



FUTURA POLYESTERS LIMITED

**53RD ANNUAL REPORT 2013-2014
(15 MONTHS)**

53rd ADJOURNED ANNUAL REPORT 2013-2014 (15 MONTHS)

"Request to the Shareholders"

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

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

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Board of Directors	S. B. Ghia	Chairman & Managing Director
	M. D. Dalal	Jt. Managing Director
	M. Saravanan	Nominee withdrawn by IDBI w.e.f. 10-03-2014
	KVK Murthy	Independent Director
	Mr. K. Ramasubramanian	Independent Director

Bankers	Bank of India
	State Bank of India
	Union Bank of India
	Indian Bank
	UCO Bank
	Canara Bank
	State Bank of Hyderabad

Auditors	Messrs. LLB & CO
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Registrar and Share Transfer Agents	Satellite Corporate Services Pvt. Ltd.
	301, Sony Apartments
	Opp. St. Jude High School
	Off. Andheri-Kurla Road
	Jarimari
	Mumbai-400 072.
	Phone: 28520461, 28520462
	Fax: 28511809
E-mail:service@satellitecorporate.com	

Registered Office	Paragon Condominium,
	3rd Floor,
	Pandurang Budhkar Marg,
	Mumbai-400 013.
	Phone 24922999 • Fax 24923142
	E-mail: futuraho@futurapolyesters.com
	Website: www.futurapolyesters.net

NOTICE TO SHAREHOLDERS

Notice is hereby given that the adjourned Annual General Meeting of the Members of **FUTURA POLYESTERS LIMITED** will be held at M.C. Ghia Hall, 4th Floor Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Goda Mumbai 400 001 on Wednesday the 8th March 2017 at 11.30 a.m., to transact the following business which was adjourned at the 53rd Annual General Meeting of the Members held on Wednesday 3rd December, 2014 at 3rd Floor Paragon Condominium, Pandurang Budhkar Marg, Mumbai 400013.

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended 31st March 2014 (15 months) and the Reports of the Directors' and Auditors thereon.
2. Appointment of Statutory Auditors M/s. LLB & Co., Chartered Accountants, to conduct Audit of the Company from the commencement of financial year from 1st April 2014 to 31st March 2015, to hold office from the conclusion of this meeting till the next Annual General Meeting and to fix the remuneration,

2. Proxies should be lodged at the Company's Registered office atleast 48 hours before the commencement of the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed 1st March 2017 to 8th March 2017 (both days inclusive).
4. The Company had held Annual General Meeting on 3rd December 2014 inter alia to conduct ordinary Business of: (a) status of accounts for the financial period ended 31st March 2014; (b) Reappointing Directors retiring by rotation; The Meeting was then adjourned sinedie for approving the Audited Statement of Accounts as at 31st March 2014. The accounts of the Company have since been audited and are ready for laying before members of the Company. Members will recall that the earlier statutory Auditors had resigned and in their place M/s. LLB & Co, Chartered Accountants had been appointed as Statutory Auditors at the recently concluded the Extra Ordinary General Meeting held on 8th December, 2016.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.

Registered Office: Paragon Condominium, 3rd Floor, Pandurang Budhkar Marg, Mumbai 400 013. Place: Mumbai Dated: 19th January, 2017	By Order of the Board S. B. Ghia Chairman & Managing Director
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ANNEXURE REGARDING E-VOTING

E-Voting

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

The Company has appointed M/s. P. K. Pandya & Co, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The E-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on 1st March 2017 being the Cut-off date for the purpose. Shareholders of the Company holding shares either in physical or in dematerialized form, as on the Cut-off date, may cast their vote electronically.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

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

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(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 first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>

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| <p>(viii) After entering these details appropriately, click on "SUBMIT" tab.</p> <p>(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</p> <p>(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</p> <p>(xi) Click on the EVSN No 161114002 for Futura Polyesters Limited on which you choose to vote.</p> <p>(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.</p> <p>(xiii) Click on the "RESOLUTIONS FILELINK" if you wish to view the entire Resolution details.</p> | <p>(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.</p> <p>(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.</p> <p>(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.</p> <p>(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.</p> <ul style="list-style-type: none"> • Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporates. • They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. • After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. • The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. |
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- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on **05-03-2017 at 10.00 a.m. and ends on 07-03-2017**

at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 1st March 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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DIRECTORS' REPORT

To

The Members,

Your Directors submit the 53rd Annual Report of the Company along with the Audited Statement of Accounts for the period ended 31st March 2014 pursuant to the Annual General Meeting which now stands adjourned to March, 2017.

1. FINANCIAL RESULTS :

	(Rupees)	
	2013-2014 (18 months)	2011-2012 (15 months)
Gross Profit/(Loss) before interest & depreciation	—	—
Interest	—	—
Depreciation	—	—
Operating Profit / (Loss)	—	—
Profit / (Loss) before tax	—	—
Excess Provision of earlier years	1,06,44,517	—
Provision for Fringe benefit tax	—	—
Provision for wealth-tax	—	3,00,000
Deferred Tax Adjustment	—	9,58,86,653
Provision for taxation	—	—
Profit / (Loss) after tax	(92,31,18,650)	(189,67,81,562)
Balance of Profit brought forward from previous year	(214,92,51,196)	(25,24,69,634)
Balance carried to Balance Sheet	(307,23,69,846)	(2149251196)

2. DIVIDEND:

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

3. OPERATIONS:

The Turnover of the company during the financial year ending 31st March, 2014 was Rs. Nil crores compared with Rs. 214.74 crores during the previous year. This fall in turn over was due to the company facing severe financial crises and suspension of its operations partially in mid 2012 and further all operations w.e.f. 31st Dec 2012. During the year the company approached the concerned authorities for Corporate Debt Restructuring (CDR cell) for Restructuring of its debts. We made serious efforts to comply with the strict norms and conditions of Corporate Debt Restructuring (CDR) which was granted to it in May 2012. However inspite of making serious efforts to

comply with the strict norms and conditions of Corporate Debt Restructuring (CDR) it could not be put into effect thereby losing precious time, in restarting operations. This had the effect of making the operations permanently unviable. The substantial fall in revenues added to that the burden of bearing the fixed costs. The company drifted into a irreversible path. Prime customers were lost and the company became overburdened with debt, interest, fixed costs, which could not be met thru operations. As a consequence the company lost its key personnel, and had an effect of mass exodus of employees.

4. SALE OF LAND, PLANT & MACHINERY ETC.

Members have approved the sale of land, together with structures thereon, Plant & Machinery in accordance with Section 293(1)(a) of the Companies Act 1956, by way of Postal Ballot, in the month of June/July 2013. Efforts have been

made to put the resolution of shareholders into effect and consequently the company signed a MOU with purchaser based in Chennai. Your Directors expect to complete the transaction soon.

5. EXPLANATION & COMMENTS ON AUDITORS REPORT:

Management perception and Explanations/clarifications to Auditor's Opinion in the Auditor's Report dated 19th January, 2017 considered by the Board of Directors is given below:

- a) The company is continuing with the assessment of alternate plans and all efforts are be made to achieve the same.
- b) Effective and necessary steps are being taken. The company expects to recover the moneys from M/s. Golden Star Promoter Pvt. Ltd. (GSPL) in a reasonable period of time. The company is confident of realising the monies from GSPL.
- c) Based on the certificate of bankers liability has been recorded in the books of accounts of the company. The impact of the Loss to the company will be computed at the time of final settlement with the bankers. In the Consortium of 9 bankers 2 banks are charging interest where as others are not charging interest.
- d) The status of bank balances in current and deposit account is has been stated. The note is self explanatory and does not call for further explanation
- e) As a Conservative accounting practice the lesser amount payable to Daewoo has been shown. The matter is being heard in the Honorable Bombay High Court and it is expected that hearings here after will take place.
- f) The note is self explanatory and does not call for further explanation
- g) All efforts have been made to obtain confirmation from sundry debtors and creditors
- h) The company has already taken all efforts to meet export obligations.
- i) Employees of the company in large numbers left the organisation at the end of calendar year 2012. The company had no funds to pay for operating expenses and hence no electricity to run its computers and Systems.

This prevented the company from updating its records and data. The company made best efforts whatever necessary to maintain statutory records. There were also litigations with concerned government departments and made best efforts to update and collate data and information.

6. SUBSIDIARY OF THE COMPANY

The company does not have any Subsidiary.

7. FIXED DEPOSITS AND LOANS

As on 31st March, 2014, the Company had an aggregate sum of 185.69 Lakhs as fixed deposits from Public / Shareholders. The total number of depositors who have not claimed / renewed their deposits on maturity was 112 and the amount that remained unclaimed / not renewed as on 31st March, 2016 was Rs. 27.98 Lakhs The Company has not accepted any fresh deposits nor renewed any deposits during the period under review. The Company has approached the Hon'ble Company Law Board (CLB) (now name changed to National Company Law Tribunal (NCLT) suo moto for certain reliefs in the repayment of the Fixed Deposits of the company and is awaiting reliefs/extended time for repayment of Fixed Deposits amounting to Rs. 1.86 Crs.

8. INSURANCE

The Company's plant & Machineries, stores, inventories have been disposed off & since the company does not carry on any operations no insurance have been provided for.

9. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The Company does not carry any operation, the relevant information is not called for.

10. DIRECTORS

Mr. M Sarvanan nominee of IDBI. IDBI has withdrawn his nomination from the Board of the Company with effect from 10-03-2014. Mr. K. Ramasubramanian resigned from the Board in 4th December, 2014. The Board places on record their services made by them during their tenure as Directors.

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11. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to requirements under section 217(2A) of the Companies Act, 1956 ("the Act") with respect to directors' responsibility statement, it is hereby confirmed that:-

1. In preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
2. 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 Dec 2012 and of the loss of the Company for the period ended on that date.
3. The Directors had taken proper and sufficient care for the 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 fraud and other irregularities.
4. The Directors have prepared the annual accounts on a 'going-concern' basis.

12. AUDITORS:

Members will recall that the earlier Statutory Auditors M/s. N. M. Rajji & Co. Chartered Accountants had resigned and in their place M/s. LLB & Co, Chartered Accountant had been appointed as Statutory Auditors at the recently concluded the Extra Ordinary General Meeting held on 8th December, 2016. The terms of appointment of M/s. LLB & Co, Chartered Accountant, Statutory Auditor comes to an end at this annual General Meeting. The reappointment is now sought from the conclusion of this meeting till the next Annual General Meeting to conduct Audit for the next financial year.

13. COST AUDITOR:

As the company does not have operations the requirement of maintaining of Cost Accounts does not arise.

