chairman of Board of directors and the chairman of Nomination & remuneration Committee met all the directors individually to get an overview of the functioning of the board and its constituents inter alia on the following board criteria i.e. attendance and level of participation, independence of judgment exercised by independent directors, interpersonal relationship etc.

Based on the valuable inputs received, the directors are encouraged for effective role in company's management.

q) Such other matters as may be prescribed.

(Pursuant to rule 8(5) of The Companies (Accounts) Rules, 2014)

i) The Financial summary or highlights

The summary of financial Results (standalone) for the year under review is as under:-

Particulars	As on 31/03/2017	As on 31/03/2016
Turnover and other income	377785580.00	333296285.00
Gross profit/Loss (-) before Financial Charges & depreciation	37154561.00	20445212.00
Interest and Financial Charges	16930985.00	17671088.00
Profit/Loss(-) before depreciation	20223576.00	2774124.00
Depreciation	19657436.00	19758778.00
Profit /Loss(-) After Tax for the year	1327722.00	(11797067.00)

ii) The Change in the nature of business, if any:

There is no Material change in nature of business of the company.

iii) The Details of Directors or key managerial personnel who were appointed or have resigned during the year:

There is no change in Directors and Key Managerial personnel during the year.

iv) The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year;

No company has become or ceases to be subsidiary, joint venture or associate company.

v) The details relating to deposits, covered under Chapter V of the Act,-

(a) Accepted during the year: NIL

- (b) Remained unpaid or unclaimed as at the end of the year: NIL
- (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
- (i) At the beginning of the year: Not Applicable
 - (ii) Maximum during the year: Not Applicable
 - (iii) At the end of the year: Not Applicable

vi) **The details of deposits which are not in compliance with the requirements of Chapter V of the Act: NIL**

vii) **The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: NIL**

viii) **The details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on continuous basis covering all major operation. During the year no Reportable Material weakness in the operation was observed.

Disclosures under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.		
Sr. No.	Requirement under Rule 5(1)	Details
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	2.54 %
(ii)	The percentage increase in remuneration of each director, chief financial officer, Chief Executive officer, company secretary or manager in the financial year.	Nil
(iii)	The percentage increase in the median remuneration of employees in the financial year	3.02%
(iv)	Number of permanent employees on the rolls of the company as on 31 st March, 2017.	90
(v)	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	NIL
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	The company affirms remuneration is as per the remuneration policy of the company.

No Employee of the company has been paid Remuneration in excess of limits laid down in rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence statement showing details thereof is not applicable.

Audit Committee:

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. The Audit committee comprises of 3 directors namely Shri Deepak Sharma, Smt. Rachana Jain and Mr. Suresh Kavar Jain. Shri Deepak Sharma is the Chairman of the Audit Committee. During the year there was no instance where the board had not accepted the Recommendation of Audit Committee.

Vigil Mechanism/Whistle Blower Policy

Pursuant to section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014, the Board of Director has adopted vigil mechanism in the form of Whistle Blower Policy through which, its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

It is the Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The said policy provides for adequate safeguards against victimization and also direct access to the higher levels of supervisors.

Shri Deepak Sharma, the Chairman of the Audit Committee can be contacted to report any suspected/confirmed incident of fraud/misconduct on:

Email: suncitysyn@gmail.com

Contact no.: 099833-29877

Your Company hereby affirms that no director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Board of Directors place on records the services of all stakeholders and associates who have co-operated in the working of the Company

By Order of the Board
For Suncity Synthetics Limited

Place: Surat
Date: 30.05.2017

Sd/-
Suresh Dhanraj Kavarjain (DIN: 00337493)
Chairman and Managing Director

INDEPENDENT AUDITOR 'S 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, 2017, the Statement of Profit and Loss, 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.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure 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 the 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,

- (i) In so far it relates to the Balance Sheet, of the state of affairs of the Company as at March 31, 2017, and
- (ii) In so far it relates to the Profit and Loss, of the profit for the year ended on that date;
- (iii) In so far it relates to the Statement of Cash Flow, of the cash flow for the year ended on March 31, 2017;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (order dated 29.03.2016), issued by the Central Government of India in terms of section 143 (11) of the Companies Act, 2013 (hereinafter referred to as 'order'), and on the basis of test check as we considered appropriate and according to information and explanation provided to us, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. 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.

- e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact its financial position of the company.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company had provided requisite disclosure in its financial statements as to holding as well as dealing in "Specified Bank Notes" during the period from 8th November, 2016 to 30th December, 2016 and on the basis on information produced before us and to the best of our knowledge and belief same are in accordance with the books of accounts maintained by the company.

For and on Behalf of
N A M S & Co.
Chartered Accountants
FRN: 120880W

Date: 30/05/2017
Place: Surat

CA. Sumit Khetan
Partner
Mem No.: 061911

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

1)

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.

2)

- (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

3) The Company has granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act, details of the same are as follows: -

S. No.	Particulars	Total Loan given during the Year	Repayment received during the year	Outstanding balance as on 31.03.2017
1.	Ramesh kawad	6,000/-	4,18,000/-	NIL

- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)
- (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Provision related to the managerial remuneration under section 197 read with Schedule V to the Companies Act, has been complied by the Company.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards. Provisions of section 177 of the Act are complied by the company.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For and on Behalf of
N A M S & Co.
Chartered Accountants
FRN: 120880W**

**Date: 30/05/2017
Place: Surat**

**CA. Sumit Khetan
Partner
Mem No.: 061911**

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of SUNCITY SYNTHETICS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SUNCITY SYNTHETICS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting".

