POLYGENTA

FORM A

Covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	Polygenta Technologies Limited
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation	Matter of Emphasis
4.	Frequency of observation	Appearing from Year Ended 31st March 2014
5	To be signed by: - CEO / Managing Director	M N S Rao CEO
	- CFO	Rakesh Tanna CFO
	- Audit Committee Chairman	Sujata Chattopadhyay Audit Committee Chairman
	- Auditor of the Company	For Lodha & Company Chartered Accountants A.M. Hariharan Partner

POLYGENTA TECHNOLOGIES LIMITED

33rd ANNUAL REPORT
2014 - 2015

CORPORATE IDENTIFICATION NO.: L17120MH1981PLC025388

BOARD OF DIRECTORS :	Mr. Marc Lopresto	Chairman, Director
	Ms. Sujata Chattopadhyay	Independent Director
	Mr. Fredrik Wijkander	Nominee Director, Swedfund International AB
	Mr. Ramesh Alur	Nominee Director, VenturEast Life Fund III

CEO : Mr. M N S Rao

CFO : Mr. Rakesh Tanna

COMPANY SECRETARY : Mr. Paresh Damania

BANKERS :
Ratnakar Bank
Standard Chartered Bank
HDFC Bank

REGISTERED OFFICE :
Solitaire Corporate Park,
Bldg No.1, 6th Floor, Unit No. 2,
Andheri - Ghatkopar Link Road,
Chakala, Andheri (E),
Mumbai : 400093

FACTORY :
Gat No.265/1, 266,
Village Avankhed,
Taluka Dindori,
District Nashik.
Pin 422 201
Maharashtra

AUDITORS :
M/s Lodha & Company
Chartered Accountants,
6, Karim Chambers,
40, Ambalal Doshi Marg,
Mumbai : 400 023.

CONTENTS

NOTICE

NOTICE is hereby given that the Thirty- Third Annual General Meeting of Members of Polygenta Technologies Limited will be held on Thursday, September 24, 2015 at 3.00 p.m. at 'the Mirador' Hotel, Andheri-Ghatkopar Link Road, Chakala, Andheri (E), Mumbai – 400 099 to transact the following business:-

Ordinary Business:-

1. To consider and adopt the Audited Financial Statements for the year ended March 31, 2015 together with Report of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Ramesh Alur, Nominee Director of VenturEast Life fund III who retires by rotation, and being eligible, offers himself for reappointment.

3. To appoint auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an ordinary resolution:

   "RESOLVED THAT M/s Lodha & Co, Chartered Accountants be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of 2016 of the Company at such remuneration as may be fixed by the Board of Directors of the Company."

Special Business:-

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

   RESOLVED THAT pursuant to Section 152 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] of the Company, Mr. Marc Lopresto (DIN 3313959) as Director be and is hereby confirmed with effect from 1st June 2015 to hold office for five consecutive years for a term up to May 30, 2020.

   RESOLVED FURTHER THAT consent of the Shareholders be and is hereby accorded to his receiving professional fees of Rs. 24, 00,000/- per annum.

   RESOLVED FURTHER THAT the Board of Directors or its Committee be and is hereby authorised from time to time (on recommendation of the Nomination and Remuneration Committee) to amend, alter or otherwise vary the terms and conditions of the appointment of Mr. Marc Lopresto including remuneration.

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

   "RESOLVED that pursuant to the Section 152 and all other applicable provisions of the of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the appointment of Ms. Sujata Chattopadhyay (DIN: 02336683) as Independent Director be and is hereby confirmed with effect from 31st March 2015 to hold office for five consecutive years for a term up to March 30, 2020."

6 **To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

   RESOLVED THAT the Board of Directors be and is hereby authorised to enter into a transaction for sale of DTY with the Related Party 'PerPETual Global Technologies Limited' up to USD 1.5 Million up to 30th September 2016 provided that the transaction will be entered into at arm's length price.

RESOLVED FURTHER THAT the Audit Committee of the Company be and is hereby authorised to decide about the arm's length price from time to time and other terms and conditions.

RESOLVED FURTHER THAT the Audit Committee be and is hereby authorised to repay the advance received, if any from the Related Party- PerPETual Global Technologies Limited.

RESOLVED FURTHER THAT the Audit Committee be and is hereby authorised to decide about the arms length price.

By the Order of the Board of Directors
For **Polygenta Technologies Limited**

Paresh Damania
Company Secretary

Place: Mumbai
Date: 12th August 2015

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts relating to the business stated under Item Nos. 4 to 6 is annexed hereto.

2. The register of members and the share transfer books of the Company will remain closed from 18th September 2015 to 24th September 2015 (both days inclusive) for annual closing.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a person can act as a proxy of a member holding more than 10% (ten percent) of the total share capital of the Company and in such case the person cannot act as a proxy for any other person.Proxies submitted on behalf of limited companies must be supported by appropriate resolution / authority, as applicable. The instrument of proxy in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 (forty eight) hours before the commencement of the meeting.

4. Members are requested to notify immediately any change in their addresses, email address bank particulars etc.

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

6. **VOTING THROUGH ELECTRONIC MEANS:**

   In compliance with section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their vote electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

   The instructions for members for voting electronically are as under:

   (i) The voting period begins on 21st September 2015 at 9.00 a.m. and ends on 23rd September 2015 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 17th September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) 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.

(viii) If you are a first time user follow the steps given below:

PAN	**For Members holding shares in Demat Form and Physical Form:** Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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 which is mentioned in address label as sr no affixed on Annual Report, 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. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

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

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for Polygenta Technologies Limited on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

7. The facility for Voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.

8. Members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

9. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013.

Item No. 4
Appointment of Mr. Marc Lopresto as Director

Mr. Marc Lopresto was appointed as Wholetime Director of the Company at the AGM held on 30th September 2013 for a period of three years with effect from 1st September 2013.

He resigned as Wholetime Director as he expressed his inability to devote his full time to the Company and his resignation was accepted by the Board with effect from closing of working hours of 31st May 2015.

On the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 28th May 2015 decided to appoint him as director of the company and avail of his services which are in the nature of professional services comparable in scope which he has been providing to the Company in the recent past (including corporate development, strategy, business development, corporate finance and legal). In consideration of the professional services to be rendered by Mr. Lopresto, it was decided by the Board (on recommendation of Nomination and Remuneration committee) that a fee of Rs.2 lacs per month shall be paid to him, approximately the level of compensation received as an employee of the Company, unchanged since 2010.

The Board took into consideration the recommendation of the Nomination and Remuneration Committee in its assessment that Mr. Lopresto possesses the requisite qualification for the practice of the profession and has recommended the payment of the aforesaid fees for the professional services to be rendered by him.

Mr. Marc Lopresto will be a director retiring by rotation.

Except Mr. Marc Lopresto who may be considered to be interested in the resolution to the extent of his appointment, none of the other Directors and Key Managerial Personnel of the Company and their relatives may be in any way considered to be concerned or interested in this resolution.

In accordance with the provisions of Section 197(4) of the Companies Act, 2013, the limits of remuneration as prescribed in the Schedule V of the Companies Act, 2013 will not apply.

Pursuant to Clause 49 of the listing agreement with the Bombay Stock Exchange, the following information is furnished.

Mr. Marc Lopresto, aged 59 Years has an MBA from Wharton (Finance and Strategy specialisation), and an AB in Economics (Honours) University of California, Berkeley. He has experience in M&A, restructuring and risk management, and project / venture capital fund raising including for the power, metals, and manufacturing sectors and was CFO of the Company from 2008 to 2014.