14. REAPPOINTMENT OF MR. S. B. GHIA AND MR. M. D. DALAL

Mr. S. B. Ghia and Mr. M.D. Dalal have been appointed as the Managing Director & Joint Managing Director respectively.

15. CORPORATE GOVERNANCE:

As required under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, Corporate Governance and Management Discussion and Analysis Report annexed to this report, form part of this Annual Report.

16. INDUSTRIAL RELATIONS:

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

17. COMPLIANCE CERTIFICATE:

A Certificate from the Practising Company Secretary of the Company regarding compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

18. PERSONNEL:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, none of the Company's employees was in receipt of remuneration aggregating to Rs. 60,00,000/- or more per annum or Rs. 5,00,000/- or more per month during the period under review.

19. ACKNOWLEDGEMENTS:

The Board of directors wishes to place on record its gratitude for the continued support from Government authorities, Banks, members etc.

By Order of the Board

S. B. GHIA
Chairman & Managing Director

Registered Office:
Paragon Condominium, 3rd Floor,
Pandurang Budhkar Marg, Mumbai-400 013.

Place: Mumbai
Dated: 19th January 2017

MANAGEMENT DISCUSSION & ANALYSIS REPORT: 2013-14

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

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

2. OPPORTUNITIES AND THREATS

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

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

3. PERFORMANCE

During the year the accounting period was extended to fifteen month period between Jan 2013 to March 2014. The Company had Nil turnover consequent upon ceasure of operations, loss of personnel and had a net loss of Rs. 9123.54 Lakhs for the year under review.

4. OUTLOOK

In order to tide over the financial crisis the company has agreed to selling/disposing off its land and factory etc at Chennai to meet its legal liabilities. Postal Ballot approval of shareholders was taken for the sale/disposal of land at Chennai. Settlement is being arrived at with the Workmen at Chennai. Efforts are on to meet legal payments.

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

5. RISKS & CONCERNS

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

6. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Audit Committee set up by the Board reviews periodically the status an performance of the company. As the company has ceased operations the need to have internal auditors as also cost auditors has not arisen. Further M/s. LLB & Co, Chartered Accountants have been appointed as Statutory Auditors at the recently concluded Extra Ordinary General Meeting held on 8th December, 2016.

7. DISCUSSION ON FINANCIAL PERFORMANCE

During the 15 months ended 31-03-2014 the operating loss was Rs. 9,123.54 Lakhs as compared to an Operating Loss of Rs. 18,967.82 Lakhs incurred during the Previous Year. The net turnover including other income was Rs. Nil Lakhs (compared with Rs. 21,473.67 Lakhs of the previous Year).

8. HUMAN RESOURCES / INDUSTRIAL RELATIONS

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

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CORPORATE GOVERNANCE REPORT FOR THE PERIOD FROM 1ST JANUARY, 2013 TO 31ST MARCH, 2014.

As required under Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited, the report on Corporate Governance is given below:

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

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

Consistent with this commitment, our Company's practices and policies continue to meet the above attributes in all spheres of production, operations and services.

World over corporate governance structures are dynamic, evolve over a period of time and keep changing in the light of new developments. Ours too is an ever-evolving process. We will make every effort in raising the standards of corporate governance and will constantly review systems and procedures in order to keep pace with the changing economic environment.

2. Board of Directors:

(i) Composition of Board:

The Board of Directors of the Company comprises of 4 Directors with a combination of 2 Executive and 2 Non-Executive Directors out of which 2 are Independent Non-Executive Directors. Directors include Chairman & Managing Director, Jt. Managing Director and Independent Directors. The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014.

The Directors are eminent industrialists / professionals with experience in industry / business / finance and bring with them the reputation of independent judgment and experience, which they exercise, and also satisfy the criteria of independence. However, the Board of Directors, adopting a more exact view, have decided to treat only the directors, as indicated in para 2(iii) below as independent directors.

(ii) Number of Board Meetings:

Six Board Meetings were held during the period from 01st January, 2013 to 31st March 2014 are 26th March, 2013, 10th May, 2013, 19th August, 2013, 06th September, 2013, 24th December, 2013 and 14th February, 2014. The gap between any two board meetings did not exceed a period of four months.

The names and categories of the Directors on the Board, for the period 01st January, 2013 to 31st March, 2014 are as under:

(iii) Details of Directors of the Company from 01st January, 2013 to 31st March, 2014.

Name of the Director	Category of Director	No. of Directorship in other Boards	No. of Membership of other Board Committees	No. of Chairmanship of other Board Committees	No. of Board Meetings Attended during the period	Attendance in last Annual General Meeting
Mr. S. B. Ghia	E P	6	4	2	6	Present
Mr. M. D. Dalal	E P	4	1	NIL	6	Present
Mr. K. V. K Murthy	NEI	NIL	NIL	NIL	5	Present
Mr. M. Saravanan*	NEI	#Not Available	#Not Available	#Not Available	5	Absent
Mr. K.Ramasubramanian	NEI	4	4	NIL	4	Present

Note: For the purpose of reckoning the limit under this sub-clause, Chairmanship/ membership of the Audit Committee/Audit sub Committee and the Shareholders' Grievance Committee in Other Companies are considered.

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

* The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014.

Due to non-availability of sufficient information for Mr. M. Saravanan, I am unable to represent the required to be reproduced for Mr. M. Saravanan.

(iv) Code of Conduct:

The Board has laid down a code of conduct for all Board members and senior management of the Company. All Board members have affirmed compliance with the code on an annual basis. A declaration to this effect signed by the Chairman & Managing Director forms part of this Annual Report.

3. Audit Committee:

The Audit Committee of the Company has been constituted in accordance with requirements of Clause 49(II) of the Listing Agreement. The Audit Committee comprises of Mr. K.V.K. Murthy, Mr. M. Saravanan and Mr. K. Ramasubramanian appointed as members of the Committee. Mr. K.V.K. Murthy is the Chairman of the Committee. The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014 and in his place Mr. S. B. Ghia has been appointed as Member with effect from 10th March, 2014.

a) The Terms of reference:

The terms of reference of the Audit Committee include the matters specified under Clause 49 (II) (D) of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

b) Composition and Category:

The Company has complied with the requirements of Clause 49(II)(A) as regards the composition of the Audit Committee.

The Audit Committee is in existence since 1986 and presently comprises of 3 Directors. Two present members are Non-executive Independent Directors and Mr. S.B. Ghia is an Executive Director, who has been appointed as a member with effect from 10th March, 2014.

c) Number and attendance at each Audit Committee Meetings:

During the period from 01st January, 2013 to 31st March, 2014, the Audit Committee met five times on the following dates:

26th March, 2013, 10th May, 2013, 19th August, 2013, 24th December, 2013 and 14th February, 2014.

The attendance of members at the meetings was as follows:

Sr. No.	Name of Member	No. of meetings attended
1.	Mr. K. V. K Murthy	4
2.	Mr. M. Saravanan *	5
3.	Mr. Ramasubramanian	4
4.	Mr. S.B. Ghia#	N.A.

*The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014.

Mr. S. B. Ghia has been appointed as member of the Audit Committee w.e.f. 10th March, 2014 , in the Meeting held on 30th June, 2014.

4. Remuneration Committee:

a) Terms of reference:

To periodically review in accordance with law the remuneration packages of executive whole-time directors and recommends suitable revision to the Board.

b) Composition and Category:

The Remuneration Committee constituted of Mr. K.V.K. Murthy, Mr. M. Saravanan and Mr. K. Ramasubramanian appointed as the members of the Committee. Mr. K.V.K. Murthy is the Chairman of

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the Committee. The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014 and in his place Mr. M.D. Dalal - Executive Promoter has been appointed as a Member with effect from 30th June, 2014. From 10th March, 2014 to 31st March, 2014, only two members were part of Remuneration Committee and Remuneration Committee should consist of at least three Non-Executive Independent Directors.

c) Number and attendance at each Remuneration Committee Meetings:

During the Period from 1st January, 2013 to 31st March, 2014 one meeting was held on 14th February, 2014.

The attendance of members at the meeting was as follows.

Name of Member	No. of meetings attended
Mr. K. V. K Murthy	1
Mr. M. Saravanan*	NIL
Mr. K. Ramasubramanian	1
Mr. M. D. Dalal #	NA

*The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014.

Mr. M. D. Dalal has been appointed as member of the Audit Committee w.e.f. 10th March, 2014, in the Meeting held on 30th June, 2014.

d) Remuneration Policy:

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

Remuneration of Executive Directors as per Accounts for Period 1st January, 2013 to 31st March, 2014.

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

The MD and Joint MD have not received Remuneration for the period under review. However, the Remuneration and Perquisites are mentioned in Note 22 (F) of the Notes forming part of the Financial Statements.

Notes:

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

- (a) The Service Contracts in case of Mr. S. B. Ghia and Mr. M. D. Dalal is for a period of 5 years from 01.04.2009 to 31.03.2014. In the Board Meeting held on 14th February, 2014 both Mr. S. B. Ghia and Mr. M. D. Dalal have been re-appointed as Chairman & Managing Director and Jt. Managing Director respectively effective from 1st April, 2014 for period of five years which was approved by the Shareholders in the Annual General Meeting held on 03rd December, 2014.
- (b) Presently the Company does not have any Stock Option Scheme.
- (c) No Commission is paid for the period under review.

Remuneration of Non-executive Directors for the Period from 01st January, 2013 to 31st March, 2014:

Name of Directors	Relationship with other Directors	Sitting fees of Board/ Committee Meetings (Gross amount in `.)
Mr. K. V. K .Murthy	—	Nil
Mr. M. Saravanan*	—	Nil
Mr. K. Ramasubramanian	—	Nil

*The IDBI Bank Ltd. has withdrawn the nomination of Mr. M. Saravanan the nominee director with effect from 10th March, 2014.

**The Non-Executive Directors do not hold any shares in the Company as on 31st March, 2014.

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

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

The Shareholders/Investors Grievance Committee comprises of two (2) members, Mr. K. Ramasubramanian Chairman of the Committee and Mr. S. B. Ghia, is the member of Committee.

During the Period from 01st January 2013 to 31st March 2014, three meetings of the Shareholders/Investors Grievance Committee were held on 10th May, 2013, 24th December, 2013 and 14th February, 2014.

The Attendance of members at the meeting was as follows:

Name of the member	No. of Meetings attended
Mr. K. Ramasubramanian	3
Mr. S. B. Ghia	3

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

Shareholders' / Investors' Complaints:

Particulars of Complaints	No. of Complaint
Complaints pending as on 1 st January, 2013.	—
Complaints received during period 01 st January, 2013 to 31 st March, 2014.	3
Complaints disposed off during the Period ended on 31 st March, 2014.	3

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

During the period under review, the Company had received three complaints from investors which were resolved to the satisfaction of the investors. There were no complaints pending as on 31st March, 2014.