**For and on Behalf of
N A M S & Co.
Chartered Accountants
FRN: 120880W**

**Date: 30/05/2017
Place: Surat**

**CA. Sumit Khetan
Partner
Mem No.: 061911**

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

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

Balance Sheet As on 31st March, 2017

Particulars	Note	(Amount in ₹)	
		As At	31st March, 2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	49,458,000	49,458,000
(b) Reserves and Surplus	2	28,768,196	27,454,906
		78,226,196	76,912,906
(2) Share Application Money Pending Allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	37,176,471	50,409,300
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
		37,176,471	50,409,300
(4) Current Liabilities			
(a) Short-Term Borrowings	4	96,204,206	86,381,527
(b) Trade Payables	5	17,594,237	9,965,533
(c) Other Current Liabilities	6	27,115,233	23,403,050
(d) Short-Term Provisions	7	1,511,740	1,434,691
		142,425,416	121,184,801
TOTAL		257,828,082	248,507,007
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed assets			
(i) Tangible Assets	8	127,115,188	141,397,408
(ii) Intangible Assets		-	-
(iii) Capital Work-In Progress		-	-
(iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments	9	250,000	950,000
(c) Deferred Tax Assets (Net)	10	2,501,917	1,632,413
(d) Long Term Loans and Advances	11	3,017,315	3,179,305
(e) Other Non-Current Assets		-	-
		132,884,420	147,159,126
(2) Current assets			
(a) Current Investments		-	-
(b) Inventories	12	90,891,269	62,975,479
(c) Trade Receivables	13	21,043,746	22,509,489
(d) Cash and Cash Equivalents	14	1,281,971	2,381,559
(e) Short-Term Loans and Advances	15	3,367,094	5,059,809
(f) Other Current Assets	16	8,359,582	8,421,545
		124,943,662	101,347,851
TOTAL		257,828,082	248,507,007

See accompanying notes to the financial statements. 1 to 27

For N A M S & CO.
Chartered Accountants,
(Firm Reg. No. : 120880W)

For And On Behalf Of The Board

CA Sumit Khetan
Partner
Mem. No.: 061911

Managing Director
Suresh Jain
DIN: 00337493

Whole Time Director
Poonam Jain
DIN: 01971928

Place: Surat
Date: 30/05/2017

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

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

Statement of profit and loss for the year ended 31st March, 2017

Particulars	Note	For the year ended 2016-17	For the year ended 2015-16
(Amount in ₹)			
INCOME			
Revenue From Operations	17	387,856,677	342,843,583
Less: Excise Duty		(10,562,390)	(10,135,369)
Other Income	18	491,293	588,071
TOTAL REVENUE		<u>377,785,580</u>	<u>333,296,285</u>
EXPENSES			
Cost of Materials Consumed	19	253,361,086	231,536,365
Purchase of Stock-in-Trade			
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	20	(11,139,584)	(10,551,848)
Employment Benefit Expenses	21	23,667,333	22,988,696
Financial Costs	22	16,930,985	17,671,088
Depreciation and Amortization Expenses	23	19,657,436	19,758,778
Other Expenses	24	71,762,184	68,877,660
TOTAL EXPENSES		<u>377,219,440</u>	<u>350,280,939</u>
Profit Before Exceptional and Extraordinary Items and Tax		566,140	(16,984,654)
Exceptional Items			
Profit Before Extraordinary Items and Tax		566,140	(16,984,654)
Extraordinary Items			
Profit Before Tax		566,140	(16,984,654)
Tax Expense :			
(1) Current Tax		(107,922)	-
(2) Deferred Tax		869,504	(5,187,387)
Profit for the Year		<u>1,327,722</u>	<u>(11,797,067)</u>
Profit/(Loss) From Discontinuing Operations			
Tax Expense of Discounting Operations			
Profit/(Loss) From Discounting Operations			
Profit/(Loss) For The Period		<u>1,327,722</u>	<u>(11,797,067)</u>
Earning Per Equity Share:	25		
(1) Basic		0.27	(2.39)
(2) Diluted		0.27	(2.39)
Balance Brought Forward from Previous Year		15,230,406	27,026,432
Add/(Less): Prior Period Items			
Income Tax			1,041
Balance Transferred to Balance Sheet		<u>16,558,128</u>	<u>15,230,406</u>

See accompanying notes to the financial statements: 1 to 27

For N A M S & CO.
Chartered Accountants,
(Firm Reg. No. : 120880W)

For And On Behalf Of The Board

CA Sumit Khetan
Partner
Mem. No.: 061911

Managing Director
Suresh Jain
DIN: 00337493

Whole Time Director
Poonam Jain
DIN: 01971928

Place: Surat
Date: 30/05/2017

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

(Amount in `)

A. CASH FLOW FROM OPERATING ACTIVITIES:

Net Profit Before Tax and Extraordinary Items		566,140
Add:		
Preliminary expenses	1,451,972	
Depreciation	18,205,464	
Income Tax adjustment of previous Years	(14,433)	
Financial Cost	16,930,985	36,573,988
		<u>37,140,128</u>
Less: Other Income (Consider Separately)		(491,293)
Cash from Operation	Total - A	<u>36,648,835</u>
Less: Adjustment for Working Capital Changes		
Add/(less):		
Increase in Other current Liabilities	4,256,528	
Increase in Trade Payable	7,628,704	
Increase in short term provision	77,049	
Decrease in Trade Receivables	1,465,743	
Decrease in Other financial Liabilities	(544,345)	
Increase in Other Financial Assets	(27,355)	
Increase in Inventories	(27,915,790)	
Increase in other Current Assets	(1,390,009)	(16,449,475)
	Total - B	<u>(16,449,475)</u>
Cash Generated from Operations after Working Capital Changes (A + B)	(C)	20,199,360
Less: Income Tax Paid		(107,922)
Net Cash Flow from Operating Activities	(D)	<u>20,091,438</u>

B. Cash Flow from Investing Activities

Add:		
Interest Received	491,293	
Decrease in long term Loans and Advances	161,990	
Decrease In Investment	700,000	
Realisation of Short Term Loans and Advances	1,692,715	3,045,998

SUNCITY SYNTHETICS LIMITED

CIN:L17110GJ1988PLC010397

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

Less:			
Purchase of Fixed Assets		<u>(3,923,244)</u>	<u>(3,923,244)</u>
Net Cash Flow from Investing Activities	(E)		<u><u>(877,246)</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, 2017

C. Cash Flow from Financing Activities

Add: Increase in Working Capital Facilitates	9,822,679	
Less: Decrease in long term borrowings	(13,232,829)	
Less: Finance Cost	(16,930,985)	(20,341,135)
CA Net Cash Flow from Financing Activities	(F)	<u>(20,341,135)</u>
Net Changes in Cash & Cash Equivalents (D+E+F)		(1,126,943)
Opening Balance of Cash & Cash Equivalents		2,051,755
Closing Balance of Cash & Cash Equivalents		924,812
CA Sumit Khetan		

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of SUNCITY SYNTHETICS LTD. for the period ended 31st March, 2017. 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, 2017 to the members of the Company.