He is a Director of PerPETual Global Technologies Limited and AlphaBottle Limited. Apart from being Director of Polygenta Technologies Limited, he is a member of the following committees of Polygenta - Audit Committee, Stakeholders Relationship Committee, Allotment and Conversion Committee and Risk Management Committee.

He does not hold by himself or for any other person on a beneficial basis, any share in the Company.

Item No. 5
Appointment of Ms. Sujata Chattopadhyay as Independent Director

Ms. Sujata Chattopadhyay was appointed as the Independent Director of the Company on March 31, 2015 by the Board of Directors subject to confirmation of Shareholders at the General Meeting. In terms of Section 149(10) of the Companies Act, 2013, an Independent Director can hold office for a term up to 5 (five) consecutive years on the board of a Company. Also, under explanation to section 152(6)(e) of the Companies Act, 2013 an Independent director is not liable to retire by rotation.

Ms. Sujata Chattopadhyay, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for 5 (five) consecutive years for a term up to March 30, 2020.

In the opinion of the Board, Ms. Sujata Chattopadhyay fulfils the conditions laid down for the appointment Independent Director under the Companies Act, 2013. Accordingly, the Board recommends the adoption of the resolution at Item No. 5 of the Notice. Except Ms. Sujata Chattopadhyay, who may be considered to be interested in the resolution to the extent of her appointment, none of the other Directors and Key Managerial Personnel of the Company and their relatives may be in any way considered to be concerned or interested in this resolution.

Pursuant to Clause 49 of the listing agreement with the Bombay Stock Exchange, the following information is furnished.

Ms. Sujata Chattopadhyay, aged 50 (fifty) years, is a Practising Company Secretary from Mumbai. She is also a fellow member of Institute of Costs Accountants of India. She is having over 27 (twenty seven) years of experience in the area of Finance, Cost accounts / cost audit and Company Secretarial work.

She is a Director of Aryasta LifeScience India Limited, Steel Exchange India Limited and Vakrangee Limited. Apart from being Director of Polygenta Technologies Limited, she is a member of the following committees of Polygenta - Audit Committee & Nomination and Remuneration Committeee.

She does not hold by herself or for any other person on a beneficial basis, any share in the Company.

Item 6
Transaction with Related Party

The Company is making all efforts to sell its high quality recycled sustainable polyester yarn at Premium pricing compared to virgin. The Company is in discussion with related Party ' PerPETual Global Technologies Limited' for sale of Recycled Yarn.

Clause 188 of the Companies Act, 2013 states that no approval for related party transaction is required either of Board or Shareholder if the transaction is in the ordinary course of business and on the basis of arm's length price. However, from 1st October 2014 onwards, Clause 49 of the Listing Agreement with BSE Limited requires that all material Related Party Transactions shall require approval of the shareholders through special resolution. Since the sale of Yarn may exceed 10% of Polygenta's sale for the Year Ended 31st March 2015 the Shareholders permission is sought for sale of such goods.

The following are the details of the proposed transaction to be entered into:

(1) Name of the Party : PerPETual Global Technologies Limited

(2) Name of the Director or KMP who is related : Mr. Marc Lopresto as he is the Director of PerPETual Global Technologies Limited

(3) Nature of Relationship: PerPETual Global Technologies Limited is the Lead Promoter and holding company of Polygenta Technologies limited and holds 55.75% of the equity share capital (58.15% on diluted basis).

(4) Nature, material terms, monetary value and particulars of the contract or arrangement: Supply of DTY at arms length price prevailing at the time of despatch of materials maximum to the extent of USD 1.5 Million upto September 2016 against 100% advance. The Board is entitled to refund the advance received any time if the materials cannot be supplied.

Your Directors recommend passing of this resolution.

By Order of the Board of Directors
For **Polygenta Technologies Limited**

Paresh Damania
Company Secretary

Place: Mumbai
Date: 12th August 2015
Corporate Identification Number (CIN) - L17120MH1981PLC025388

Registered Office:
Solitaire Corporate Park,
Building No.1, 6th Floor, Unit No.2,
Andheri-Ghatkopar Link Road,
Chakala, Andheri (East),
Mumbai: 400093
Tel: +91 22 6193 3333 Fax: +91 22 6193 3316,
E-mail: companysecretary@polygenta.com
Website: http://www.polygenta.com

DIRECTORS REPORT

To,
The Members of
Polygenta Technologies Limited,

Your Directors present to you the Thirty Third Annual Report on the business and operations of Polygenta Technologies Limited (the "Company") and Audited Accounts for the financial year ended 31st March 2015.

1. FINANCIAL RESULTS

Particulars	Year Ended 31st March 2015 (₹ in Millions)	Year Ended 31st March 2014 (₹ in Millions)
Revenue from Operations	556.7	552.0
Profit /(Loss) before Depreciation and Interest	(306.1)	(412.9)
Depreciation	155.1	157.0
Borrowing Cost	157.7	129.7
Profit / (Loss) before Exceptional Items	(618.9)	(699.6)
Exceptional Items	24.0	-
Profit / (Loss) before tax	(642.9)	(699.6)
Provision for current tax reversal	7.7	-
Deferred Tax Assets reversal	-	-
Profit / (Loss) after tax	(635.2)	(699.6)
Balance Loss b/f from previous year	(1881.3)	(1,181.8)
Additional Depreciation as per Companies Act, 2013	(4.8)	-
Balance of Loss to be carried to Balance Sheet	**(2,521.3)**	**(1,881.3)**

STATE OF COMPANY AFFAIRS

During the financial year 2014-15, the company improved the quality of its products, which supported an increase in sales of its sustainable polyester filament yarn **("PFY")** made from solely from 100% post-consumer **("p-cPET")** to 5,158 metric tonnes **("MTs")**. Customers used these sustainable yarns for a range of apparel and other applications segments - sports, casual wear, etc. This 571 MTs increase represented a 12.4% improvement over 2013-14 sales of 4,587 MTs. However, the Company continued to incur operating income losses, though materially lower versus the prior year, due to a number of factors including:

- A dramatic fall in crude prices which lead to a contraction in margins in the conventional market, and volatile feedstock and product pricing environment that inhibited sales and contributed to losses on inventory valuations of inputs and finished goods;
- Gradual attainment of targeted standards and consistent production of the same with top quality levels – particularly for finer deniers of micro-filament yarn – being reached only near the end of the operating year.
- The long sales cycle and switching costs encountered in supplanting entrenched, historical suppliers of PFY yarn to global brands. In a number of cases, this has also entailed persuading brands to switch from conventional PFY (made from petrochemicals) to sustainable PFY. These latter efforts have been especially challenging because your company has needed to overcome general customer perceptions of lower product consistency which has been the experience overall of global brands with suppliers in the niche segment of sustainable PFY.

In addition to its important progress on product quality and consistency, achieved gradually throughout the year, the Company also improved operating efficiencies and consistency through a wide range of initiatives, including:

i. Improving the quality of the p-cPET flakes at the input phase of the Company's proprietary chemical recycling process;

ii. Further modifications to components of its recycling process;

iii. Improved labour productivity ; and

iv. Enhances product quality practices, analytical tools and practices.

For the year 2014-15, Polygenta incurred losses of Rs.635.2 million.

Health, Safety and Environment ("HSE") and Implementation of Key Process

The Nasik plant continued in efforts to maintain a high standard of HSE performance through its HSE Management Systems, as originally conceived and developed with the support of the Company's ECB lenders (i.e. sovereign sustainability and development funds of Finland and Sweden, Finnfund and Swedfund respectively). This includes the factory monitoring and reporting regularly its operations with respect to Maharashtra Pollution Control Board and the World Bank-IFC standards for air emissions, wastewater effluent treatment, noise pollution, and compliance with the provisions of its Environmental Social Management System.