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

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6. General Body Meetings:

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

Financial Period	Date	Location of the meeting	Time
Annual General Meetings			
01/04/2009 to 31/03/2010**	08 th September, 2010	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4 th Floor, 18/20, K. Dubash Marg, Mumbai – 400 001	3.00 p.m.
01/04/2010 to 30/06/2011	5 th December, 2011	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4 th Floor, 18/20, K. Dubash Marg, Mumbai – 400 001	11.00 a.m.
01/07/2011 to 31/12/2012	4 th June, 2013	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4 th Floor, 18/20, K. Dubash Marg, Mumbai – 400 001	3.00 p.m.
Adjourned Meeting			
01/07/2011 to 31/12/2012	30 th September, 2013	Jaihind College, 4th floor, 'A' Road, Opp. Churchgate station, Mumbai-400 020.	11.30 a.m.
Extraordinary General Meetings			
No Extraordinary General Meetings were held during last three years.			

**Special Resolution passed: (1) for Alteration of Articles of Association for reclassification of Authorised Share Capital (2) for Alteration of Articles of Association for insertion of New Article (3) for Issue of Equity Shares on Preferential Allotment basis (4) for Issue of Non Cumulative Redeemable Preference shares.

POSTAL BALLOT:

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

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

The Resolution passed through postal ballot was carried out.

7. Disclosures:

Disclosure on Materially significant related party transactions that may have material conflict with the interest of the Company at large.	Details are provided in Note no. 22. P (i) and (ii) to the Notes forming part of the Accounts in accordance with provisions of Accounting Standard 18.
Disclosure of Accounting Treatment	The Company has followed the Accounting Standards prescribed by the Companies (Accounting Standard) Rules 2006 referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 (“the Act”) read with the General Circular 15/2013 dated 13 th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 in the preparation of the financial statements.

Disclosure of Risk management	Since the Company is not carrying any production or sales operations and there are no employees, hence the Company has not devised a Risk Management Policy and in a view of the same, there is no subsequent disclosure.
Whether MD&A is a part of Annual Report or not.	Management Discussion and Analysis Report forms part of this Annual Report.
Details of Directors seeking Re-appointment as required under clause 49 IV(G)(i) of the Listing Agreement entered into with the Stock Exchange:	As required under the Listing Agreement, the particulars of Directors who were appointed / reappointed were pursuant to the part of the Notes to the Notice of Annual General Meeting held on 03rd December, 2014.
Details of non-compliance by the Company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any Statutory Authorities on any matter related to capital markets during the last 3 years.	<p>1) Trading in securities of the Company has been suspended w.e.f. the 21st March, 2013 on account of non-compliance with the provisions of the Listing Agreement.</p> <p>2) Non-compliance with respect to composition of Remuneration committee during the period under review from 10th March, 2014 to 31st March, 2014.</p> <p>3) Clause 41 (Publishing and Filing of Quarterly Financial Results accompanied by Limited Review Report),</p> <p>4) Clause 47(a) [Appointment of a Company Secretary as Compliance Officer],</p> <p>5) Clause 54 (Non compliance with norms of the Website of the Company).</p>
CEO / CFO Certification	<p>There was no person holding position of CEO/CFO of the Company during the period or had not been appointed for the period under review.</p> <p>Mr. S.B. Ghia, Chairman and Managing Director of the Company has certified to the Board with respect to the disclosure of financial statements in the Board Meeting held on 19th January, 2017.</p>

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8. Means of Communication:

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

9. General Shareholder Information:

AGM: Date, Time and Venue	DATE: Wednesday, 08 th March, 2017. TIME: 11:30 a.m. VENUE: At M. C. Ghia Hall, 4 th Floor Bhogilal Hargovindas Bldg, 18/20, K.Dubash Marg, Kala Ghoda, Mumbai – 400 001.
Financial Year	January, 2013 to March, 2014.
Date of Book Closure	Wednesday, 01 st March, 2017 to Wednesday, 08 th March, 2017 (both days inclusive)
Dividend payment date	N.A.
Listing on Stock Exchange	The Scrip of the Company is suspended on Bombay Stock Exchange Limited (BSE) on 21 st March, 2013.
Stock Code (Physical & Demat)	500720 (Suspended)

Monthly Highest and Lowest Closing quotations of the Equity shares for the Period January, 2013 to March 2014
Bombay Stock Exchange Limited

Year	Month	High		Low	
		Rate (₹)	Date	Rate (₹)	Date
2013	January	4.89	18/01/2013	2.9	02/01/2013
	February	4.46	08/02/2013	3.62	28/02/2013
	March	4.01	15/03/2013	3.54	01/03/2013
	April	*	*	*	*
	May	*	*	*	*
	June	*	*	*	*
	July	*	*	*	*
	August	*	*	*	*
	September	*	*	*	*
	October	*	*	*	*
	November	*	*	*	*
	December	*	*	*	*
2014	January	*	*	*	*
	February	*	*	*	*
	March	*	*	*	*

*No records found from the period 21st March, 2013 to 31st March, 2014 as the trading is suspended with effect from 21st March, 2013.

SENSEX information for the period January, 2013 to March, 2014

Month	SENSEX			
	Open	High	Low	Close
January, 2013	19513.45	20203.66	19508.93	19894.98
February, 2013	19907.21	19966.69	18793.97	18861.54
March, 2013	18876.68	19754.66	18568.43	18835.77
April, 2013	18890.81	19622.68	18144.22	19504.18
May, 2013	19459.33	20443.62	19451.26	19760.30
June, 2013	19859.22	19860.19	18467.16	19395.81
July, 2013	19352.48	20351.06	19126.82	19345.70
August, 2013	19443.29	19569.20	17448.71	18619.72
September, 2013	18691.83	20739.69	18166.17	19379.77
October, 2013	19452.05	21205.44	19264.72	21164.52
November, 2013	21158.81	21321.53	20137.67	20791.93
December, 2013	20771.27	21483.74	20568.70	21170.68
January, 2014	21222.19	21409.66	20343.78	20513.85
February, 2014	20479.03	21140.51	19963.12	21120.12
March, 2014	21079.27	22467.21	20920.98	22386.27

Registrar and Transfer Agents

Satellite Corporate Services Pvt. Ltd. Registered Office at: B-302, Sony Apartments, Opp St. Jude's High School, Off Andheri - Kurla Road, Jarimari, Mumbai - 400 072. Phone: 28520461, 28520462 Fax: 28511809. E-mail: service@satellitecorporate.com

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Share Transfer System

Transfer of shares held in physical mode is processed by M/s Satellite Corporate Services Pvt. Ltd. and approved by the Jt. Managing Director pursuant to the powers delegated to him by the Board of Directors of the Company. The total numbers of equity share transfers during the year were 5301 shares with an average interval of 30 days between approvals.

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014

Share holding of Nominal value of	Shareholders		Share Amount		
	No. of shareholders	% of shareholders to total	Number of Shares	Nominal value of shares	% of share amount to total
Upto - 5,000	29,729	85.47	39,53,696	3,95,36,960	7.21
5,001 - 10,000	2,619	7.53	21,02,345	2,10,23,450	3.83
10,001 - 20,000	1,211	3.48	18,26,895	1,82,68,950	3.33
20,001 - 30,000	374	1.08	9,44,033	94,40,330	1.72
30,001 - 40,000	180	0.52	6,45,486	64,54,860	1.18
40,001 - 50,000	179	0.51	8,46,239	84,62,390	1.54
50,001 - 1,00,000	234	0.67	17,32,950	1,73,29,500	3.16
1,00,001 and above	258	0.74	4,28,20,035	42,82,00,350	78.03
TOTAL	34,784	100.00	5,48,71,679	54,87,16,790	100.00

Shareholding Pattern as on 31.03.2014

	Category	No. of shares held	Percentage of shareholding
A.	Promoter's Holding	—	—
1.	Promoters	—	—
	Indian Promoters	4,41,011	0.804
	Foreign Promoters	—	—
2.	Persons acting in Concert	87,04,367	15.863
	Sub-Total	91,45,378	16.667
B.	Non-Promoters Holding	—	—
3.	Institutional Investors	—	—
a.	Mutual Funds and UTI	1,58,804	0.289
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non- Government Institutions)	29,15,287	5.313
c.	FIs	7,012	0.013
	Sub-Total	30,81,103	5.615
4.	Others (Clearing Member)	0	0
a.	Private Corporate Bodies	69,35,829	12.640
b.	Indian Public (Including trusts/assn. & other directors)	3,23,93,590	59.035
c.	NRIs/OCBs	33,08,366	6.029
d.	Foreign Bank	7,413	0.014
e.	Any other (In transit)	—	—
f.	A.D.R/G.D.R	—	—
	Sub- Total	4,26,45,198	77.718
	GRAND TOTAL	5,48,71,679	100.00

Dematerialization of shares and liquidity	90.76% of the values of the paid-up Share Capital comprising of 4,97,99,128 shares have been dematerialised as on 31 st March, 2014.
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	Nil
Plant Location	The Plants located at Manali, Chennai in the state of Tamil Nadu are non- operational and are in the process of being sold.
Address for Correspondence	Futura Polyesters Limited Paragon Condominium 3rd Floor, Pandurang Budhkar Marg Worli, Mumbai- 400 013. Phone: 022 24923080. Fax: 24923142 Website: www.futurapolyesters.net Email ID: futuraho@futurapolyesters.com

Declaration – Code of Conduct

All Board members have, for the Period ended 31st March, 2014, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the clause 49(D) of the Listing Agreement entered with the Stock Exchanges.

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

Place: Mumbai
Date: 19th January, 2017.

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CERTIFICATE ON CORPORATE GOVERNANCE

To the members of **FUTURA POYESTERS LIMITED**

I have examined the compliance of conditions of Corporate Governance by M/s. **FUTURA POLESTERS LIMITED** for the period starting from 01st January, 2013 to 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange (BSE).

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

I state that the certificate on compliance of Corporate Governance is neither an assurance as to the future validity of the Company nor of the Company's Revival of Suspension imposed by BSE on the trading of securities of Company. Further certificate does not provide any guarantee of the revival of Company's operations in future.