As per our report of even date attached.

for N A M S & CO.
Chartered Accountants.
(Firm Reg. No. : 120880W)

For And On Behalf Of The Board

CA Sumit Khetan
Partner
Mem. No.: 061911

Managing Director
Suresh Jain
DIN: 00337493

Whole Time Director
Poonam Jain
DIN: 01971928

Place: Surat
Date: 30/05/2017

Notes on Financial Statements for the Period ended 31st March, 2017

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

		(Amount in `)	
1 Share Capital :		As At	
		31st March, 2016	
Authorised Share Capital			
	70,00,000 Equity Shares of ` 10/- (Each)	70,000,000	70,000,000
	<i>(Previous Year 70,00,000 Equity Shares of ` 10/- Each.)</i>		
		<u>70,000,000</u>	<u>70,000,000</u>
Issued, Subscribed & Paid-up Share Capital			
	49,45,800 Equity share of ` 10/- Each fully paid.	49,458,000	49,458,000
	<i>(Previous Year 49,45,800 Equity Shares of ` 10/- Each Fully paid)</i>		
		<u>49,458,000</u>	<u>49,458,000</u>

- 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, 2016			
			No. of Shares	% held
Poonam Suresh Kavar	674,450	13.64	674,450	13.64
Suresh Dhanraj Kavarjain (HUF)	621,846	12.57	621,846	12.57
Twinkle Jain	674,036	13.63	674,036	13.63

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

Name of Share Holders	Equity Shares	
	As At	
	31st March, 2016	
		No. of Shares
Shares at the beginning of the year	4,945,800	4,945,800
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	<u>4,945,800</u>	<u>4,945,800</u>

Notes on Financial Statements for the Period ended 31st March, 2017

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

		As At			
		31st March, 2016			
2	Reserves & Surplus :				
	Shares Forfeiture Reserve	8,237,500	8,237,500		
	Cash Subsidy	3,987,000	3,987,000		
	Profit & Loss A/c.				
	As per Last Balance sheet	15,230,406	27,026,432		
	Add: Profit for the Year	1,327,722	(11,797,067)		
	Less: Income Tax Adjustments for earlier years	(14,433)	1,041		
		16,543,696	15,230,406		
		28,768,196	27,454,906		
CA Sumit Khotan					
3	Long Term Borrowings :				
			As At		
			31st March, 2016		
		Non Current	Current	Non Current	Current
	Secured				
	State Bank of Bikaner and Jaipur TL-1 <i>(carrying interest @ 2.00% above Base Rate i.e. 11.35% p.a)</i>	11,732,671	7,692,000	19,232,461	7,692,000
	State Bank of Bikaner & Jaipur-TL-III <i>(carrying interest @ 2.00% above Base Rate i.e. 11.35% p.a)</i>	4,349,325	3,330,000	7,592,579	3,330,000
	State Bank of Bikaner & Jaipur-TL-IV <i>(carrying interest @ 2.00% above Base Rate i.e. 11.35% p.a)</i>	6,908,662	2,916,000	9,655,669	2,916,000
	Lease Finance				
	Volkswagen Finance (AUDI) <i>(carrying interest @ 10.75% per annum)</i>	694,948	492,783	1,187,740	442,770
	Sundram Finance (Mini Truck) <i>(carrying Flat interest @ 6.03% per annum)</i>	16,575	64,865	64,865	285,048
	State Bank of Bikaner & Jaipur-Car Loan	311,893	123,372	-	-
	(b) Unsecured Loans				
	From Directors	123,360	-	961,740	-
	From Related Parties	13,039,037	-	11,372,597	-
	From Others	-	-	341,649	-
		37,176,471	14,619,020	50,409,300	14,665,818

Notes on Financial Statements for the Period ended 31st March, 2017

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 and Jaipur TL-1	7,692,000	4,040,671	-	-
State Bank of Bikaner & Jaipur-TL-III	3,330,000	1,019,325	-	-
State Bank of Bikaner & Jaipur-TL-IV	2,916,000	2,916,000	1,076,662	-
State Bank of Bikaner & Jaipur-Car Loan	123,372	123,372	65,149	-
Lease finance				
Volkswagen Finance (AUDI)	548,445	146,503	-	-
Sundram Finance (Mini Truck)	16,575	-	-	-
Unsecured:				
Loans From Directors	-	-	-	123,360
Loans From Related Parties	-	-	-	13,039,037
Other Unsecured Loans	-	-	-	-

4 Short Term Borrowings :

As At
31st March, 2016**Secured**

(i) From banks

Secured (State bank of Bikaner & Jaipur)
(at 1.55% above Base Rate)

83,673,405

83,775,148

Standline Credit facility
(at 2.55% above Base Rate)

12,530,801

2,606,379.00

96,204,20686,381,527

4.1 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]

5 Trades Payable :

As At
31st March, 2016**Outstanding for more than One Year**

a) Unsecured, Considered Good :

597,802

302,911

Others

a) Unsecured, Considered Good :

16,996,435

9,662,622

17,594,2379,965,533

Notes on Financial Statements for the Period ended 31st March, 2017

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

6 Other Current Liabilities :		As At 31st March, 2016
Maturity to Long Term Debt	14,061,372	13,938,000
Maturity to Lease Finance	557,648	727,818
Interest accrued on Term loans	-	497,547
Statutory Dues	253,781	156,285
Creditors For Expenses	12,242,432	8,083,400
	<u>27,115,233</u>	<u>23,403,050</u>
7 Short Term Provisions :		As At 31st March, 2016
Provision From Employees Benefit		
Provision for Salary	1,339,671	1,415,965
Provision for Esic and PF	117,320	18,726
Provision For Income Tax	107,922	-
Less: TDS Receivable	(37,048)	-
Less: TCS Receivable	(16,125)	-
	<u>1,511,740</u>	<u>1,434,691</u>
9 Non Current Investment :		As At 31st March, 2016
Investment in Equity Instrument	240,000	940,000
Investment in Government or Trust Securities	10,000	10,000
	<u>250,000</u>	<u>950,000</u>