Integrated Management System Certification

In September 2013, the Company attained certification for its performance in line with recognized international standards for quality, environmental management and health and safety practices (ISO 9001 (Quality); ISO 14001 (Environment) and OHSAS 18001 (Health and Safety). During 2014/15, the Company cleared successfully its Surveillance IMS audit. End-customers that prefer sustainable inputs and supply chain partners generally require their suppliers to operate at these high international standards.

2. FINANCAL REVIEW:

- During the financial year 2014-15, the Company repaid fully the outstanding balance of its Rs.45 million of term loan from The Ratnakar Bank Ltd.
- During the previous year, Polygenta's lead-promoter and majority shareholder, PerPETual Global Technologies Limited ("PGTL") continued its extraordinary support of the project by sanctioning a USD 20 Million ECB loan (approximately Rs.127.3 crores), subordinate to the pre-existing senior debt (i.e. the Swedfund and Finnfund ECB loans and Ratnakar Bank loan facilities, "Senior Lenders"). Under the approval route of RBI ECB Regulations, the Company was permitted to use this PGTL debt facility for general corporate purposes and for capital projects. As on 31st March 2015, the Company had drawn Rs. 91.3 crores under the PGTL ECB loan facility.
- The Company is hopeful of concluding a rescheduling of its ECB loans with Swedfund and Finnfund which, as of15th July 2015 were past due both in terms of interest Rs.30.09 crores and in terms of principal Rs.106.80 crores.
- During the year, the Company allotted 1,325,000 Compulsory Convertible Preference Shares ("CCPS") on 30th September 2014 to VenturEast Life Fund III and 10,155,893 CCPS on 24th February 2015 to its lead-promoter PGTL. These CCPS are convertible into an equal number of equity shares after the allottees issue a two-months' notice. After 18 months following allotment, if no such notice has been issued, the CCPS will be compulsorily converted into equity shares. Upon conversion of all of these CCPS, the equity share capital will increase by 7.9% from Rs. 1,447,256,510 to Rs.1,562,065,440.

3. DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013, to the extent applicable.

4. MATERIAL EVENTS OCCURRING AFTER BALANCE SHEET

Your Company continues to incur losses and the Company's net worth has substantially eroded as on 30th June 2015. The Company is taking all possible steps to improve the operating results as discussed in Management Discussion and Analysis attached to this report.

5. DIVIDEND

Due to its losses, the Company is unable to declare a dividend for the financial year ended 31st March 2015.

6. EXPORTS

During the year under review your Company earned export revenues from PFY sales aggregating Rs.36.3 million.

7. DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are set out in a separate statement attached hereto and forming part of the report. ***(Annexure 'I')***

8. DIRECTORS and KEY MANAGERIAL PERSONS

Mr. Ramesh Alur, Nominee Director of VenturEast Life Fund III retires by rotation and, being eligible, offers himself for reappointment.

During the year pursuant to Section 149 of the Companies, 2013 Mr. Krishnava Dutt was appointed as an Independent Director to the Board of the Company with effect from 13th August 2014. Subsequently, he resigned and was relieved as Independent Director with effect from 19th December 2014.

Ms. Sujata Chattopadhyay was appointed as an Independent Director to the Board of the Company. Her appointment is for a period of five years with effect from 31st March 2015.

During the year Mr. M N Sudhindra Rao was appointed as CEO of the Company with effect from 17th July 2014.

Mr. Amarjit Singh Bhatia was appointed as CFO of the Company with effect from 23rd April 2014 and he resigned as CFO of the Company and was relieved with effect from 21st February 2015.

9. DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, read with the Schedules and rules issued thereunder.

10. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Nomination and Remuneration (N&R) Committee has formulated a detailed Nomination Remuneration policy which, inter alia, deals with the manner of selection of Directors and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act,2013. The highlights of the Policy are given as ***Annexure 'II'*** forming part of this Report.

11. BOARD TRAINING AND INDUCTION

At the time of appointing a Director, a formal letter of appointment is given to the Director, which inter alia, explains the role, function, duties and responsibilities expected of the Director.

The Directors are also appraised about the various compliances under Companies Act, 2013 and Code of conduct of independent directors as per the Companies Act, 2013 and a confirmation is taken from them for compliance therewith.

By way of introduction to the Company, the Directors are presented the last three years Annual Report. Further, with a view to familiarise the new Directors with the Company's operations, when the business plan presentation is made to the Board, the familiarisation is also suitably combined therewith.

The CEO also has one-to-one discussions with the newly appointed directors and they attend an orientation at the company's factory. The above initiatives help the Directors to understand the Company, its business, the regulatory framework in which the company operates and equips the Directors to fulfill effectively their role as Directors of the Company.

12. DIRECTORS' RESPONSIBILITY STATEMENT / CODE OF CONDUCT

The Directors Responsibility Statement referred to in clause (c) of sub –section (3) of Section 134 of the Companies Act, 2013 is given in Annexure 'III' forming part of this Report. The Code of Conduct of the Company is affirmed by the Directors and Senior Management and the receipt of the same is affirmed by the CEO in ***Annexure 'III'*** forming part of this Report.

13. NUMBER OF MEETING OF THE BOARD OF DIRECTORS AND COMMITTEES

The Board of Directors have met 11 times during the year ended 31st March, 2015. The composition of the Audit Committee of Directors, Nomination and Remuneration Committee of Directors, and Stakeholders Relationship Committee of Directors, number of meetings held of each committee during the financial year 2014-2015 and meetings attended by each member of the committee as required under Companies Act, 2013 are provided in Corporate Governance Report forming a part of the report in ***Annexure VI*** . The recommendations by the Audit Committee as and when made to the Board have been accepted by the Board.

14. DIRECTORS EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board is in the process of carrying out an annual evaluation. The Annual Evaluation is planned for its own performance, and evaluation of the working of its committees. Similarly, the Board is in the process of evaluating the performance of individual Directors including the Chairman of the Board.The Independent Director Krishnava Dutta resigned during the year and Mr. Anand Dua left shortly after the year-end on 15th April 2015. The other Independent Director, Ms. Sujata Chattopadhyay, only recently joined the Board on 31st March 2015. Therefore, evaluation of independent directors could not be done during the year under review.

15. PARTICULARS OF LOANS AND GUARANTEES OR INVESTMENTS

Because there were no loans, .guarantees, or investments given by the Company during the year, the Company is not required to comply with the provisions of section 186 of the Companies Act, 2013.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year were on an arms-length basis and were in the ordinary course of business. A list of the transactions is referred to in Note No. 31 to Financial Statements.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arms-length transactions under the third proviso thereto, is disclosed in Form No. AOC-2 which is attached as ***'Annexure IV'*** forming part of this report.

The Company's Related Party Transaction Policy, as approved by the Board, is uploaded on the Company's website at http: // www. polygenta. com / company_policies.html

17. RISK MANAGEMENT POLICY

The Company has developed a Risk Management Policy. It seeks to identify risks inherent in the Company's business operations and provide guidelines to define, measure, report, control and mitigate the identified risks. The objective of the Company's Risk Management is to create and protect shareholder value by prudently minimising threats or losses, and identifying and maximising opportunities. The policy endeavours to provide a practical enterprise-wide risk management framework that fosters employees integrating risk management into their everyday work.

18. VIGIL MECHANISM (WHISTLE BLOWER) POLICY

The Company is committed to adhering to the highest standards of ethical, moral, and legal conduct of business operations. Accordingly, the Company has adopted a Vigil Mechanism Policy. The objective of the Policy is to enable any employee / director who observe violation of the Polygenta Code of Conduct OR unethical practice (whether or not violation of law) to approach the Vigil Officer without necessarily informing their line managers and without revealing their identity.