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

- (i) Trading in securities of the Company has been suspended from BSE, w.e.f. March 21st, 2013 on account of Non-Compliance of the provisions of the Listing Agreement by the Company and the suspension still continues.
- (ii) The time gap between two Audit Committee Meetings held on 24th December, 2013, from 19th August, 2013, was exceeding 4 months, not in compliance with the Listing Agreement.
- (iii) From 10th March, 2014 to 31st March, 2014, only two members were part of Remuneration Committee and Remuneration Committee should consist of at least three Non-Executive Independent Directors.
- (iv) There was delay in Filing of Shareholding Pattern as per the requirements of Clause 35 of the Listing Agreement for the quarter ended 31st December, 2012, 31st March, 2013 and 30th June, 2013.
- (v) The Quarterly Financial Results accompanied by Limited Review Report for the quarters for the period under review neither have been filed nor have been published in the Newspaper under review.
- (vi) There was a delay in filing of the Quarterly Report for Corporate Governance Compliance under Clause 49 of the Listing Agreement by the Company for the period under review.
- (vii) There was a delay of payment of the Annual Listing Fees to BSE and Annual Custodian Fees to Depositories by the Company during the period under review.
- (viii) The Company Secretary of the Company has resigned w.e.f. 16th July, 2012 and no Company Secretary has been appointed during the said period under review.
- (ix) There was no person holding position of CEO/CFO of the Company during the period or had not been appointed for the period under review.
- (x) The Company's recently placed website: "**www.futurapolyesters.net.**" is not in compliance with the norms of Listing Agreement Requirements.

Further to note that I have checked and followed the compliance of the Company as per Listing Agreement as may be applicable during the reporting period under review and The Companies, Act, 1956, as may be applicable to the extent of the compliance under the Listing Agreement for the said period under review.

For ALKA R. DOLASIYA & ASSOCIATES
CS ALKA R. DOLASIYA (Proprietor)
Practising Company Secretary
Membership No.: 8079
Certificate of Practise No.: 8109

Place: NAVI MUMBAI
Date: 23rd January, 2017.

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s FUTURA POLYESTERS LIMITED

We have audited the accompanying financial statements of **M/s FUTURA POLYESTERS LIMITED**. ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss, Cash flow for the period then ended (15 Months), and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made

by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

1. Attention is invited to:
 - a) Note No. 22(A) for assuming 'going concern basis' despite closure of manufacturing operation, sale of all the immovable assets of the company, suffering recurring losses from discontinued operations, having negative net worth and thus have substantial doubt about the intention of the company to continue as a 'going concern'.
 - b) Note No. 22(B) in respect of no recovery and non charging of interest from GSPL which is due since 19-12-2012 and there is no certainty of recovery during reasonable period of time leading to undue delay in settling the dues of banks/creditors and statutory authority and consequent monetary losses impact thereof are unascertainable.
 - c) Note No. 3(b) regarding not recognising the impact of the OTS finalised with consortium of banks amounting to Rs. 44.01 lakhs as against amount recognised in books of account by which the liabilities are over recorded and consequent impact on the Loss of the Company.
 - d) Note No.10 regarding amounts of bank balances in current and deposit account of Rs. 450.85 lakhs which are already adjusted against the agreed OTS liability of the banks and thus the liability of OTS is under stated and consequently losses of the company are under stated.
 - e) Note No 4(a) regarding recording of excess liabilities of Rs. 11.32 Crores toward Daewoo International Corporation than the amount actually payable in terms of courts directives but the same are still not paid fully.
 - f) Trade Payable, Trade Receivable, Loans, Advances, deposit and other current liabilities are subject to confirmation, reconciliation and consequent adjustment as to its recoverability and payment obligation, effect thereof shall be recognised in the year of such confirmation / reconciliation. The amount of such impact is not being quantified.

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- g) Sale of Plant and machineries/scrap for GSPL of Rs. 31.73 Crores for which invoices are made by the Company and dues of excise/vat collected thereon but no legal compliance was made by the company.
- h) Note No. 22(C)(ii) regarding contingent liabilities of Rs. 1916.20 Lakhs, details thereof are not available for verification.
- i) Note no. 22(C)(ii) regarding contingent liabilities reflected as of 31-12-2012 of Rs. 2318.38 lakhs but are no longer are contingent for which the required information is not available with the company.
2. In our opinion and to the best of our information and according to the explanations given to us, and for the matters stated in 1(a) to (i) above, we **are unable to express our opinion as to its impact on the asset/liabilities and profit/loss of the Company**. Save and except above, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the **LOSS** for the Period ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flow for the period ended on that date.
2. As required by section 227 (3) of the Act, we report that:
- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account, as required by law have been kept by the Company, so far as appears from our examination of such books;
- c. The Balance Sheet, the Statement of Profit and Loss, the statement of cash flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- e. On the basis of written representation received from the directors of the Company as at 31 March, 2014 and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

Place: Mumbai
Date: January 19, 2017

Lalit Bajaj
Partner
Membership No.: 104234

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of M/s FUTURA POLYESTERS LIMITED on the accounts of the Company for the period (15 Months) ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company does not have any fixed assets accordingly, paragraph 4(i)(a) is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the entire fixed asset has been disposed in the previous year except the fixed assets consisting vehicles having gross block of Rs. 44.30 Lakhs which have been written off during the year as the fixed assets were untraceable.
2. (a) As explained to us, the company does not hold any inventories. Accordingly, paragraph 4(ii)(a), (b) and (c) of the Order is not applicable.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii (c) and iii (d) of the order are not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken interest free unsecured loans the balance of which was Rs. **4144.46 lakhs** as on 31-03-2014 from related parties as listed in the register maintained under Section 301 of the Companies Act, 1956 and other terms and conditions are not prejudicial to the interest of the company.
4. According to the information and explanations given to us and as the examination of the books of accounts, the company do not have either fixed assets or the inventory and also do not have any sale of goods during the year, thus the reporting requirement of having adequate internal control procedure is not applicable.
5. a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the company has entered in to transaction with parties covered u/s 301 exceeding Rs. Five lakhs. The transactions made in pursuance of such contracts or arrangements are not detrimental to the interest of the company. The transactions for reimbursement of expenses in normal course of business are not considered for this purpose.
6. The Company has not complied the directives issued by Reserve Bank of India and the provision of the section 58A and 58AA of the companies act, 1956 and the rules framed under, where applicable.
 - a) There were delays in the repayment of matured Fixed Deposits.
 - b) There were delays in intimating to the tribunal about deposits in respect of repayment of Fixed Deposits.
 - c) There were delays in filling of return of Deposits with the Registrar of Companies.
 - d) The company did not provide or invest at least 15% of total deposits maturing during the next financial year.
7. As per information & explanations given by the management, the Company **does not have a internal audit system** commensurate with its size and the nature of its business.
8. As per information & explanation given by the management the company do not have any operations thus the requirement of maintenance of cost records under clause (d) of Sub-section (1) of section 209 of the Act are not applicable to the company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally not been regularly deposited with the appropriate authorities. According to the information and explanations given to us undisputed amount payable in respect of the wealth tax, income tax, property tax, excise duty, service tax and others were outstanding as at 31st March 2014 for a period of more than six months from the date they became payable

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

<u>Name of the Statute</u>	<u>Nature of Dues</u>	<u>Amount (Rs. In lakhs)</u>
Employees Provident Fund Act, 1948	Provident Fund	44.46
Local Body Act Chennai Corporation	Property Tax	78.89
Excise Act, 1944	Excise Duty	352.96
Tamil Nadu Vat Act	VAT	25.39
Finance Act, 1994	Service Tax	09.66

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Name of the Statute	Nature of Dues	Amount (Rs. In lakhs)
Foreign Trade (Development and regulation) Act, 1992	Penalty for advance license	52.00
Income Tax Act, 1961	Tax Deducted at Source	161.69
	Professional Tax	4.24
Central Sales Tax Act, 1956	CST	3241.13
Various Statute	ESIC, Labour Welfare Fund, EPS etc.	8.95

(b) According to the information and explanations given by the management, the details of dues of income tax/ sales tax/ wealth tax/ custom duty/ excise duty/ cess, which have not been deposited with the appropriate authorities on account of dispute, are given in the **Appendix** to this report.

10. The Company have accumulated losses at the end of the period which are more than fifty per cent of its net worth. The company has incurred cash losses during the period covered by our report has also incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues of financial institution/banks to the tune of Rs. 146.22 Crores. However, the OTS offered to the lenders was valid to be honoured till 31-12-2016.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society.

14. According to information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments, further investments specified are held in their own name.
15. During the period, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. During the period, the company has not obtained any term loan from banks.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

Lalit Bajaj
Partner

Place: Mumbai
Date: January 19, 2017

Membership No.: 104234

Appendix to Auditor's Report

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

• The Customs, Excise and Service Tax Appellate Tribunal

BALANCE SHEET AS AT 31ST MARCH, 2014
CIN NO L65192MH1960PLC011579

Particulars	Note No	(Rupees)	
		As at March 31, 2014	As at December 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	747,616,790	747,616,790
(b) Reserves and Surplus	2	(1,503,075,388)	(579,956,739)
(c) Money received against share warrants		—	—
(2) Share application money pending allotment			
		—	—
(3) Non-Current Liabilities			
(a) Long-term borrowings		—	—
(b) Other Long term liabilities		—	—
(c) Long term provisions		—	—
(4) Current Liabilities			
(a) Short-term borrowings	3	2,540,691,202	26,48,616,734
(b) Trade payables	4	564,587,917	626,113,623
(c) Other current liabilities	5	1,042,362,391	280,756,213
(d) Short-term provisions	6	7,883,380	105,370,308
Total		3,400,066,293	3,828,516,929
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		—	2,958,544
(ii) Intangible assets		—	—
(iii) Capital work-in-progress		—	—
(iv) Intangible assets under development		—	—
(b) Non-current investments		—	—
(c) Deferred tax assets (net)		—	—
(d) Long term loans and advances		—	—
(e) Other non-current assets		—	—
(2) Current assets			
(a) Current investments	8	22,166,376	26,541,370
(b) Inventories		—	—
(c) Trade receivables	9	508,287	46,705,378
(d) Cash and cash equivalents	10	51,423,913	46,645,656
(e) Short-term loans and advances	11	60,103,837	155,665,981
(f) Other current assets	12	3,265,863,879	3,550,000,000
Total		3,400,066,293	3,828,516,929

See accompanying notes to the financial statement

As per our report attached

For LLB & Co.