9.1 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>	-	700,000
Gujarat State Financial Corporation <i>(30,00 Equity Shares (Previous Year - 30,00) of ₹ 10/- each)</i>	30,000	30,000
Moti Finance Limited <i>(21,000 Equity Shares (Previous Year - 21,000) of ₹ 10/- each)</i>	210,000	210,000
Total	<u>240,000</u>	<u>940,000</u>

Notes on Financial Statements for the Period ended 31st March, 2017

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

10 Deferred Tax Assets (Net):				
Deferred Tax Liability				
Related to Fixed Assets	(6,414,016)		(7,592,175)	
Deferred Tax Assets				
on account of disallowances under section 43B	2,500		2500	
Related to Disallowances as per Income Tax Act.	8,913,433	2,501,917	9,222,088	1,632,413
		<u>2,501,917</u>		<u>1,632,413</u>
11 Long Term Loans and Advances :			As At	
			31st March, 2016	
Security Deposit :				
a) Unsecured, Considered Good :		3,017,315		3,030,188
(b) Other loans		-		-
(i) Unsecured considered good				
TDS Receivable	-		63,766	
TCS Receivable	-		85,351	
Less: Provision for Tax	-	-	-	149,117
		<u>3,017,315</u>		<u>3,179,305</u>
12 Inventories :			As At	
<i>(as taken, valued and certified by the management)</i>			31st March, 2016	
Raw Material		58,850,344		42,402,578
Finished Goods		30,219,270		18,887,186
Stores, Spares and Packing Materials		1,821,655		1,513,215
Other (Wastage)		-		172,500
		<u>90,891,269</u>		<u>62,975,479</u>
13 Trade Receivables :			As At	
			31st March, 2016	
Outstanding for more than six months				
a) Unsecured, Considered Good :		809,533		3,798,380
Others				
a) Secured, Considered Good :		20,234,213		18,711,109
		<u>21,043,746</u>		<u>22,509,489</u>

Notes on Financial Statements for the Period ended 31st March, 2017

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

14 Cash and Cash Equivalent :			As At 31st March, 2016	
(A) Cash-in-Hand <i>(as certified by the management)</i>	883,808		2,019,067	
		883,808		2,019,067
(B) Bank Balance				
Indusind Bank Ltd.	6,744		-	
UCO Bank	6,989		19,520	
State Bank of Bikaner & Jaipur	27,271		13,168	
		41,004		32,688
(C) Fixed Deposits				
State Bank of Bikaner & Jaipur		357,159		329,804
		<u>1,281,971</u>		<u>2,381,559</u>
15 Short Terms Loans and Advances :			As At 31st March, 2016	
Others				
Advance to Suppliers	2,511,276		3,834,183	
Other Loans and Advances <i>(including interest, if any)</i>	855,818		1,225,626	
		3,367,094		5,059,809
		<u>3,367,094</u>		<u>5,059,809</u>
16 Other Current Assets :			As At 31st March, 2016	
Duties & Taxes Receivable		6,302,585		4,512,241
Pre-paid Expenses		72,523		96,747
Interest rebate Receivables		-		908,611
SBBJLC margin		532,500		-
Pre-operative Expenses	2,903,946		4,355,918	
Less: Written Off	(1,451,972)	1,451,974	(1,451,972)	2,903,946
		<u>8,359,582</u>		<u>8,421,545</u>

Suncity Synthetics Limited
COMPUTATION OF DEPRECIATION FROM 01-04-2016 TO 31-03-2017

PARTICULARS	VALUAS	GROSS BLOCK			DEPRECIATION			CUMULATIVE YEAR WISE	PREVIOUS YEAR WISE	
		OPENING BLOCK	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	CLOSING BLOCK	OPENING DEPRECIATION	DEPRECIATION DURING THE YEAR			CLOSING DEPRECIATION
BUILDING		33,455,238	-	-	33,455,238	5,898,212	395,679	5,498,491	25,956,747	27,555,476
Building	6,577,590	-	-	-	6,577,590	1,201,408	221,134	1,402,609	1,274,931	3,469,165
Building (Freehold)	22,287,443	-	-	-	22,287,443	1,695,657	722,792	2,418,449	16,508,822	20,113,661
Building for U.V. & ETR Plant	1,091,565	-	-	-	1,091,565	461,360	125,872	3,373,410	3,489,285	3,489,285
Office at Sural	500,000	-	-	-	500,000	155,875	15,512	15,512	315,413	331,125
MOVING	446,831	-	-	-	446,831	407,665	48,310	453,775	20,578	38,029
Carriage	446,831	-	-	-	446,831	407,665	0,110	445,773	20,578	37,029
PLANT AND MACHINERY	185,467,775	5,275,198	-	-	190,742,973	81,276,510	16,083,400	97,555,515	65,928,411	67,285,008
Plant & Machinery	53,330,473	-	-	-	53,330,473	44,058,407	454,315	48,832,719	3,087,754	4,382,079
Plant & Machinery (Freehold)	33,247,776	-	-	-	33,247,776	11,098,144	4,375,513	46,345,617	16,124,101	20,469,014
Plant and Machinery (Lease Unit)	77,781,238	2,753,890	-	-	80,535,128	11,214,379	3,152,275	11,152,275	48,293,501	56,466,988
Salv. Drps	1,002,865	-	-	-	1,002,865	1,002,865	-	1,002,865	-	-
ELECTRICAL INSTALLATIONS AND EQUIPMENTS	14,319,342	-	-	-	14,319,342	3,083,489	1,053,540	4,037,240	5,735,651	20,270,159
Electrification	13,540,784	-	-	-	13,540,784	3,028,075	1,050,000	4,119,113	6,706,051	9,732,111
Lab. Equipment	573,558	-	-	-	573,558	85,414	175,425	243,107	410,653	499,135
OFFICE EQUIPMENTS	1,235,443	-	-	-	1,235,443	856,020	147,547	960,350	247,098	365,607
Air Condition	111,025	-	-	-	111,025	4,915	21,226	30,431	30,431	122,490
Office Equipments	1,211,709	-	-	-	1,121,768	851,233	76,886	935,929	165,651	262,517
MOTOR VEHICLES	22,096,547	-	-	-	22,096,547	2,075,908	846,516	6,207,574	4,207,015	4,553,039
Motor Vehicle	2,809,543	-	-	-	2,809,543	766,281	319,813	1,809,124	1,808,517	2,120,450
Motor Vehicle (Freehold)	47,140	-	-	-	47,140	1,103,000	131,215	389,581	743,489	870,715
Motor Vehicle (Lease)	1,105,000	-	-	-	1,105,000	271,083	-	389,581	743,489	870,715
Motor Vehicle (Lease)	7,841,764	-	-	-	7,841,764	6,381,768	281,018	6,743,216	1,293,140	1,409,100
Motor Vehicle (Lease)	153,000	-	-	-	153,000	146,110	-	146,110	7,650	7,650
GRAND TOTAL	227,969,593	5,275,198	-	-	233,244,791	161,924,521	18,203,966	120,300,555	109,418,125	124,094,483
Goodwill	17,342,556	-	-	-	17,342,556	-	-	-	17,342,556	17,342,556
Grand Total	245,312,149	5,275,198	-	-	250,587,347	191,514,931	18,203,966	120,300,555	126,760,681	141,437,039