SCOPE OF THE POLICY

(a) The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

(b) Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Vigil Officer or the Chairman of the Audit Committee or the Investigators.

(c) Protected Disclosure will be appropriately dealt with by the Vigil Officer or the Chairman of the Audit Committee, as the case may be.

19. CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to form a Corporate Social Responsibility Committee, as it does not satisfy the criteria as mentioned in Section 135 of the Companies Act, 2013.

20. SECRETARIAL AUDIT REPORT :

A Secretarial Audit Report given by A. Sekar, practicing Company Secretary at Mumbai, is annexed as ***'Annexure V'***, forming part of this report.

The Board's comments on the adverse remarks of the Secretarial Audit Report are as under:

The Secretarial Auditors have qualified their report because the composition of the Board of Directors, Audit Committee and Nomination and Remuneration Committee is not in complete compliance with Clause 49 of the Listing Agreement. The Company is looking actively for two independent directors. Once new additional independent directors are appointed, they will be considered for appointment to the Audit Committee and Nomination and Remuneration Committee. Once the independent directors are appointed, it is expected that the constitution of the Board, Audit Committee and Nomination and Remuneration Committee memberships will also be brought into compliance with clause 49 of the Listing Agreement.

A. Sekar has also qualified its report because, during the year under review, there has been no separate meeting of the independent directors as required in Clause 49 II B 6 of the Listing Agreement and the provisions of Companies Act, 2013. During the last quarter of the financial year, when the meeting was proposed to be held, there was only one Independent Director on the Board, because one Independent Director resigned on 19 December 2014.

21. STATUTORY AUDITORS & AUDTORS REPORT

M/s Lodha & Co, Chartered Accountant, Mumbai Statutory Auditors of the Company retire at the forthcoming Annual General Meeting of the Company and are eligible for reappointment. Members are requested to reappoint the auditors and fix their remuneration.

The Emphasis of Matter in Auditors Report as regards preparation of financial statements on going concern basis read with Note No. 27 to the Accounts is self explanatory.

22. FIXED DEPOSITS

The Company has not accepted or renewed any deposits from the public during the year.

23. INSURANCE

The Company has taken adequate insurance for all of its assets.

24. CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance requirements stipulated under Clause 49 of the Listing Agreement except those as discussed in Clause 20 above.The Report on Corporate Governance is annexed as ***Annexure 'VI'*** forming part of this Report.

25. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report, as required under the Listing Agreement with the Stock Exchange, is annexed as ***Annexure 'VII'*** forming part of this Report.

26. PARTICULARS OF REMUNERATION AS PER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars of remuneration as per rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as ***'Annexure VIII'*** forming part of this Report.

27. COMPARISON OF DIRECTORS REMUNERATION WITH MEDIAN EMPLOYEE REMUNERATION

As per rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and other particulars is annexed as ***'Annexure IX'*** forming part of this Report.

28. INDUSTRIAL RELATIONS

Cordial industrial relations continued to prevail throughout the financial year under review.

29. Extract of the Annual Return

The details forming part of the extract of Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as ***'Annexure X'*** to this Report.

30. MEGA-PROJECT STATUS

The Company's development of its factory at Nashik has qualified for benefits under the State of Maharashtra mega project program subject to completing specified capital investments of at least Rs.2,500 million in relation to the manufacture of POY and DTY. The Company was granted an extension to 31st March 2015 to fulfil this investment condition. The Company has applied for a further extension to 31st March 2017. Upon fulfilling this condition, the Company will be eligible for financial benefits, including exemption from prescribed taxes and duties.

31. REPORTING REQUIRED UNDER SECTION 23(1) (a, b) of SICA Act 1985

As per the audited accounts at the end of the financial year as on 31st March 2015, the Company's accumulated losses amounted to Rs. 2,521.3 million. As per the criteria set out in SICA Act 1985, over the preceding four financial years and prior to taking into consideration any reconstitution of equity capital from further equity investments by investors, the Company has been deemed to have an erosion more than 50% of the Company's peak net worth of Rs.2201.3 million in the preceding four years. Notwithstanding the Company having Rs. 219.6 million in net worth under Section 23(1) (a) and 23(1) (b) of the Sick Industrial Companies (Special Provisions) Act (SICA), 1985, the Company is required, within a period of 60 days from the date of finalisation of the duly audited accounts of the Company for the relevant financial year, to report such erosion to the Board for Industrial & Financial Reconstruction (BIFR). Further, the Company's Board of Directors is required to report such erosion to its shareholders and the causes for such erosion at a shareholder general meeting convened specifically for this purpose.

Because of reasons set out under the Operational Review of this Report, the Company continued to incur the losses in the 2014-2015 fiscal year. The Company's adverse financial results over the last four years totalled losses of Rs. 2,522.10 million.

These recent losses have arisen due the following reasons:

- A dramatic fall in crude prices which lead to a contraction in margins in the conventional market, and volatile feedstock and product pricing environment that inhibited sales and contributed to losses on inventory valuations of inputs and finished goods;

- Gradual attainment of targeted standards and consistent production of the same with top quality levels – particularly for finer deniers of micro-filament yarn – being reached only near the end of the operating year.

- The long sales cycle and switching costs encountered in supplanting entrenched, historical suppliers of PFY yarn to global brands. In a number of cases, this has also entailed persuading brands to switch from conventional PFY (made from petrochemicals) to sustainable PFY. These latter efforts have been especially challenging because your company has needed to overcome general customer perceptions of lower product consistency which has been the experience overall of global brands with suppliers in the niche segment of sustainable PFY.

In spite of the above, the Company emerged from FY 2014-15 having distinguished itself globally as a producer of high quality fine denier micro-filament yarn from 100% recycled post-consumer PET Bottles (and the only one in the Indian sub-continent). It has also established its presence with fabric manufacturers who are converters to a number of established global brands.

32. ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / REAPOINTMENT OR SEEKING ELECTION AT THE ANNUAL GENERAL MEETING AS PRESCRIBED UNDER THE LISTING AGREEMENT:

Ramesh Alur

Mr. Ramesh Alur was appointed as a Nominee Director of VenturEast Life Fund III effective 25th March 2014 pursuant to Article 110A of the Articles of Association of the Company and holds this office until the conclusion of the forthcoming Annual General Meeting. He was nominated for appointment by VenturEast Life Fund III in place of Mr. Sarath Naru.

Mr. Ramesh Alur, aged 58 years, is a B. Tech (Chemical Engineering) form REC, Warangal and Master in Business Administration from Indian Institute of Management, Bangalore with a specialisation in marketing and finance. He stood in the top 3 (three) positions throughout his academic career.

Mr. Alur has over 26 (Twenty Six) years of experience in various fields. He is currently the senior Vice President of APIDC Venture Capital Limited and has extensive experience in Technology, Production, R&D, Project Appraisals, Monitoring, and Financial Management.

He started his career as a Chemical Engineer at BARC in 1979. He also worked as a Scientific Officer, Reactor Research Centre, Kalpakkam. Subsequently, he worked with Bakelite Hylam, a leader in industrial laminates. He also underwent a training programme conducted by the World Bank in USA in October, 1996 for venture capitalists in India.