Chartered Accountants

FRN: 117758W

Lalit Bajaj

Partner

M. No. 104234

Mumbai

Date: 19-01-2017

For and on Behalf of the Board

S.B. GHIA

(Chairman and Managing Director)

M.D. DALAL

(Joint Managing Director)

Date: 19-01-2017

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STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2014 (DISCONTINUED OPERATIONS) CIN NO. L65192MH1960PLC011579L (Rupees)

Particulars	Note No	Period ended	
		March 31, 2014	December 31, 2012
I. Revenue from operations	13	—	2,140,932,003
II. Other Income	14	—	6,435,374
III. Total Revenue (I + II)		—	2,147,367,377
IV. Expenses:			
Cost of materials consumed	15	—	1,131,841,397
Purchase of Stock-in-Trade		—	—
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	—	450,378,873
Employee benefit expense	17	—	382,819,791
Financial costs	18	—	325,385,524
Depreciation and amortization expense	8	—	1,231,794,120
Less: Transferred from Revaluation Reserve		—	(103,216,801)
		—	1,128,577,319
Other expenses	19	—	915,609,759
Total Expenses		—	4,334,612,663
V. Profit before exceptional and extraordinary item and tax (III - IV)		—	(2,187,245,286)
VI. Exceptional Item		—	—
VII. Profit before extraordinary item and tax (V - VI)		—	(2,187,245,286)
VIII. Extraordinary Item		—	—
IX. Profit before tax (VII - VIII)		—	(2,187,245,286)
X. Tax expense:			
(1) Current tax		—	—
(2) Deferred tax		—	(95,886,653)
(4) Wealth Tax		—	(300,000)
(3) Excess/(Short) provision of tax for earlier years		10,644,517	—
XI. Profit(Loss) from the period from continuing operations (IX-X)		(10,644,517)	(2,283,431,939)
XII. Profit/(Loss) from discontinuing operations	20	(912,474,133)	386,650,377
XIII. Tax expense of discounting operations		—	—
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		(912,474,133)	386,650,377
XV. Profit/(Loss) for the period (XI + XIV)		(923,118,650)	(1,896,781,562)
XVI. Earnings per equity share			
— Basic and Diluted		(16.82)	(34.57)

See accompanying notes to the financial statement
As per our report attached

For LLB & Co.
Chartered Accountants
FRN: 117758W

Lalit Bajaj
Partner
M. No. 104234
Mumbai
Date: 19-01-2017

For and on Behalf of the Board

S.B. GHIA (Chairman and Managing Director)

M.D. DALAL (Joint Managing Director)

Date: 19-01-2017

CASH FLOW STATEMENT FOR THE PERIOD 01.01.2013 TO 31.03.2014

(Rs. in Lakhs)

	<u>01.01.2013 TO 31.03.2014</u>	<u>01.07.2011 TO 31.12.2012</u>
(A) CASH FLOW FROM OPERATIONS		
Net Profit / (Loss) before tax and extra-ordinary item	—	(21,872.45)
Add : Profit from discontinuing operations	(9,124.74)	3,866.50
Adjustment for		
Depreciation	4.97	11,285.77
Foreign Exchange Fluctuation (Net)	(239.21)	1,108.12
Interest / Dividend Income	(74.08)	(111.69)
Interest Expenses	622.89	3,361.07
Loss / (Profit) on Sale of Fixed Assets (Net)	(41.08)	(7,166.81)
Provision for Doubtful Debts / Advances and Bad Debts w/off	591.08	1,534.49
Profit on Sale of Investments	—	(34.38)
Diminution in the value of Investment	4.08	—
Provision no longer required written back	(114.98)	(996.31)
	753.67	8,980.28
Operating Profit before working capital changes	(8,371.07)	(9,025.67)
Adjustment for Working Capital Changes		
Trade and Other Receivables	3,098.47	(33,851.62)
Inventories	—	9,410.37
Other Current Liabilities	7,616.06	—
Short Term Provisions	(974.87)	—
Trade Payables	(615.26)	(9,130.17)
	9,124.41	(33,571.42)
Cash generated from operations	753.34	(42,597.09)
Direct Taxes (Paid) / Refund	(106.45)	(154.32)
Cashflow before extra-ordinary item	646.89	(42,751.43)
NET CASH FROM OPERATING ACTIVITIES (A)	646.89	(42,751.43)
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	—	(149.23)
Disposal of Fixed Assets (refer note 22(E))	29.59	34,251.65
Sale / Purchase of Investments	43.75	235.12
Short Term Loans & Advances	955.62	—
Interest Received	74.08	73.95
Dividend Received	—	4.47
	1,103.04	34,415.96
NET CASH USED IN INVESTING ACTIVITIES (B)	1,103.04	34,415.96
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Refund of Share Application Money	—	(0.39)
Proceeds / (Repayment) from Long Term borrowings	—	(1,135.51)
Proceeds / (Repayment) from Short Term borrowings	(1,079.26)	12,757.86
Interest paid	(622.89)	(4,561.53)
	(1,702.15)	7,060.43
NET CASH USED IN FINANCING ACTIVITIES (C)	(1,702.15)	7,060.43
NET INCREASE IN CASH AND CASH ACTIVITIES (A + B + C)	47.78	(1,275.04)
Cash and cash equivalents (Opening Balance)	466.46	1,741.50
Cash and cash equivalents (Closing Balance)	514.24	466.46
NET INCREASE / (DECREASE) AS DISCLOSED ABOVE	47.78	(1,275.04)

Notes :

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

See accompanying notes to the financial statement

As per our report attached

For LLB & Co.

Chartered Accountants

FRN: 117758W

Lalit Bajaj

Partner

M. No. 104234

Mumbai

Date: 19-01-2017

For and on Behalf of the Board

S.B. GHIA

(Chairman and Managing Director)

M.D. DALAL

(Joint Managing Director)

Date: 19-01-2017

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NOTES FORMING PART OF THE ACCOUNTS AS ON MARCH 31, 2014

1. SHARE CAPITAL

	March 31, 2014	(Rupees) December 31, 2012
Authorised		
60,000,000 (Previous year 60,000,000) Equity Shares of Rs. 10 each	600,000,000	600,000,000
2,000,000 (Previous year 2,000,000) 9% Non Cumulative Redeemable Preference Shares of Rs. 100 each	200,000,000	200,000,000
	800,000,000	800,000,000
Issued, Subscribed and Fully paid up		
54,871,679 (Previous year 54,871,679) Equity Shares of Rs. 10 each	548,716,790	548,716,790
1,989,000 (Previous year 1,989,000) 9% Non Cumulative Redeemable Preference Shares of Rs. 100 each	198,900,000	198,900,000
	747,616,790	747,616,790

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

Particulars	March 31, 2014		December 31, 2012	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
(a) Equity shares				
Number of shares at the beginning	54,871,679	548,716,790	54,871,679	548,716,790
Issued during the year	—	—	—	—
Number of shares at the end	54,871,679	548,716,790	54,871,679	548,716,790
(b) 9% Non Cumulative Redeemable Preference Shares				
Number of shares at the beginning	1,989,000	198,900,000	1,989,000	198,900,000
Issued during the year	—	—	—	—
Number of shares at the end	1,989,000	198,900,000	1,989,000	198,900,000

(b) Terms / rights attached to equity shares

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

(c) Terms / rights attached to preference shares

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

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

Particulars	March 31, 2014		December 31, 2012	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Bhupati Investments and Finance Private Limited	8,347,971	15.20%	7,647,171	13.94%
R. Raheja Properties Private Limited	—	—	13,692,497	24.95%
Bharat Jayantilal Patel	6,745,497	12.29%	—	—

NOTES FORMING PART OF THE ACCOUNTING AS ON MARCH 31, 2014

(Rupees)

	March 31, 2014	December 31, 2012
2. RESERVES AND SURPLUS		
Capital Reserve		
Opening	9,505,827	9,505,827
Closing	9,505,827	9,505,827
Securities Premium Account		
Opening	444,195,713	444,195,713
Closing	444,195,713	444,195,713
Revaluation Reserve		
Opening	—	1,218,810,000
Transferred to Statement of Profit and Loss	—	(103,216,801)
Transfer to General Reserve on sale of Revalued Asset	—	1,115,592,918
Closing	—	—
General Reserve		
Opening	1,115,592,918	—
Transferred from Revaluation Reserves on Sale of Revalued Asset	—	1,115,592,918
Closing	1,115,592,918	1,115,592,918
Surplus		
Opening	(2,149,251,196)	(252,469,634)
Additions	(923,118,650)	(1,896,781,562)
Closing	(3,072,369,846)	(2,149,251,196)
	(1,503,075,388)	(579,956,739)
3. SHORT TERM BORROWINGS		
Secured - from banks		
Cash Credit Facilities	375,766,510	465,584,980
Term loan and others	1,086,464,494	1,100,955,881
Unsecured		
Directors-Related parties	11,127,495	11,102,495
Public Deposit	172,586,000	201,811,618
Inter Corporate Deposits - Related Parties	403,318,641	270,600,273
Intercorporate Deposits - Others	491,428,062	598,561,487
	2,540,691,202	2,648,616,734

Notes: Applicable to Note 3

- The Term Loans and Other credit facilities granted by the Banks were secured by way of equitable mortgage by deposit of title deeds in respect of the Company's Land and other movable/immovable assets situated at Chinnasekkadu, Manali, Chennai, Tamil Nadu. These Immovable/movable Properties were sold to one M/s Golden Star Promoters Pvt Ltd (GSPL) subject to various necessary approvals from statutory authorities vide MOU dated 19-12-2012. In view of non receipt of the consideration, the validity of the said MOU was extended from time to time and now valid till 31-12-2016. Pending vacation of the charge of the bankers/lenders on paying of all their dues, the immovable assets are continued to be charged /lied in favour of the lenders banks.
- Due to defaults in repayment of principal and interest, the accounts became non performing assets (NPA). Subsequently, the Company has made an offer for One Time Settlement (OTS) with consortium of Banks (COB) to accept the amount of Rs. 161,01,51,000/- along with interest @ 12% Payable From 01/12/2013 To 31/03/2016.

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The COB further extended the OTS to be paid up to 31st December, 2016 along with additional interest @ 0.50% on cumulative quarterly rests. Pending payment of the OTS as scheduled, the dues payable to bank have been stated at book value and final sacrifice/additional dues, if any, shall be recognised on the final date of settlement.

- c) Intercorporate deposits are crystallised and does not bear any interest and repayable on demand.
- d) Certain Term Loans, Cash Credit and Other facilities which were Secured by way of Hypothecation of Companies Movable Fixed assets and Current Assets which have been sold in the previous period but modification of the charge in favour of the banks/lenders are yet to be made.
- e) Public deposits includes Rs 1700 Lakhs due to Ex-Directors are interest free and repayable on demand.
- f) Public Deposit of Rs. 1,84,63,385/- (Including Interest) are due and became payable as of 31st March, 2014. Rs. 30,000/- were due for 7 years from the date they became payable.