Notes on Financial Statements for the Year ended 31 March, 2017

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

17	Revenue From Operations :	2015-16	
	Sales of Products		
	Sales-Nylon Granules (JDR)	32,629,957	34,008,065
	Sales (Nylon Staple Fibre)	712,657	472,267
	Sales (Polyester Fabric)	435,445	
	Sales-PSF (JDR)	348,194,737	313,044,989
	Sales-Nylon Waste (JDR)	752,709	702,470
	Sales (Surat)	6,100,821	
	Sales Waste (PSF)	1,551,158	718,350
	Less:-		
	Sales Return and discount	(2,605,513)	(6,421,155)
		<u>387,291,961</u>	<u>342,024,986</u>
	Other operating revenues		
	Interest Received On Late Payment	404,871	152,214
	Freight & Forwarding	159,845	401,850
	VAT Refund	554,716	264,533
		<u>554,716</u>	<u>818,597</u>
		<u><u>387,856,677</u></u>	<u><u>342,843,583</u></u>
18	Other Income :	2015-16	
	Interest income:		
	Interest Received on Fixed Deposit	27,387	28,679
	Interest Received on Loan	275,945	171,660
	Interest On Security Deposit	158,064	170,739
	Interest in IT Refund	5,201	266,993
	Misc Receipts	21,696	-
		<u>491,293</u>	<u>588,071</u>
		<u><u>491,293</u></u>	<u><u>588,071</u></u>
19	Cost of Raw material Consumed	2015-16	
	Raw Material Consumed		
	Purchase Nylon & Nylon Waste		
	Opening Stock	11,348,850	13,781,175
	Add: Purchases	22,539,306	28,628,502
	Less: Closing Stock	(9,606,900)	(11,348,850)
		<u>24,281,256</u>	<u>31,060,827</u>
	Purchase (NSF)		
	Opening Stock	3,790,368	1,675,000
	Add: Purchases	938,878	2,180,621
	Less: Closing Stock	(3,047,184)	(3,790,368)
		<u>1,682,060</u>	<u>65,253</u>
	Purchase Pet & Pet Waste		
	Opening Stock	27,263,360	23,066,325
	Add: Purchases	246,330,670	207,989,656
	Less: Closing Stock	(46,176,260)	(27,263,360)
		<u>227,397,770</u>	<u>203,792,621</u>
	Less: Purchase returns and discount		(3,382,136)
		<u><u>253,361,086</u></u>	<u><u>231,536,565</u></u>

Notes on Financial Statements for the Year ended 31 March, 2017

20	Changes in inventories			2015-16	
	Stock of Nylon granules				
	Opening Balance	1,062,500		2,207,500	
	Closing Balance	(2,400,000)	(1,337,500)	(1,062,500)	1,145,000
	Stock of Fiber				
	Opening Balance	17,824,686		6,143,288	
	Closing Balance	(27,819,270)	(9,994,584)	(17,824,686)	(11,681,398)
	Stock of Lump wastage				
	Opening Balance	172,500		157,050	
	Closing Balance		172,500	(172,500)	(15,450)
			(11,159,584)		(10,551,848)
21	Employment Benefit Expenses :			2015-16	
	Director's Remuneration		1,200,000		1,200,000
	Provident Fund		292,222		210,979
	Salary & Wages Expenses		21,859,556		21,343,392
	Staff Welfare Expenses		180,871		186,100
	ESIC Expenses		70,184		48,225
	Labour welfare expenses		64,500		
			23,667,333		22,988,696
22	Financial Cost :			2015-16	
	Bank Charges & Commission		391,461		393,452
	Loan Processing Charges		468,572		396,700
	Interest on car & auto loan		223,980		250,945
	Bank interest		15,379,117		15,952,623
	Interest on Unsecured Loan		467,855		677,368
			16,930,985		17,671,088
23	Depreciation & Amortised Cost :			2015-16	
	Depreciation		18,205,464		18,306,806
	Pre-operative expenses amortization		1,451,972		1,451,972
			19,657,436		19,758,778
24	Other Expenses :			2015-16	
	<u>Manufacturing Expenses</u>				
	<u>Consumables, Stores and Spares:</u>				
	Opening Stock	1,513,215		1,218,355	
	Add: Purchases	17,769,386		17,117,164	
	Less: - Closing Stock	(1,821,655)		(1,513,215)	
			17,480,946		16,822,304