He holds a directorship position in the following companies: (1) APIDC Venture Capital Pvt. Ltd.; (2) Dynam VenturEast Pvt. Ltd.; (3) Fore Transcription Pvt. Ltd.; (4) Elbit Medical Diagnostics Ltd.; (5) Bioserve Biotechnologies (India) Pvt. Ltd.; (6) Cecilia Healthcare services Pvt. Ltd.; (7) VenturEast Fund Advisors India Pvt. Ltd.; (8) Mardil Medical Devices Pvt. Ltd.; (9) iMedX Information Services Pvt. Ltd.; (10) World Infotech Pvt. Ltd.; (11) Total Prosthetics & Orthotics Pvt. Ltd.; (12) Phoenix Cardiac Devices Pvt. Ltd.; (13) Evolva Biotech Pvt. Ltd.; (14) Marillion Pharmaceuticals India Pvt. Ltd.; (15) Itero Biopharmaceuticals Pvt. Ltd.; and (16) VenturEast Drug Discovery Services Pvt. Ltd.

He is a member of Nomination and Remuneration Committee of APIDC Venture Capital Pvt. Ltd.
He is also member of the following committees of Polygenta Technologies Limited: Audit Committee, Nomination and Remuneration Committee, Allotment and Conversion Committee and Risk Management Committee.

Marc Lopresto

Mr. Marc Lopresto was appointed as Wholetime Director for a period of three years with effect from 1st September 2013. He resigned as Whole time Director with effect from 31st May 2015 and he was appointed as a Director with effect from 1st June 2015.

Mr. Marc Lopresto, aged 59 years, is an MBA from Wharton (Finance and Strategy specialisation), and an AB in Economics (Honours) University of California, Berkeley. He has experience in M&A, restructuring and risk advisory, and project / venture capital fund raising including for the power, metals, and media sectors.

He is Director of PerPETual Global Technologies Limited and AlphaBottle Limited.

He is also a member of the following committees of Polygenta: Audit, Stakeholders Relations, Allotment and Conversion Committee and Risk Management Committee.

Sujata Chattopadhyay

Ms. Sujata Chattopadhyay, aged 50 (fifty) years, is a Practising Company Secretary from Mumbai. She is also a fellow member of Institute of Costs Accountants of India. She is having over 27 (twenty seven) years of experience in the area of Finance, Cost accounts / cost audit and Company Secretarial work.

She is a Director of Aryasta LifeScience India Limited, Steel Exchange India Limited and Vakrangee Limited. Apart from being Director of Polygenta Technologies Limited, she is a member of the following committees of Polygenta - Audit Committee & Nomination and Remuneration Committeee.

She does not hold by herself or for any other person on a beneficial basis, any share in the Company.

33. ACKNOWLEDGEMENT

The Board wishes to place on record its appreciation for the valuable co-operation extended to the Company by its employees, governmental departments, lending institutions, bankers, suppliers, and its customers for their continued considerable support.

For and on behalf of the Board of Directors

Marc Lopresto
Chairman
Date: 12th August 2015

ANNEXURE 'I' TO DIRECTORS' REPORT

ADDITIONAL INFORMATION AS REQUIRED UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) CONSERVATION OF ENERGY DURING THE YEAR 2014-15

(a) Steps taken / impact of conservation of energy and capital investment on conservation of energy:

Usage of down-sized pump for Thermic Fluid circulation: Use Pump 13P01 (5.5KW) instead of Pump 11P01 (30KW) for the Thermic Fluid circulation. Expected energy conservation on operational parameters = 109,500 KWH/year – Investment ₹ 0.7 million.

Excess compressed air, which was being vented out due to excess capacity of compressor, is now applied for an alternate use. Savings is around 400 KWh per day.

(b) The Steps taken by the company for utilizing alternate sources of energy:

The Company has kept its proposed Biomass project on hold (as an alternate fuel source for thermal heating) due to the dramatic decrease in the fuel prices.

(c) The Capital Investment on energy conservation equipment:

The Company has spent Rs 0.7 million as capital investment on energy conservation equipment during the financial year 2014-2015.

(B) TECHNOLOGY ABSORPTION -

The patented ReNEW™ process is a unique, cost-effective, proven chemical process that is specifically designed to accept all grades of post-consumer PET as a feedstock. It is designed to depolymerise and decontaminate post-consumer PET bottles ("p-cPET"). By breaking down this p-cPET into its chemical building blocks and filtering it in liquid form, it converts this dirty recyclate stream into a high-purity ester feedstock that is comparable to esters made from virgin petrochemical feedstocks. This "recycled ester" can then be fed into a conventional polymerisation plant, where the individual esters are 'linked together' to form a high quality polyester (i.e. PET). Compared to PET made from virgin petrochemicals, ReNEW's key advantages are:

- a significantly cheaper feedstock (versus the conventional petrochemicals used for PET manufacturing worldwide, i.e. PTA and MEG);
- low energy use;
- a sustainable business model (using pre-existing recycled resources rather than further depleting finite crude oil reserves);
- a lower carbon footprint;
- lower environmental impact that conventional polyester from crude oil derivatives (e.g. lower acidification, resource depletion, water resource utilisation, etc.);
- no compromise in quality; and
- the ability to satisfy un-met customer demand for high quality textile products made sustainably.

The ReNEW plant's unique process has the potential to make high specification, value-add products by recycling a wider grade of post-consumer PET bottles than possible by competing recycling processes. Management refers to this competitive advantage as "enhanced bottle recovery", an analogy to the oil and gas sector's "enhanced oil recovery" (i.e. the ability to refine more difficult and cheaper, grades of crude oil feedstocks). The Company is continuing to develop this capability so that it can realise and maintain feedstock cost advantages versus competition.

a) Efforts, in brief, made towards technology absorption, adaption and innovation

The Company has an on-going R&D programme focussed on optimising the existing process and reinforcing its intellectual property protections. The main areas of development are:

- Improvements in the colour and chemicals removal process and technologies. Pilot scale experiments are being conducted.
- Gradual introduction of composite PET packaging and film as alternate feedstocks.

b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.

The benefits expected to be derived from the above efforts include cost reductions, improved product performance and consistency, greater supply chain efficiency, reliability, supply chain flexibility, and comparatively higher environmental performance. This will be achieved primarily by expanding the range of post-consumer recycled PET that can be used cost-effectively as a substitute for conventional petrochemical feedstocks.

c) The expenditure incurred on Research and Development : Rs. 3.5 Million

(C) FOREIGN EXCHANGE EARNINGS AND OUTGOINGS (₹ MILLIONS):

	Year ended 31st March 2015	Year ended 31st March 2014
Total Foreign Exchange Earned	**36.3**	**62.2**
Total Foreign Exchange Used	**98.6**	**89.4**

ANNEXURE II TO DIRECTORS REPORT

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee ("NR Comm") has formed a detailed Nomination Remuneration policy which, inter alia, deals with the manner of selection of Directors and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters as provided under section 178(3) of the Companies Act,2013. The highlights of the Policy is given as **'Annexure II'** forming part of this Report.

1) Appointment and Evaluation of Directors

a) Appointment Criteria, Selection, and Induction (including term and tenure)

i) For candidates to be considered for selection to be a Director the candidate should:

(1) Be able to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively;

(2) Have excellent financial and/or business literacy and skills;

(3) Have appropriate other qualification and experience to meet the objectives of the Company;

(4) Be prepared to devote time to update their knowledge and skills with the Company's latest developments and corporate governance best practices;

(5) Be willing to devote sufficient time and attention to the Company's business and discharge their responsibilities;

(6) Bring independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments, and standards of conduct;

(7) Have the ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;

(8) Be able to act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees; and

(9) Meet the requirements of the Companies Act, 2013 read with the rules made qualifications included in applicable provisions of Companies Act 2013, and rules made thereunder and Clause 49 of Listing Agreement if not otherwise enumerated above.

ii) Candidates may also provide one or more of the following favourable attributes:

(1) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service generally and stakeholders that are relevant to the Company's business and future objectives.