	(Rupees) March 31, 2014	December 31, 2012
4. TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises	1,595,201	1,595,201
Trade Payable	562,992,716	624,518,422
	564,587,917	626,113,623

Notes: Applicable to Note 4

- a) Above include Rs. 31.23 Crores (\$ 53,29,699) payable to Daewoo International Corporation. However, as per the revised schedule of payment in terms of directive of Bombay High Court, Company need to pay \$ 34,35,393 or any additional amount as may further be directed by court till final payment till 30/11/16. The cessation of liability of \$ 18,94,306 or any lesser amount shall be accounted in the year of final payment.
- b) Balances of trade payable are subject to confirmation, reconciliation and adjustment, if any.

5. OTHER CURRENT LIABILITIES

Interest Accrued and Due on Borrowings	—	14,185,841
Interest Accrued but not Due on Borrowings	176,784	—
<u>Other Payables</u>		
Statutory Dues	60,514,535	18,417,839
Other Liabilities	511,100,493	184,327,077
Workers	276,531,470	—
Officers	129,760,005	—
Advance From Customer	45,815,720	58,645,739
Unpaid Matured Deposits and Interest Accrued thereon	18,463,385	5,179,717
	1,042,362,391	280,756,213

Notes: Applicable to Note 5

- a) Workers' Dues reflects the amount of settlement dues in respect of wages, benefits, arrears, bonus, leave salaries gratuity etc.
- b) Balances of all the creditors and advances received are subject to confirmation/reconciliation and adjustment, if any.

6. SHORT TERM PROVISIONS

<u>Provision for Employee Benefits</u>		
Unavailed Leave	—	8,845,715
Superannuation	4,197,567	4,179,567
Gratuity	3,685,813	92,345,026
	7,883,380	105,370,308

7. FIXED ASSETS

(Rupees)

Sr. No.	Description of Assets	Gross Block			Depreciation				Net Block		
		As on 1/1/2013	Additions	Deductions	As on 31/3/2014	As on 1/1/2013	For the Period	Deductions	As on 31/3/2014	As on 31/3/2014	As on 31/12/2012
A	Tangible Fixed Assets										
1	Freehold Land	84,366	—	84,366	—	—	—	—	—	—	84,365
2	Vehicles	10,447,921	—	10,447,921	—	7,573,742	497,333	8,071,075	—	—	2,874,177
3	Air-Conditioner Units and Other Equipment	—	—	—	—	—	—	—	—	—	—
	Sub-total	10,532,287	—	10,532,287	—	7,573,742	497,333	8,071,075	—	—	2,958,542
	Total	10,532,287	—	10,532,287	—	7,573,742	497,333	8,071,075	—	—	2,958,542
	Total For The Pervious Year										
	Tangible Fixed Assets	6,322,643,829	22,786,039	6,334,900,833	10,529,035	3,306,681,302	327,306,734	3,626,417,542	7,570,494	—	—
	Intangible Fixed Assets	1,168,513,186	—	1,168,513,186	—	264,025,800	904,487,386	1,168,513,186	—	—	—
		7,491,157,015	22,786,039	7,503,414,019	10,529,035	3,57,07,07,101	1,231,794,120	4,794,930,728	7,570,494	—	—

8. CURRENT INVESTMENTS

(At lower of Cost or Fair Value)

Equity
Quoted

Innovassynth Investments Limited

March 31, 2014			December 31, 2012		
Face Value	Numbers of Shares/Units	Amount (Rs.)	Face Value	Numbers of Shares/Units	Amount (Rs.)
10	50,000	141,000	10	50,000	500,000
25	1,015	25,375	25	1,015	25,375
10	2,000,000	22,000,000	10	2,000,000	22,000,000
10	—	—	10	330,000	3,300,000
10	—	—	10	35,105	666,995
10	4,900	49,000	10	4,900	49,000
		22,215,375			26,541,370
		48,999			—
		22,166,376			26,541,370

Unquoted

SVC Co-operative Bank Limited

Innovassynth Technologies (India) Limited

Clarion Wind Farms Private Limited

Beta Wind Farms Private Limited

FPL Properties Developers Private Limited

Less: Provision for Diminution

Aggregate Cost of Quoted Investments
Aggregate Cost of Unquoted Investments
Market Value of Quoted Investments
9. TRADE RECEIVABLES

Debts outstanding for a period more than six months

Unsecured

Considered Good

Considered Doubtful

Less : Allowance for Doubtful Debts

508,288	46,705,378
42,209,430	—
42,209,430	—
508,287	46,705,378

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(Rupees)

	March 31, 2014	December, 31 2012
10. CASH AND CASH EQUIVALENTS		
Current account*	20,173,349	15,842,120
Deposit account**	31,046,899	30,786,596
Cash in hand	203,665	16,940
	51,423,913	46,645,656

* Includes earmarked balances aggregating to Rs. 54,15,536/- towards settlement of workers union.

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

11. SHORT TERM LOANS AND ADVANCES

Unsecured, Considered good unless otherwise stated

Other Loans and Advances

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

Considered good

Considered doubtful

Less : Provision for Doubtful Advances

Balance with Customs, Excise etc.

Less : Provision for Doubtful Advances

Loans and Deposits

Less : Provision for Doubtful Advances

Advance Payment of Tax (Net of Provision)

	6,909,620	33,125,325
	17,539,891	—
	(17,539,891)	—
	6,909,620	33,125,325
	6,205,451	28,336,273
	(6,205,451)	—
	—	28,336,273
	32,500,746	60,431,075
	(3,606,336)	—
	28,894,410	60,431,075
	24,299,807	33,773,308
	60,103,837	155,665,981
	60,103,837	155,665,981
	3,265,863,879	3,550,000,000
	3,265,863,879	3,550,000,000

12. OTHER CURRENT ASSETS

Other Receivables

Notes: Applicable to Note 12

- a) The above represents the amount receivable from Golden Star Promoters Pvt. Ltd. (GSPL) towards sale proceeds of all movable and immovable assets of the company in terms of MOU dated 19-12-2012.
- b) An amount of Rs. 731,84,494/- being interest payable to bankers/lenders and Workers Union Settlement have been debited.

13. REVENUE FROM OPERATIONS

Sale of Products

Sale of Scrap

(Less): Excise duty

Provision no longer required written back, Bad and Doubtful

Debts and Advances

	—	2,264,491,563
	—	18,406,169
	—	(241,596,262)
	—	99,630,533
	—	2,140,932,003

(Rupees)

	March 31, 2014	December 31, 2012
14. OTHER INCOME		
Profit on sale of Investments	—	3,437,794
Dividend Income	—	446,891
Miscellaneous Income	—	2,550,689
	—	6,435,374
15. COST OF MATERIAL CONSUMED		
Opening Stock of Raw Material as on 1st January, 2013	—	378,549,321
Add : Purchases of Raw Material	—	962,179,610
	—	1,340,728,931
Less : Sale of Raw Material - Refer note no 24 (3)	—	(208,887,534)
Less : Stock as on 31st March, 2014	—	—
	—	1,131,841,397
Materials Consumed	—	1,131,841,397
16. CHANGE IN INVENTORIES		
Closing Stock as at 31st March 2014		
Semi - Finished*	—	—
Finished*	—	—
Opening Stock as at 01.01.2013		
Semi - Finished	—	273,045,163
Finished Goods	—	177,333,710
	—	450,378,873
Net (increase) / decrease	—	450,378,873
* Refer Note no 22 (3)		
17. EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	—	269,439,621
Contribution to Provident, Gratuity and Other Fund	—	83,593,202
Staff Welfare Expenses	—	29,786,968
	—	382,819,791
18. FINANCE COSTS		
Interest Expenses (net)	—	268,700,375
Other Borrowing Costs	—	56,685,149
	—	325,385,524

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	March 31, 2014	(Rupees) December 31, 2012
19. OTHER EXPENSE		
Stores and Spares Consumed	—	148,604,049
Power and Fuel	—	349,557,632
Freight and Delivery Charges	—	30,177,363
Rent	—	20,069,238
Rates and Taxes	—	644,511
Insurance	—	7,765,189
Repairs		
Buildings	—	638,165
Machinery	—	7,632,658
Others	—	15,110,617
Travelling and Conveyance		7,533,969
Directors' Fees		150,000
<u>Auditors' Remuneration</u>		
Audit Fees	—	1,800,000
Taxation Matters	—	489,494
Other Services (Certification, Tax Audit, etc.)	—	1,963,500
Reimbursement of Expenses	—	308,450
Commission	—	9,202,454
Bad debts and Advances Written off	—	153,447,331
Loss on Assets Sold / Discarded	—	1,324,030
Legal Charges	—	25,685,386
Foreign Exchange Fluctuation (net)	—	110,812,141
General Expenses	—	22,693,582
	—	915,609,759
	—	—
	—	—

20. PROFIT/ LOSS FROM DISCONTINUED OPERATIONS

	01-01-2013 to 31.03.2014	01-07-2011 to 31-12-2012
Revenue from Discontinued operations		
Commission Income	508,288	—
Profit on sale of Assets (Net)	4,108,250	—
Dividend	3,045	—
Claims Received	3,710,093	—
Bad Debts Recovered	253,526	—
Provision No Longer Required	11,497,993	—
Debtors credit balances written back	14,809,606	—
Miscellaneous Receipts	10,691	—
Exchange Rate Fluctuation	23,921,464	—
Total (A)	58,822,956	—


FUTURA POLYESTERS LIMITED

	(Rupees)
	01-01-2013 to 31.03.2014
	01-07-2011 to 31-12-2012
Expenditure related to Discontinued operations	
Loss on sale of Inventory	—
Salaries	330,030,541
Contribution To Provident, Gratuity And Other Fund	—
Compensation To Employees	—
Interest Expenses (Net)	—
Advances To Suppliers Written Off	—
Director's Fees	—
Depreciation	—
Water Charges	—
Electricity Charges	—
Rent	—
Rates And Taxes	—
Insurance	—
Repairs and Maintenance	—
Travel	—
Printing And Stationary	—
Audit Fees - Statutory	—
Audit - Other Services	—
Telephone	—
Sundry Balances Written Off	—
Provision For Doubtful Debts	—
Provision For Doubtful Advances	—
Provision For Diminution In Value Of Investment	—
Legal And other professional fees	—
General Expenses	—
Damages And Penalty	—
Total (B)	330,030,541
Profit / (Loss) from Discontinuing Operations (A-B)	(912,474,133)

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NOTE 21: SIGNIFICANT ACCOUNTING POLICIES

A. System of Accounting

The Financial Statements are prepared on accrual basis of accounting and in accordance with the Standard on Accounting notified by the Companies (Accounting Standard) Rules, 2006 and referred to in section 211 (3C) of the Companies Act, 1956.

B. Fixed Assets and Depreciation

I Fixed Assets

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

II Depreciation

Depreciation has been provided on all assets on Written Down Value at the rates specified in Schedule XIV of the Companies Act, 1956.