Notes on Financial Statements for the Year ended 31 March, 2017

<u>Direct Expenses:-</u>			
Laboratory Exp	194,703		187,333
Freight Inward Expenses	3,932,020		5,964,011
Custom & Port Charges			385,568
Excise Duty	53,711		-
Power & Fuel Charges	34,901,861		31,433,491
Repair & Maintenance Charges	10,774,198		8,578,827
Water Expenses	552,505		416,213
		50,318,998	46,965,443
Total of Direct Exp		67,799,944	63,787,747
<u>Indirect Expenses</u>			
Advertisement Expenses	58,460		33,684
Auditors Remuneration	51,750		51,525
Conveyance, Travel & Vehicle Expenses	515,037		204,468
Insurance Charges	278,083		229,865
Interest & Penalty Paid	63,662		-
Legal, Professional & Consultancy Fees	324,249		351,774
Listing Fees			224,720
Membership Fees	268,622		41,236
Office Expenses	225,210		198,830
Printing & Stationery Expenses	95,372		-
Rent Paid	242,000		426,000
Repair & Maintenance Charges (Building)	40,045		145,484
Sundry Expenses Written off	114,266		-
Sales Commission Expenses	2,984,120		2,506,013
Service Tax	569,671		379,882
Telephone, Postage & Courier Expenses	67,450		207,712
Transportation Charges	951,029		-
Travelling Expenses	115,812		88,720
		6,962,240	5,089,913
Total of Indirect Exp		6,962,240	5,089,913
		74,762,184	68,877,660
24.1	Payment to Auditors as		
	Particulars		2015-16
	For Statutory Audit	30,000	30,000
	For Tax Audit	15,000	15,000
	For Taxation Matter	-	-
	For Company Law Matters	-	-
	Towards Service Tax	6,750	6,525
	Total	51,750	51,525
25	EARNINGS PER SHARE		(Amount In `)
	Particulars		2015-16
(1)	Net Profit after tax as per Statement of Profit	1,327,722	(11,797,067)
(2)	Weighted Average number of equity shares	4,945,800	4,945,800
(3)	Basic and Diluted Earnings per share (`)	0.27	(2.39)
(4)	Face Value per equity share (`)	10	10

Notes on Financial Statements for the Year ended 31 March, 2017

26 RELATED PARTY DISCLOSURE

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

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	7,347,730	246,000
Rent Paid	-	246,000
Unsecured Loan Obtained	4,550,000	-
Unsecured Loan repaid	1,511,280	-
Payment received from debtors	1,286,450	-
Key Management Personnel	16,880,380	11,495,370
Directors Remuneration	1,200,000	1,200,000
Unsecured Loan Obtained	7,421,000	4,835,000
Unsecured Loan repaid	8,259,380	5,460,370
Relatives of Key Management Personnel	1,925,082	6,796,444
Interest Income	2,517	60,000
Salary and Wages	220,599	579,079
Interest Paid	316,738	677,365
Loans & Advances Obtained	6,000	-
Loans & Advances Repaid	418,000	1,260,000
Unsecured Loan Obtained	306,117	2,050,000
Unsecured Loan repaid	655,111	2,170,000
Grand Total	28,153,192	18,937,814

"Annexure A"

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:					
i.	CIN	L17110GJ1988PLC010397			
ii.	Registration Date	25/02/1988			
iii.	Name of the Company	Suncity Synthetics Limited			
iv.	Category / Sub-Category of the Company	Company Limited By Shares / Indian Non Government Company			
v.	Address of the Registered office and contact details	205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Ring Road Surat 395002			
vi.	Whether listed company	Yes			
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Universal Capital Securities Pvt. Ltd 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Canal Road, Andheri (East), Mumbai 400093 Contact No. 022- 28207203			
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY					
All the business activities contributing 10 % or more of total turnover of the company shall be stated:-					
Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company		
01	Trading in Textiles	99611319	100%		
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Not Applicable					
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)					
i) Category-wise Share Holding					
Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the end of the year	% Change During the year		

	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares		
A. Promoters										
(1) Indian										
a)	Individual/ HUF	2149282	0	2149282	43.46	2149282	0	2149282	43.46	0
b)	Central Govt.	0	0	0	0	0	0	0	0	0
c)	State Govt.(s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corp.	0	0	0	0	0	0	0	0	0
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any other	0	0	0	0	0	0	0	0	0
Sub- Total (A) (1):-		2149282	0	2149282	43.46	2149282	0	2149282	43.46	0
(2) Foreign										
a)	NRIs- Individual	0	0	0	0	0	0	0	0	0
b)	Other- Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
d)	Banks/FI	0	0	0	0	0	0	0	0	0
e)	Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2):-		0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A)= (A)(1)+(A)(2)		2149282	0	2149282	43.46	2149282	0	2149282	43.46	0
B. Public Shareholding										
(1) Institutions										
a)	Mutual Funds	0	149600	149600	3.02	0	149600	149600	3.02	0
b)	Banks / FI	0	150000	150000	3.03	0	150000	150000	3.03	0
c)	Central Govt	0	0	0	0	0	0	0	0	0
d)	State Govt(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	FIs	0	0	0	0	0	0	0	0	0
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):-		0	299600	299600	6.05	0	299600	299600	6.05	0
(2) Non-										

Institutions										
a)	Bodies Corp									
i.	Indian	100000	99100	199100	4.03	107400	151268	258668	5.23	1.20
ii.	Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
i.	Individual shareholders holding nominal share capital upto Rs. 1 lakh	538356	516594	1054960	21.33	500094	541991	1042085	21.07	(0.26)
ii.	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	401210	151200	552410	11.17	151200	405702	556902	11.26	0.09
c)	Others (Clearing Members and NRI/ OCB's)	270358	420100	690458	13.96	511300	127963	639263	12.93	(1.03)
Sub-Total (B) (2):-		1309924	1186994	2496918	50.49	1269994	1226924	2496918	50.49	0
Total Public Shareholding (B)= (B)(1)+ (B)(2)		1309924	1486594	2796518	56.54	1269994	1526524	2796518	56.54	0
C. Shares Held By Custodian For GDRs & ADRs		0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)		3459206	1486594	4945800	100	3419276	1526524	4945800	100	0

ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Twinkle Jain	6,74,036	13.63	0	6,74,036	13.63	0	0
2	Suresh Dhanraj Kawarjain	6,21,846	12.57	0	6,21,846	12.57	0	0

3	Suresh Dhanraj Kawar	1,71,450	3.47	0	1,71,450	3.47	0	0
4	Poonam Suresh Kawar	6,81,950	13.79	0	6,81,950	13.79	0	0
TOTAL		21,49,282	43.46	0	21,49,282	43.46	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no change in promoter's shareholding during the year.			
	Date wise Increase / Decrease in Share holding during the year				
	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Harsha Hitesh Javeri				
	At the beginning of the year	187879	3.79	187879	3.79
	Date wise Increase / Decrease in Share holding during the year	17121	0.35	205000	4.14
	At the End of the year	205000	4.14	205000	4.14
02	ILF Mauritius				
	At the beginning of the year	150000	3.03	150000	3.03
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	150000	3.03	150000	30.03
03	Alliance Capital Mutual Fund				
	At the beginning of the year	147900	2.99	147900	2.99
	Date wise Increase / Decrease in Share holding during the year	0			
	At the End of the year	147900	2.99	147900	2.99
04	Amrex Marketing P Ltd.				
	At the beginning of the year	100000	2.02	100000	2.02