(2) Related experience in management/ governance of manufacturing companies with one or more of the following critical success factors:

(a) Achieving continuing innovation in its primary production processes; and

(b) Highly effective sales function that engages with global marketing brands with a product positioning that emphasises sustainable performance.

iii) The NRComm shall design and oversee the orientation program for new Directors and will work with executive management to ensure that Directors are updated annually on commercial, operational, competitive, technological, regulatory, and compliance matters that materially affect the Company's business. This is to help equip Directors with the requisite information base to perform their duties.

b) Performance Evaluation

i) The Directors of the Board will be evaluated by their peers as the NRComm determines it is required.

ii) The basis for the evaluation will be a questionnaire that will be reviewed and modified from year to year as the NRComm sees fit, with input from the Directors and pertinent third party sources which the NRComm may or may not choose to employ at its discretion.

c) Succession Planning – The NRComm will review at least once annually and otherwise as circumstances may require succession planning and provisions for the Company's Directors.

d) Appointment Process and Terms – The NRComm will be responsible to establishing and implementing a transparent process for the appointment of Directors to the Board which shall include:

i) Making recommendations as to the appropriate size, diversity and composition of the Board;

ii) Ensuring that upon appointment to the Board, Directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;

iii) Identifying and recommending Directors who are to be put forward for retirement by rotation;

iv) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

v) Taking care that the Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years;

vi) Providing for the additional terms and conditions that apply to the appointment of Independent Directors as per provisions of the Act including that:

(1) An Independent Director shall hold office for a term up to five consecutive years on the Board and will be eligible

for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report;

(2) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided further that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the NRComm as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

(3) At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is in compliance with the provisions under the Act.

2) Appointment and Evaluation of Key Managerial Personnel ("KMP") and Senior Management

a) The NRComm shall identify and ascertain the integrity, qualification, expertise, and experience of the person for appointment to a KMP position or to a Senior Management level and recommend to the Board his / her appointment.

b) The NRComm shall obtain from Key Management Personnel their views as to the description of a given executive position to be filled, recommended relevant qualifications, expertise, experience and managerial and inter-personal/ communication skills required by the position as well as candidates that the Key Management Personnel may have identified. The KMP shall also provide relevant market-based and other data as to the appropriate range of compensation for the executive position, including an indication of absolute levels, the mix of fixed and incentive-based compensation, and perquisites that may be included.

c) The NRComm may seek third party specialist advice and assistance with identifying and recruiting as it sees fit for the position taking into consideration the Company's current operational size and financial condition;

d) The NRComm shall apply the above information in evaluating available candidates and make a recommendation to the Board as to both the candidate and appropriate terms of compensation and employment;

e) The NRComm shall complete a performance evaluation of all Key Management Personnel each year applying criteria established by the NRComm for the respective executive positions. The NRComm shall also review and advise on the performance evaluation policies, procedures, and execution of the same for the employees of the Company.

f) Succession Planning - The NRComm will review at least once annually and otherwise as circumstances may require succession planning and provisions for the Company's KMP and Senior Management.

g) Removal

i) Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the NRComm may recommend, to the Board with reasons recorded in writing, removal of a KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

ii) KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain such KMP or Senior Management personnel in the same position remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3) Remuneration Policy for non-executive Directors

a) The NRComm shall develop and recommend remuneration terms for non-Executive Directors subject to the following guidelines and the applicable rules and regulations of the Act and other applicable law:

i) The Directors' remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

ii) Sitting Fees: The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or other Committees thereof provided that the amount of such fees shall not exceed Rs. one lac per meeting of the Board or other Committees or such amount as may be prescribed by the Central Government from time to time. The NRComm shall seek to recommend sitting fees that are commensurate with market practice for comparable companies in comparable industries, financial condition, and circumstances.

iii) Commission: Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding the corresponding percentage of the profits of the Company computed as per the applicable provisions of the Act.

iv) The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or other Committees thereof or for any other purpose as may be recommended by the NRComm and decided by the Board, always subject to the prevailing terms and provisions of the Act and other applicable law.

4) Remuneration Policy for KMP, Senior Management, Wholetime and Executive Directors

a) The setting of remuneration for KMP, Senior Management, Wholetime and Executive Directors ("Executive Manager") shall be guided by the following principles:

i) To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Executive Managers and other employees of the quality required to run the Company successfully.

ii) No Executive Manager shall be involved in deciding his or her own remuneration;

iii) Prevailing trends in corresponding and similar industries and nature and size of business is kept in view and given due consideration in determining proper competitive quantum of remuneration;

iv) There is a clear relationship between (i) the level of remuneration and (ii) performance and appropriate unambiguous performance benchmarks are set out and communicated;

v) Improved performance should be rewarded by an increase in remuneration and suitable authority for value addition in future;

vi) Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long-term performance objectives appropriate to the Company's working and goals.

vii) The following criteria are also to be considered:-

(1) Responsibilities and duties ;

(2) Time and efforts devoted;

(3) Value addition;

(4) Profitability of the Company and growth of its business;

(5) Analysing each and every position and skills for fixing the remuneration yardstick; and

(6) Standards for certain functions where there is a scarcity of qualified resources.

viii) Other criteria that may be considered as applicable include:

(1) Consistent application of remuneration parameters across the organisation; and

(2) Whenever, there is any deviation from the policy, the justification /reasons should also be indicated / disclosed adequately.

b) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel; provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

c) An ESOP Policy shall be developed by the NRComm and recommended to the Board based on the applicable Acts / Guidelines and consistent with the overall policy decided by the Shareholders at the General Meeting.

ANNEXURE 'III' TO DIRECTORS' REPORT

(A) Directors' Responsibility Statement as required under section 134(3) of the Companies Act, 2013 (The Act):

It is hereby confirmed that:

(i) in the preparation of the annual accounts for the year ended 31st March 2015, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;

(ii) the Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit /loss of the Company for that year;

(iii) the Directors have 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;

(iv) that the Directors have prepared the annual accounts on a going concern basis;

(v) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

For and on behalf of the Board of Directors

Marc Lopresto
Chairman

Date : 12th August 2015

(B) Compliance with Code of Conduct:

As provided under Clause 49 of the Listing Agreement of the Bombay Stock Exchange ("BSE") Limited, the Board members and Senior Management Personnel have confirmed compliance with Code of Conduct for the year ended 31st March 2015.

For Polygenta Technologies Limited

M N S Rao
CEO

Place : Mumbai
Date : 12th August , 2015

ANNEXURE 'IV' TO DIRECTORS REPORT
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies Accounts) Rules, 2014

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis -

(a)	Name of the related party and nature of relationship	----NIL ---
(b)	Name of contracts / arrangements / transactions	
(c)	Duration of the contracts / arrangements / transactions.	
(d)	Salient terms of the contracts or arrangements' or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