C. Investments

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

Income on Investments:

Dividend income is accounted when right to receive payment is established.

D. Inventories

Inventories are valued as under:

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

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

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

E. Sales

Sale of goods is recognised on despatch to customers. Sales include amounts recovered towards excise duty, but exclude amounts recovered towards sales tax. Commission on sale is accounted on right to receive the claim on receipts of sale proceeds.

F. Export Incentives

Export Incentives are accounted on an accrual basis.

G. Foreign Currency Transactions

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

H. Research and Development

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

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

I. Employee Benefits

(i) Defined Contribution Plan

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

(ii) Defined Benefit Plan

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

Company's Contribution towards Gratuity is made to an approved fund as per actuarial valuation certificate obtained from an actuary which is determined using projected unit credit method.

(iii) Short term compensated absences are provided as per actuarial valuation certificate obtained from an actuary which is determined using projected unit credit method.

(iv) Long term employee benefit

Long term compensated absences are provided as per actuarial valuation certificate obtained from an actuary which is determined using projected unit credit method.

(v) Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.

J. Taxes on Income

(a) Current Tax: Provision for Income Tax is determined in accordance with the provision of Income Tax Act, 1961.

(b) Deferred Tax Provision: Deferred Tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted on the Balance Sheet date. Deferred Tax Assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

NOTE 22: OTHER SIGNIFICANT NOTES

- A. The Company has disposed all its Land, Building and Plant & Machineries situated at Chennai to one M/s Golden Star Promoters Pvt Ltd. (GSPL) as per the MOU dated 19th December, 2012 subject to certain statutory approvals among others for a total consideration of Rs. 355 Crores, comprising of Rs. 315 Crores towards Land and Rs. 40 Crores towards movable Machineries /Scrap on 'as is where is basis' and closed down all its manufacturing and other operation. Accordingly, the company has effected the sale of the assets in the books of accounts for the period ending on 31-12-2012. Thereafter, the Company has obtained the permission of the shareholders by way of postal ballot on 26th June, 2013 for sale of assets by giving authority to board to take appropriate action in this regard. The company has also acted as attorney of GSPL to effect sale of all movables/

scrap etc. Due to non fixing of the statutory guidance value for the sale of the land and consequent non execution of the said MOU, the validity of the MOU have been extended from time to time and now is valid till 31st December, 2016. Further, the various banks have accepted the offer of One time Settlement (OTS) made by the company to accept Rs 161.01 Crores as against book debts of Rs. 161.45 Crores to be paid along with interest @ 12% till 31-12-2016. Pending receipt of the consideration in term of the MOU with GSPL, and consequent payments of all the dues under OTS to the banks, the accounts have been prepared under going concern basis.

B. The Company did not charge any interest on the amount receivable from GSPL towards sale of assets, which were not recovered fully in view of non performance of MOU following to non availability of statutory guidance value for the sale of land. However, the company as per the agreement with GSPL has charged the interest of Rs. 7.32 Crores to them being the interest payable to the banks under agreed terms of OTS and interest payable towards delay in payment to workers union settlement.

C. Contingent liabilities and Commitments made by the company

(i) Estimated amount of contracts remaining to be executed on capital account paid and not provided as on 31st March, 2014 Rs. Nil . (Previous year Rs. Nil).

(ii) Contingent Liabilities not provided for:

		(Rs in Lakhs)	
Sr. No	Items	01.01.2013- 31.03.2014	01.07.2011- 31.12.2012
(i)	Regarding Income tax on account of disputes raised by the Income tax department under the Income tax, Act 1961.	—	
	Madras High Court	303.73	303.73
	Income tax Appellate Tribunal	580.64	—
	Commissioner of appeals- Income Tax	12,594.60	—
	Commissioner of appeals Chennai- TDS	170.23	—
	Commissioner of appeals Mumbai - TDS	—	154.40
(ii)	Service Tax and Penalty demanded on technology transfer agreement.		
	CESTAT	485	485
	Service Tax demand on Goods Transport Agency	6.29	6.29
	Service tax credit denial on outward freight and canteen services		
	Commissioner Appeals	76.63	76.63
	CESTAT	16.76	16.76
(iii)	Central Excise: Claims against the company on various issues pending before various forum	339.8	644.31
(iv)	Irrigation Department- Government of Maharashtra High Court	185.38	2835.00
(v)	Pending Export obligations under Advance Licences	0	1768.38
	Penalty	0	50

(vi)	Labour Matters	9.87	10.86
(vii)	Customs		
	Commissioner Appeal: PBS wrong import of PVC	5.00	5.00
	Import of PBS without MOEF permission DRI	53.00	53.00
(viii)	Labour Settlement	—	27.76
(ix)	Guarantees given by the company	—	500.00
(x)	Others	264.51	202.74
(xi)	Claims against the Company not acknowledged as debts Rs. Nil Previous year (Rs. Nil).		

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

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

i)	TGI Packaging Limited	9.10 Lakhs	9.10 Lakhs
ii)	Aruna Chaleswara Industries	5.45 Lakhs	5.45 Lakhs
iii)	Galada Agro Industries	1.40 Lakhs	1.40 Lakhs

Principal amount due to any supplier as at the year end

15.95

Interest due on the principal amount unpaid at the year end to any supplier.

12.28

The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

—

The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year

—

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006

12.28

The amount of interest accrued and remaining unpaid at the end of each accounting year

12.28

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006

2.51

E. Discontinuing Operations (for the period ended on December 31, 2012)

(i) The company has entered into Memorandum of Understanding (MOU) dated 19th December, 2012 for sale of its asset at Manali Chennai - Land, Factory, Building, Plant and Machinery, Office Equipment, Furniture and Fixture and Inventory on an "As is where

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is" basis for an aggregating consideration of Rs. 355 Crores. The MOU is subject to all the necessary and required approvals. Effect of the above MOU has been given in the Accounts of previous period.

- (ii) The Company was operating only in single Product – Polyester Products which has been discontinued from 19th December, 2012.
- (iii) Period in which the discontinuance is expected to be completed is undeterminable.
- (iv) Revenue of Rs. 21,473.67, expenses of Rs. 43,346.14, and pretax profit of Rs. -21,872.45 in respect of the ordinary activities attributable to the discontinuing operation during the previous financial reporting period.
- (v) Carrying amount of Rs. 38,285.17 of assets and Rs. 36,608.57 Lakhs Liabilities to be settled as on 31.12.12.
- (vi) Allocation of Sale Proceeds to Land, Inventory and Other Fixed Assets is as per details given below. The same is subject to realisation.
- (vii) The Company has Sold its inventory consisting of Raw Material, Semi Finished Goods, Finished Goods, Stores and Spares as per above MOU as per details given below.

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

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

Other Disclosures for the current period

- (i) The Company has reversed excess provision of Gratuity payable to employees of Rs.78.61 lakhs which was provided on account of discontinuing operations.
- (ii) During the period Company has entered into settlement agreement with Workers, Staff and Officers. Agreement with workers has been duly approved under Industrial Disputes Act, 1947, accordingly excess liabilities of Rs. 29.95 Crores accounted in books.

- (iii) The Company has received aggregating to the amount of Rs. 40.43 Crores as against Rs. 355 Crores on disposal of sale of its asset at Manali Chennai - Land, Factory, Building, Plant and Machinery, Office Equipment, Furniture and Fixture and Inventory on an "As is where is" basis held at Chennai. The details of which are as under :

Particulars	Rs. In Crores
Opening Balance receivable	355.00
Add : Amount debited for delay in payments to banks and workmen	7.32
Add : Amounts incurred for dismantling of the plants and Immovable Scraps	1.73
Add : Commission recoverable towards sale proceeds for sale of Scrap	0.05
Add : Amount receivables from debtors towards sales on behalf of GSPL	34.19
Less: Goods Sold on behalf of GSPL and amount remitted to GSPL	(31.22)
	367.07
Less: Remittance Received	(40.43)
Amount Receivable from GSPL as on 31-03-2014	326.64

- (iv) The Company has also entered into a Memorandum of Understanding (MOU) dated 17/10/2016 for sale of Non Agricultural land held at Mehsana Gujarat , admeasuring to appx 1711.5 sq mts for Rs. 44.01 lakhs which is subject to certain terms and conditions. The said amount is still receivable.

F. Remuneration and perquisites of Chairman & Managing Director and Joint Managing Director:

(Rs in Lakhs)		
Particulars	01.01.2013- 31.03.2014	01.07.2011 - 31.12.2012
Salaries	18.54	21.60
Allowances	0.90	0.65
Contribution to Provident Fund and Superannuation Fund	4.86	5.83
Actual reimbursement of medical expenses and personal accident insurance premium	—	2.28
Other perquisites	—	1.15
TOTAL	24.30	31.51

G. Purchase of Raw Material under Broad heads (Rs in Lakhs)

Particulars	01.01.2013- 31.03.2014	01.07.2011 - 31.12.2012
Purified Terephthalic Acid	—	3,378.02
Mono-Ethylene Glycol	—	1,944.69
Pet Chips	—	679.16
Others	—	3,619.93
TOTAL	—	9,621.80

H. Value of Imported / Indigenous Raw Materials, Stores and Spares consumed:

Raw Materials:	01.01.2013 - 31.03.2014	01.07.2011 - 31.12.2012		
Imported at Landed Cost	—	0.00%	5,918.28	52.29%
Indigenous	—	0.00%	5,400.13	47.71%
TOTAL	—	0.00%	11,318.41	100.00%
Stores and Spares, Packing Material and Process Chemicals:				
Imported at Landed Cost	—	0.00%	274.99	18.50%
Indigenous	—	0.00%	1,211.05	81.50%
TOTAL	—	0.00%	1,486.04	100.00%

I. Value of Imports calculated on CIF basis:

	(Rs in Lakhs)	
	01.01.2013- 31.03.2014	01.07.2011 - 31.12.2012
Raw Materials	—	6,984.17
Stores and Spares	—	135.98
TOTAL	—	7,120.14

J. Expenditure incurred in foreign currency on account of:

Travelling	—	—
Others	—	—
TOTAL	—	—

K. Earnings in Foreign Exchange:

Export of Goods calculated on FOB basis (Excluding Deemed Exports)	—	5,976.81
Insurance and Freight	—	—
Others	—	85.60
TOTAL	—	6,062.41

L. Interest received on Margin Money and other interest income aggregating to Rs. 74.07 Lakhs (Previous Year 107.22 lakhs) has been netted off against the Interest expenses incurred on Working Capital and Term Loan.

M. The Company has entered into Agency agreement with M/s. Golden Star Promoters Private Limited for sale of its Goods on a commission of 0.25% on the proceeds collected by the Company

N. Interest and penalty payable on delayed payment of statutory charges/ dues are provided to the extent raised /intimated to the Company.