	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	100000	2.02	100000	2.02
05	Dhara Fabrics Pvt Ltd.				
	At the beginning of the year	99100	2.00	99100	2.00
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	99100	2.00	99100	2.00
06	Prakash Mal Jain				
	At the beginning of the year	99100	2.00	99100	2.00
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	99100	2.00	99100	2.00
07	Manjula Jayantilal Shah				
	At the beginning of the year	66500	1.34	66500	1.34
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	66500	1.34	66500	1.34
08	Priya Kumbhat				
	At the beginning of the year	40000	0.80	40000	0.80
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	40000	0.80	40000	0.80
09	Pankaj Kumbhat				
	At the beginning of the year	33900	0.68	33900	0.68
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	33900	0.68	33900	0.68
10	Hitesh Ramji Javeri				
	At the beginning of the year	30000	0.60	30000	0.60
	Date wise Increase / Decrease in Share holding during the year	45140	0.91	75140	1.51
	At the End of the year	75140	1.51	75140	1.51

V) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Suresh Dhanraj Kawarjain				

	At the beginning of the year	621846	12.57	621846	12.57
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	621846	12.57	621846	12.57
02	Poonam Suresh Jain				
	At the beginning of the year	681950	13.79	681950	13.79
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	681950	13.79	681950	13.79
03	Rachana Akshaya Kataria				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	0	0	0	0
04	Deepak Sharma				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the End of the year	0	0	0	0

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
i)	Principal Amount	124114841	12675986	NIL	136790827
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i + ii + iii)		124114841	12675986	NIL	136790827
Change in Indebtedness during the financial year					
* Addition		NIL	486411	NIL	486411
* Reduction		3896561	NIL	NIL	3896561
Net Change		NIL	486411	NIL	3410150
Indebtedness at the end of the financial year					
i)	Principal Amount	120218280	13162397	NIL	133380677
ii)	Interest due but not paid	NIL	NIL	NIL	NIL

iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i + ii + iii)		120218280	13162397	NIL	133380677

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Suresh Dhanraj Kawarjain	Poonam Suresh Jain	
1.	Gross salary	6,00,000	6,00,000	12,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	6,00,000	12,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total (A)	6,00,000.00	6,00,000.00	12,00,000.00
	Ceiling as per the Act	30,00,000.00	30,00,000.00	60,00,000.00

B. Remuneration to other directors:

Sr. No	Particulars of Remuneration	Name of Directors		Total Amount
		Rachana Akshaya Kataria	Deepak Sharma	
3. Independent Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	Total (1)			
4. Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission	NIL	NIL	NIL
	Others, please specify-Remuneration	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL

Total Managerial Remuneration	NIL	NIL	NIL
Overall Ceiling as per the Act	N.A	N.A	N.A

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/WTD

S.N	Particulars of Remuneration	Key Managerial Personnel (Company has not appointed any other Key Managerial Personnel)			Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	N.A	N.A	N.A
2.	Stock Option	N.A	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A	N.A
4.	Commission	N.A	N.A	N.A	N.A
	- as % of profit	N.A	N.A	N.A	N.A
	- Others, specify...	N.A	N.A	N.A	N.A
5.	Others, please specify	N.A	N.A	N.A	N.A
	Total	N.A	N.A	N.A	N.A

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Place: Surat
Date: 30.05.2017

Sd/-
Suresh Dhanraj Kavarjain (DIN: 00337493)
Chairman and Managing Director

"Annexure B"

**DISCLOSURE OF POLICY FOR REMUNERATION OF DIRECTORS, KEY
MANAGERIAL PERSONNEL AND OTHER EMPLOYEES
(Pursuant to subsection 3 and 4 of section 178 of The Companies Act 2013)**

Remuneration Policy:

1. Remuneration to managerial personnel will be recommended to the board by the committee and same shall be subject to approval of shareholders and/or central government where ever required.
2. Remuneration to managerial personnel shall be in accordance with the provisions of the Companies Act, 2013 and other applicable acts.
3. Increment to existing remuneration shall be as per recommendation of committee and within the limits approved by shareholders.

Remuneration to managerial personnel:

1. The managerial personnel shall be entitled to monthly remuneration as approved by the board on recommendation of the committee and same shall be in accordance with the provision of the Companies act, 2013 and rules made there under. The breakup of pay scale and quantum of perquisites and non-monetary benefits shall also be approved by board on recommendation of the committee.
2. The managerial Personnel shall also be eligible to performance linked incentives as may be determined by board.
3. The managerial personnel may also be paid commission as may be approved by shareholders.
4. The managerial personnel shall be entitled to minimum remuneration in accordance with Schedule V of the Companies Act, 2013 in event of no profit or inadequacy of profit.

Remuneration to Non-executive / Independent directors:

1. The remuneration shall be in accordance with the Companies Act, 2013 and rules made there under.
2. The non-executive/independent directors may receive sitting fees for attending the meeting of board of directors or an committee which shall be within the prescribed

limit under the act. Non – executive directors shall be reimbursed travelling and incidental expense for attending the meeting.

3. Non- executive directors may also be paid commission subject to approval by the shareholders and within the limit not exceeding 1% of the profit of the company.
4. Non-executive directors shall not be entitled stock options.

“Annexure C”

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial year Ended on 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

Suncity Synthetics Limited

205, Rajhans Complex, Nr. Nirmal Childrens Hospital,
Ring Road, Surat 395002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Suncity Synthetics Limited (CIN: L17110GJ1988PLC010397)** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Suncity Synthetics Limited for the financial year ended on 31st March, 2017 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 / 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
 - f) The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
 - h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations to the Company. We report that the Company has complied with the provisions of those Acts that are applicable to Company.

As per information given to us no sector specific laws are applicable to the company. We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings;
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange and /or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015.