(a) Name of the related party and nature of relationship	PerPETual Global Technologies Limited - Promoter, Holding Company	PerPETual Global Technologies Limited - Promoter, Holding Company
(b) Name of contracts / arrangements / transactions	Advance received towards sale of DTY	The agreement was entered into for borrowing by way of External Commercial Borrowings to the extent of USD 20 million
(c) Duration of the contracts / arrangements / transactions.	Materials to be supplied within a year of receipt of advance Or the amount to be refunded	The amount can be drawn in trenches upto 31st December 2015
(d) Salient terms of the contracts or arrangements' or transactions including the value, if any	Materials (DTY) to be supplied at prices at arms length prevailing on the date of supply of materials to the extent of advance received Euro 1.1 Million	Amount : USD 20 Million Rate of Interest : USD Libor + 5% Repayment Dates : USD 10 Million on 20th December 2021 and USD 10 Million on 27th Oct 2022. However, the repayment can be changed with mutual agreement subject to the Average Maturity Period being maintained at 7.61 years in compliance with the Reserve Bank of India regulations.
(e) Date(s) of approval by the Board, if any	12th February 2015	13th January 2014
(g) Amount paid as advances, if any	Amount received Euro 1.1 million (Equivalent to Rs. 85.9 Million)(Restated on 31st March 2015 Equivalent to 73.9 Million)	Amount received in 2014-15: USD 9.1 Million (equivalent to Rs.555 Million) Cumulative received upto 31st March 2015: USD 15.1 Million (Equivalent to Rs.944.1 Million at restated amount)

ANNEXURE 'V' TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2015

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED MARCH 31, 2015

To
The Members
Polygenta Technologies Ltd
Solitaire Corporate Park
Building No. 1, 6th Floor, Unit No.2,
Andheri –Ghatkopar Link Road
Andheri (East)
Mumbai : 400093

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Polygenta Technologies Limited, (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of secretarial audit, I hereby report that in my opinion the Company has during the period covering April 1, 2014 to March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period April 2014 to March 31, 2015 according to the provisions of :

(i) The Companies Act, 2013 (the “Act”) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), to the extent they are applicable to the company:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

(i) Secretarial Standards Issued by The Institute of Company Secretaries of India; and

(ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above, subject to the following observations:

1. The composition of the Board is not in accordance with Clause 49 of the Listing Agreement. Since the Chairman of the Board is not an independent director, as per Clause 49 at least 50% of the directors in the Board should be independent directors. It is noticed that the Company has not complied with this requirement during the year under review.

2. The constitution of the Audit Committee pursuant to Section 177 of the Companies Act, 2013 is not in accordance with Clause 49 of the Listing Agreement during the year under review, with the number of independent directors being less than the stipulated

requirement under the said Clause 49.

3. During part of the year under review, it is noticed that the composition of the Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 was not in accordance with the requirements of Clause 49 of the Listing Agreement, though as at 31st March, 2015, the said committee is properly constituted.

4. During the year under review, there has been no separate meeting of the independent directors as required in Clause 49 II B 6 of the Listing Agreement. This also attracts the provisions of Companies Act, 2013 as there has been no meeting of the independent directors during the year. As explained to me by the Management, during the last quarter of the financial year when meeting was proposed to be held, there was only one independent director on the Board out of two independent directors, because one of them resigned on 19 December 2014.

I further report that

The Board of Directors of the Company is duly constituted subject to the observation under Note 1 above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has not undertaken any action having a major bearing on the company's affairs in pursuance of the above referred laws.

Place: Mumbai
Date: 12th August 2015

Signature
Name of the Company Secretary in Practice:A Sekar
ACS 8649 CP 2450

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

'Annexure A'

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

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

Place: Mumbai
Date: 12th August 2015

Signature
Name of the Company Secretary in Practice:A Sekar
ACS 8649 CP 2450

ANNEXURE 'VI' TO DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance Code:

The Company's philosophy on Corporate Governance is to actively pursue and achieve sustained growth, transparency, disclosure, internal controls and internal and external communications, and high standards of accounting fidelity. The Company also complies with the listing requirements of the stock exchange where its shares are listed. The following is a report on the status and progress on major aspects of Corporate Governance.

2. Board of Directors

The Board of Directors consists of the following members:

Name of Director(s)	Category of Directorship	No. of other directorships	No. of Committee membership/ Chairmanship	No. of Committee membership/ chairmanships in all other companies	No. of Board Meetings attended	Attendance at the last AGM
Mr. Marc Lopresto	Chairman	2	4	-	9	No
Mr. Fredrik Wijkander	Non Executive Nominee Director of Swedfund International AB	1	1	-	9	No
Mr. Ramesh Alur	Non Executive Nominee Director of VenturEast Life Fund III	16	4	1	6	No
Ms. Sujata Chattopadhyay [a]	Non-Executive Independent	3	2	-	Not Applicable	Not Applicable
Mr. Anand Dua [b]	Non-Executive Independent	2	4	-	11	Yes
Mr. Krishnava Dutt [c]	Non-Executive Independent	7	3	3	4	Not Applicable

There were eleven Board meetings held during the year ending 31st March 2015. These were on 6th May 2014, 26th May 2014, 17th July 2014, 13th August 2014 (two Board Meetings), 30th September 2014, 12th November 2014, 10th December 2014, 12th February 2015, 24th February 2015 and 31st March 2015. The last Annual General Meeting (AGM) was held on 17th July 2014.

[a] Ms. Sujata Chattopadhyay was appointed as independent and woman Director with effect from 31st March 2015.

[b] Mr. Anand Dua has resigned subsequent to the year end and has been relieved as Directors with effect from 15th April 2015.

[c] Mr. Krishnava Dutt was appointed as Independent Director on 13th August 2014.subsequently he resigned and was relieved as Director with effect from19th December 2014.

3. Audit Committee

The Audit committee consists of three Directors which includes one executive Director. The committee was set up by the Board of Directors on 22nd April 2001. The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement and as prescribed under section 177(4) of the Companies Act, 2013. This includes, inter alia, overseeing financial reporting processes, examining of the financial statements and auditors report thereon, accounting policies and practices, evaluation of internal financial controls and risk management system, adequacy of internal audit function, and discussion with internal auditors on any significant findings, the recommendation for appointment, remuneration and terms of appointment of auditors of the Company, review and monitoring of the auditor's independence and performance and effectiveness of audit process, valuation of undertakings or assets of the company wherever it is necessary.

During the Financial Year Ended 31st March 2015, six Audit Committee Meetings were held. These were held on 5th May 2014, 26th May 2014, 8th August 2014, 13th August 2014, 12th November 2014, and 12th February 2015.

Name of Director	Profession	No. of meetings attended
Mr. Anand Dua	Chartered Accountant in Practice	6
Mr. Marc Lopresto	Service	3
Mr. Ramesh Alur	Service	2
Ms. Sujata Chattopadhyay#	Company Secretary in Practice	Not Applicable

Mr. Anand Dua is the Chairman of the Audit Committee.

Ms. Sujata Chattopadhyay was appointed as a member of the Audit Committee with effect from 31st March 2015.

4. Stakeholders Relationship Committee Meetings

The Board constituted a "Shareholders Grievance & Share Transfer Committee" on 22nd April 2001. On 6th May 2014, this Committee was renamed as Stakeholders Relationship Committee. This Committee considers and resolves the grievances of the security holders. The share transfer work has been delegated entirely to M/s Universal Capital Securities Pvt. Ltd., the Registrar, and Share Transfer Agents and this Committee overlooks the same. During the year ended 31st March 2015, one Committee Meetings was held. The composition and attendance of these meeting are as hereunder:

Name of Director	No. of meetings attended
Mr. Anand Dua	1
Mr. Marc Lopresto	1

Mr. Anand Dua is the Chairman of the Committee.

Mr.Paresh Damania, Company Secretary acts as the Compliance Officer.

There were no complaints received during the year. The number of pending share transfer as on 31st March 2015 was nil.

5. Nomination and Remuneration Committee

The Remuneration Committee was formed to review the remuneration paid to Managing / Whole time Director from time to time. On 6th May 2014, the Remuneration Committee was renamed as Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Committee are in accordance with section 178 of the Companies Act, 2013 and are as under:

- Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carrying out the evaluation of every director's performance.