O. Employee Benefits

(Rupees)

Part 1 Gratuity Valuation

Name of Company : FUTURA POLYESTERS LIMITED

A Results of Actuarial Valuation

1 Valuation as on	31-03-2014	31/12/2012
2 Retirement Age	58/60	58/60
3 No of Employees	—	484
4 Total monthly salary in Rs.	—	5,908,861
5 Average age in years	—	46
6 Expected (decrement related) future service in years	—	8
7 Notional accrued benefit obligations in Rs.	—	70,830,790
8 Benefits paid in Rs.	—	16,820,832
9 Contributions to the fund in Rs.	—	—
10 Present value of Projected Benefit Obligations in Rs.	—	57,905,079

B Principle rules to compute Benefit Obligations

1 Salary reckoned for calculating Benefit Obligations	As per rules
2 Vesting Period	Five years for exits other than death
3 Benefit formula for gratuity for all exits except death	eligible pay x service x 15/26 subject to vesting
4 Benefit formula for gratuity on death	Same as above but no vesting condition

C Mean Financial Assumptions

1 Interest Rate for discount per unit per annum	—	0.08
2 Salary escalation rate	—	0.05

D Mean Demographic Assumptions

1 Mortality Rate	—	LIC 94-96 rates
2 Attrition rate	0.00%	5%
3 Disability / ill health retirement	Nil	

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Part 2 Financial year of valuation	01/01/2013 to 31/03/2014	01/07/2011 to 31/12/2012
A Movement during the financial year		
1 Movement period in years		1.5
2 Present value of Benefit Obligations as at beginning of the period in Rs.		52,532,742
3 Interest Cost assuming that claims paid in middle of financial year		5,428,896
4 Current service cost in Rs.		4,096,696
5 Past Service cost in Rs. (due to increased ceiling)	—	—
6 Curtailment cost/(Credit) in Rs. (refer Para 110-116 of AS 15 (revised 2005))	—	—
7 Settlement cost/(Credit) in Rs. (refer Para 110-116 of AS 15 (revised 2005))	—	—
8 Benefits paid in Rs.	—	16,820,832
9 Actuarial Gain/Loss on benefit obligation (Experience Adjustment) in Rs.	—	12,667,577
10 Present Value of Benefit Obligations as at the end of the period Rs. (9) = (10)-(2)-(3)-(4)-(5)-(6)-(7)+ (8)	—	57,905,079
Note: Actuarial Gain/Loss is the balancing item		
B Movements in the profit & loss Account for the financial year period		
1 Interest cost in Rs.	—	5,428,896
2 Current service cost in Rs.	—	4,096,696
3 Actuarial Gain/Loss on benefit obligation in Rs.	—	12,667,577
4 Total (1)+ (2)+ (3)+ (5) in Rs.	—	22,193,169
C Balance Sheet Movements		
1 Value of Benefit Obligations at the beginning of the period in Rs.	—	52,532,742
2 Add C/F From profit / loss account B(4) above in Rs.	—	22,193,169
3 Less benefits paid in Rs.	—	16,820,832
4 Value of Benefit Obligations as at the end of the period in Rs. (C4 = C1+ C2-C3)	—	57,905,079
5 Experience adjustment on plan liability in Rs.	—	(12,667,577)
6 Current (short term) liability included in the above liability in Rs.	—	8,440,839

Part 2 Leave Salary Valuation

Name of Company : FUTURA POLYESTERS LIMITED

A Valuation as on	31/03/2014	31/12/2012
1 Normal Retirement Age	58/60	58/60
2 No of Employees	—	565
3 Eligible salary p.m. in Rs.	—	6,687,629
4 Total CTC p.a in Rs.		
5 Notional Accrued Benefit Obligation in Rs.	—	8,845,715
6 Total Leave earned leave days	—	21,121
7 Total eligible Sick leave days		
8 Expected (decrement related) future service in years	0.00	8.2
9 Present value of Projected actuarial value of Benefit Obligations in Rs.	—	7,209,322
10 Benefits paid in Rs. Lakh	—	3,789,986
B Principle rules to compute Benefit Obligations		
1 Salary reconed for calculating Benefit Obligations	As per rules of the company	
2 Benefits formula for all exits	As per rules of the company	
C Mean Financial Assumptions		
1 Discount Rate per unit per annum	0	0.08
2 Salary escalation rate	0	0.05
D Mean Demographic assumptions		
1 Mortality	LIC 94-96 rates	LIC 94-96 rates
2 Withdrawal	5%	5%
3 Disability	No explicit assumption	
4 Leave availment/encashment in service on	0%	20%
5 Leave encashment on separation of Service	0%	80%

Part II Earned Leave Salary Encashment valuation

	01/01/2013 to 31/03/2014	(Rupees) 01/07/2011 to 31/12/2012
A Movements during the valuation year		
1 Inter Valuation period in years	—	1.5
2 Opening Balance of Actuarial Value of Benefit Obligations in Rs.	—	82,01,486
3 Interest Cost assuming that claims paid in middle of financial year	—	7,78,409
4 Current service cost in Rs. (refer AS 15 revised 2005)	—	6,74,989
5 Past service cost in Rs. (refer AS 15 (revised 2005).	—	—
6 Curtailment cost /(Credit) in Rs. (refer Para 110-116 of AS 15 (revised 2005)	—	—
7 Settlement cost /(Credit) in Rs. (refer Para 110-116 of AS 15 (revised 2005)	—	—
8 Benefits paid in Rs.	—	3,789,986
9 Actuarial Gain / Loss on Benefit Obligations in Rs.	—	1,344,424
10 Closing Balance of Actuarial value of Benefit Obligations in Rs. Note A9 = A10 -A2-A3 - A4- A5 - A6 - A7 + A8 - A9 is the balancing item	—	7,209,322
B Movement in Profit & Loss Account		
1 Interest cost = A3	—	778,409
2 Current Service Cost A4 = A4	—	674,989
3 Actuarial Gain / Loss on Benefit Obligations in Rs. = A9	—	1,344,424
C Net Cost Recognised = B1 + B2 + B3	—	2,797,822
Final Balance Sheet Movement		
1 Opening Balance of Actuarial Value of Benefit Obligations as on in Rs.	—	8,201,486
2 add Net cost in Rs = B4	—	2,797,822
3 less Claims Paid in Rs = A8	—	3,789,986
4 Total Cost Note 1: C4 = C1 + C2 - C3	—	72,09,322
5 Experience adjustment on plan liability in Rs	—	(1,344,424)
6 Current (short term) liability included in the above liability in Rs	—	1,345,402

Note : The additional amount of Rs. Nil (Previous year Rs 360.76 Lakhs) has been accounted on account of gratuity and leave encashment payable to employees which is based on management estimation considering operations have been discontinued.

P. Related Party Transactions:
P(i) Related Parties (As Certified by the Management):

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

Key Management Personnel

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P(ii). Related Party Transactions during the period 01.01.2013 TO 31.03.2014

(Rupees in Lakhs)

Sr. No.	Nature of Transaction	Key Management Personnel	Company in which key Management Personnel have significant influence	Relatives of Key Management Personnel	Subsidiary	TOTAL
1	Claims For Expenses	— (6.72)	— —	— (0.03)	— —	— (6.75)
2	Remuneration	24.30 (31.51)	— —	— —	— —	24.30 (31.51)
3	Sale of Asset	— —	3.50 (0.00)	— —	— —	3.50 (0.00)
4	Deposits received	0.25 (94.02)	1,346.94 (3.25)	— —	— —	1,347.19 (97.27)
5	Deposits Repaid	— —	19.76 —	— —	— —	19.76 —
6	Amount outstanding as on 31.03.14 receivables	— (6.72)	5.49 (6.09)	— —	— —	5.49 (12.81)
7	Deposits / Amount outstanding as on 31.03.14 payable	111.27 (111.02)	4,919.71 (2,706.00)	— (0.03)	— —	5,030.99 (2,817.05)

Q. Earnings per share

Particulars	31.03.2014	31.12.2012
Profit / (Loss) after Tax - Rs. in lakhs	(9,229.99)	(18,967.82)
Weighted average number of equity shares - Basic (Nos)	5,48,71,679	5,48,71,679
Weighted average number of equity shares - Diluted (Nos)	5,48,71,679	5,48,71,679
Earnings Per share (Basic) Rs.	(16.82)	(34.57)
Earnings Per share (Diluted) Rs.	(16.82)	(34.57)

R. These accounts being for the period of 15 months as against 18 months of earlier period hence the previous period's figure are not comparable with Current Period.

As per our report attached
For LLB & Co.
Chartered Accountants
FRN: 117758W

Lalit Bajaj
Partner
M. No. 104234
Mumbai
Date: 19-01-2017

For and on Behalf of the Board

S.B. GHIA (Chairman and Managing Director)

M.D. DALAL (Joint Managing Director)

Date: 19-01-2017

FUTURA POLYESTERS LIMITED

Registered Office:

Paragon Condominium, 3rd Floor, Pandurang Budhkar Marg, Mumbai 400 013.

FORM NO : MGT-11

[PROXY FORM]

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management & Administration) Rules, 2014] (CIN: I65192MH1960PLC011579)

Name of the Company: FUTURA POLYESTERS LIMITED

Registered Office: Paragon Condominium, 3rd Floor, Pandurang Budhkar Marg, Mumbai - 400 013

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

Tel. No: 02224923080 **Fax:** 022 24923142

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

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

(1) Name _____

Address: _____

E-mail ID/ _____ Signature _____ or failing him/her

(2) Name _____

Address: _____

E-mail ID/ _____ Signature _____ or failing him/her

As my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the adjourned Annual General Meeting of the Company to be held on Wednesday the 8th March 2017 at 11.30 A.M. at M.C Ghia Hall, 4th Floor Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Goda Mumbai 400001 and at any adjournment thereof in respect of such resolutions is indicated below.

Resolution No	Resolutions	Optional	
		For	Against
1	To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended 31st March 2014 (15 months) and the Reports of the Directors' and Auditors thereon.		
2	Appointment of Statutory Auditors M/s. LLB & Co., Chartered Accountants, to conduct Audit of the Company from the commencement of financial year from 1 st April 2014 to 31 st March 2015, to hold office from the conclusion of this meeting till the next Annual General Meeting and to fix the remuneration,		

Signed this _____ day of _____ 2017

Signature of the Shareholder

Signature of proxy holder(s)

Affix Re. 1
Revenue
Stamp

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

BOOK POST

To,

If Undelivered please return to
FUTURA POLYESTERS LIMITED
Paragon Condominium
3rd Floor, Pandurang Budhkar Marg
Mumbai 400 013