During the financial year under report, the Company has complied with the provisions of

the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, *except to the extent that:*

- 1. Company has not appointed Company Secretary as compliance officer pursuant to Regulation 6 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 and as Key Managerial Personnel in compliance with section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.*
- 2. Company has not appointed Chief Financial officer in compliance with section 203 of the companies act 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.*
- 3. Company has not appointed internal auditor in compliance with section 138 of The Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014.*
- 4. Company has not issued certain advertisements as required under Section 91 of The Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 47 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015.*
- 5. The website of the Company is not updated in compliance with provision of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015.*
- 6. Nomination and Remuneration Committee has not been duly constituted in compliance with section 178 of The Companies Act, 2013.*
- 7. Deepak Sharma additional director.*

We further report that:

The compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors however since company has only two non executive directors the nomination and remuneration committee do not comprise of 3 non executive directors as required. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representation made by the Management and relied upon by us there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

- i. Public / Right / Preferential issue of shares / debentures / Sweat equity, etc.
- ii. Redemption / buy-back of securities
- iii. Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013
- iv. Merger / amalgamation / reconstruction etc.
- v. Foreign technical collaborations.

For K. Dalal & Co.
Company Secretaries

Place: Surat

Date: 30.05.2017

Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

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

Annexure 'A'

To,
The Members
Suncity Synthetics Limited
205, Rajhans Complex, Nr. Nirmal Childrens Hospital,
Ring Road, Surat 395002

Our secretarial audit report of even date is to be read along with this letter.

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

For K. Dalal & Co.
Company Secretaries

Place: Surat

Date: 30.05.2017

Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

Disclosures pursuant to Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

A. Related Party Disclosure

Sr. No.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	<ul style="list-style-type: none"> o Loans and advances in the nature of loans to subsidiaries by name and amount: NIL o Loans and advances in the nature of loans to associates by name and amount: NIL o Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company: NIL
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: NIL

B. Management Discussion And Analysis Report:

(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) Segment-wise or product-wise performance:

Company operates in single segment and segment wise reporting is not applicable and product wise performance is expected to improve.

(d) Outlook:

The Company shall continue to explore its policy of expansion based on availability of resources and opportunity.

(e) Risks and concerns:

Company does not foresee any such risk in near future, which will hamper the activities.

(f) Internal control systems and their adequacy:

Company is in the process of implementing various software for better control.

(g) Discussion on financial performance with respect to operational performance:

Particulars	As on 31/03/2017	As on 31/03/2016
Turnover and other income	377785580.00	333296285.00
Gross profit/Loss (-) before Financial Charges & depreciation	37154561.00	20445212.00
Interest and Financial Charges	16930985.00	17671088.00
Profit/Loss(-) before depreciation	20223576.00	2774124.00
Depreciation	19657436.00	19758778.00
Profit /Loss(-) After Tax for the year	1327722.00	(11797067.00)

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed:

The management is keenly interested this field. All the efforts are made to rationalize its manpower and make effective use of the same.

Disclosure of Accounting Treatment:

Financial statements have been prepared in accordance with applicable Accounting Standards, hence Para B (2) of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the company.

C. Corporate Governance Report: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para C of Schedule V of SEBI (LODR) relating to Corporate Governance Report is not applicable to the company.

D. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

provision of Para D of Schedule V of SEBI (LODR) relating to Declaration by CEO is not applicable to the company.

E. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para E of Schedule V of SEBI (LODR) relating to Compliance Certificate is not applicable to the company.

F. Disclosures with respect to demat suspense account/unclaimed suspense account: Not Applicable

By Order of the Board
For Suncity Synthetics Limited

Place: Surat
Date: 30.05.2017

Sd/-
Suresh Dhanraj Kawarjain (DIN: 00337493)
Chairman and Managing Director

Route Map of the venue of the Annual General Meeting



ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall 29th Annual General Meeting

Folio No./ DP ID/Client ID No. :

Number of shares held:

Name of the attending

Member/Proxy:

I hereby record my presence at the 29th Annual General Meeting of **Suncity Synthetics Limited** held on Saturday, 30th September, 2017 at 11.00 a.m. at 205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Ring Road, Surat 395002

Member's/Proxy's Signature

(To be signed at the time of handing over the slip)

**Form No. MGT-11
Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]*

CIN : **L17110GJ1988PLC010397**
Name of the company: **Suncity Synthetics Limited**
Registered office: **205, Rajhans Complex, Nr. Nirmal Childrens Hospital,
Ring Road, Surat 395002**

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

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

1. Name :

Address :

E-mail Id :

Signature

Or failing him

2. Name :

Address :

E-mail Id :

Signature

Or failing him

3. Name :

Address :

E-mail Id :

Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on the Saturday, 30th September, 2017 at 11.00 a.m. at 205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Ring Road, Surat 395002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
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Ordinary Business:-

- 1 Adoption of Audited Financial Statements
- 2 Re-appointment of Smt. Poonam Suresh Jain as director
- 3 Ratification of Appointment of Statutory Auditors
- 4 Re-appointment of Smt. Poonam Suresh Jain as Whole time director
- 5 Re-appointment of Shri Suresh Dhanraj Kawarjain as Managing director

Signed this.....day of.....2017

Signature of Shareholder

Affix Revenue

Signature of Proxy holder(s)

Stamp

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

BALLOT / POLL FORM

(The members who are not able to attend the Annual General Meeting can send their assent or dissent in writing in respect of the resolutions as set out in the Notice by sending the duly filled and signed Ballot / Poll Form to Mr. Kunjal Dalal, proprietor K. Dalal & Co., Practicing company secretaries, (the Scrutinizer) C/o Suncity Synthetics Limited: 205, Rajhans Complex, Nr. Nirmal Childrens Hospital, Ring Road, Surat 395002, so as to reach him on or before Friday, 29th September, 2017)

Name
Address
DP Id*
Client Id*
Folio No.
No. of shares held

*Applicable for investors holding shares in electronic form

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / special Resolution(s) as specified in the notice of Suncity Synthetics Limited dated 30/05/2017 to be passed through Ballot / Poll for the businesses stated in the said Notice by conveying my/Our assent or dissent to the said Resolution in the relevant box below:

Sr. No.	Resolution	Type of Resolution (Ordinary /Special)	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
Ordinary Business				
1	Adoption of Audited Financial Statements	Ordinary		
2	Re-appointment of Smt. Poonam Suresh Jain as director	Ordinary		
3	Ratification of Appointment of Statutory Auditors	Ordinary		
4	Re-appointment of Smt. Poonam Suresh Jain as Whole time director	Ordinary		
5	Re-appointment of Shri Suresh Dhanraj Kavarjain as Managing director	Ordinary		

Place:

Date:

Signature of Member / Beneficial Owner