- Formulation of the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee consists of the following Directors:

1) Mr. Anand Dua - Independent Director
2) Mr. Fredrik Wijkander - Director
3) *Mr. Ramesh Alur - Director
4) **Ms. Sujata Chattopadhyay - Independent Director

Mr. Krishnava Dutt was appointed as a member of the Nomination and Remuneration Committee on 13th August 2014. He ceased to be a member of the Committee on 19th December 2014 when he was relieved as a Director of the Board pursuant to his resignation. During the period of his tenure no Nomination and Remuneration Committee meetings were held.

*Mr. Ramesh Alur was appointed as a member of Nomination and Remuneration Committee with effect from 6th May 2014.

** Ms. Sujata Chattopadhyay was appointed as a member of the Nomination and Remuneration Committee with effect from 31st March 2015.

During the financial year ending 31st March 2015, four Nomination and Remuneration Committee meetings were held. These were held on 6th May 2014, 17th July 2014, 15th February 2015, and 31st March 2015.

The attendance of these meeting is as hereunder:

Name of Director	No. of meetings attended
Mr. Anand Dua	4
Mr. Fredrik Wijkander	4
Mr. Ramesh Alur	4
Mr. Krishnava Dutt	Not Applicable

Details of remuneration paid to Mr. Marc Lopresto, Wholetime Director:-

Salary (on accrual basis) : 21,95,120
Company's Contribution to Provident Fund : 1,40,516

Non –Executive Directors are paid Sitting Fees for Board Meetings and Audit Committee Meetings attended by them. The Fees are fixed based on the industry standard and are well within the permissible limit under Companies Act, 2013.

During the Year 2014-15 the following sitting fees was paid:

Name of Director	Sitting Fees(Rs.)
Mr. Anand Dua	465,000
Swedfund International Inc. (for meetings attended by its Nominee Director -Mr. Fredrik Wijkander)	250,000
VenturEast Life Fund III (for meetings attended by its Nominee Director- Mr. Ramesh Alur)	220,000
Mr. Krishnava Dutt	180,000

6. **Allotment and Conversion Committee**

On 16th March 2009, the Allotment Committee was formed to consider the allotment of Compulsory Convertible Preference Shares ("CCPS"), Optionally Fully Convertible debentures ("OFCD") and other securities from time to time. On 20th September 2010, the Conversion Committee was formed to consider the conversion / transfers of Compulsory Convertible Preference Shares ("CCPS") Optionally Fully Convertible debentures ("OFCD") and other securities from time to time. On 6th May 2014 , these two committees were merged and thus, the Allotment and Conversion Committee was formed.

The Allotment and Conversion Committee consists of the following Directors:

1. Mr. Marc Lopresto
2. Mr. Ramesh Alur

No meetings of the Allotment Committee were held during the year under review.

7. **Risk Management Committee**

On 12th February 2015, the Risk Management Committee was formed to framing, implementing and monitoring the risk management policy / plan for the company and recommending the same to the Board. This includes laying down procedures to inform Board members about the risk assessment and minimisation procedures.

The Risk Management Committee consists of the following Members:

1. Mr. Ramesh Alur, Chairman
2. Mr. Marc Lopresto
3. Mr. M N S Rao, CEO.

During the year one meeting of the Risk Management Committee was held to consider and recommend the Risk Management Policy to the Board.

8. **Annual General Meeting**

The previous three Annual General Meeting were held as per the details given below:

Year	Day	Date	Time	Venue
2012	Wednesday	26th Sept 2012	11:00 a.m	B-302, Dipti Classic Premises, Suren Road, Andheri(E), Mumbai : 400093
2013	Monday	30th Sept 2013	03:30 p.m	Residency Hotel, Suren Road, Andheri (E), Mumbai: 400093
2014	Thursday	17th July 2014	03:00 p.m	Residency Hotel, Suren Road, Andheri (E), Mumbai: 400093

A Special Resolution was passed on 30th September 2013 for alteration of the Capital Clause of Memorandum of Association for increasing the same from ₹ 155 Crores to ₹ 190 Crores. A Special

Resolution was also passed to amend the Articles of Association for enabling powers to the Board for the issue of Preference Shares whether participatory or non-participatory, carrying a preferential right to be paid dividend at a fixed amount or an amount calculated at a fixed rate, as the case may be.

A Special Resolution was passed on 17th July 2014 u/s 180(1)(c) of the Companies Act,2013 for empowering the Board for borrowings in excess of share capital and free reserves, up to ₹ 500 Crores.

Through Postal Ballot, Special Resolutions were passed on 18th September 2014 u/s 180(1)(a) of the Companies Act,2013 for empowering the Board for creation of mortgage, charge, and hypothecation. A Special Resolution was also passed for the issue of CCPS on a preferential basis of up to 13 Million CCPS with a face value of ₹10/- each and with a premium of ₹ 37/- per CCPS or such higher price on the relevant date in accordance with SEBI (ICDR) Regulations. No special resolutions through Postal Ballot are proposed during the year.

Mr. A.Sekar, Practicing Company Secretary, Mumbai acted as Scrutinizer for conducting the Postal Ballot. The Procedure for the Postal ballot was in compliance of Companies Act, 2013.

9. Disclosures

The transactions carried out during the year with related parties, i.e. Promoters, Directors, Relatives, Subsidiaries, or Management are mentioned in Note No. 31 to Financial Results.

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the said authorities. The Company has complied with all of the mandatory requirements of Clause 49 of the Listing Agreement. However, the compositions of the Board of Directors, Audit Committee, and Nomination and Remuneration Committee are not in accordance with Clause 49. The Company is undertaking a search to appoint two independent Directors to comply with the composition of the Board of Directors. Also, a meeting of the independent directors did not take place during the year as during the last quarter of the financial year during which Independent Directors meeting was planned, there was only one independent director.

The Company has a Vigil Mechanism Policy in place and no personnel have been denied access to the Audit Committee.

The Company is in the process of adopting the non-mandatory requirements of Clause 49 in due course.

10. Means of Communication

The quarterly results are published in Financial Express (English Newspaper) and Mahanayak (Marathi Newspaper). The said results are also published on the Company's website: www.polygenta.com. Official news releases are not displayed on the website but are available on www.bseindia.com.

11. General Shareholder Information

A. The 33rd Annual General Meeting

Day	Date	Time	Venue
Thursday	24th September 2015	3.00 p.m.	The Mirador Hotel, Andheri-Ghatkopar Link Road, Chakala, Andheri (E), Mumbai : 400 099

B. Financial Calendar

Financial Year	**1st April to 31st March (From April 2010 onwards)**
Adoption of Quarterly Results for quarter ending :	
June, 2015	Third week of August, 2015
September, 2015	Second week of November, 2015
December, 2015	Second week of February, 2016
March, 2016	Last week of May 2016
Annual Book Closure	18th September 2015 to 24th September 2015 (both days inclusive)
Dividend Payment Date	Not Applicable as no dividend is recommended.

C. Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd.,
Stock Code: 514486.
The Company has paid the annual listing fees for the year 2014-15 to the said exchange.

D. Market Price Data

Month	Bombay Stock Exchange High	Bombay Stock Exchange Low
April 2014	45.90	45.90
May 2014	52.30	47.50
June 2014	52.15	47.25
July 2014	52.05	27.05
August 2014	28.40	19.80
September 2014	20.55	19.45
October 2014	-	-
November 2014	22.65	20.00
December 2014	22.65	21.55
January 2015	-	-
February 2015	-	-
March 2015	20.50	18.60

The Company's shares were not traded on the Stock Exchange on a daily basis. Hence, the high and low prices of the shares are given as and when the shares were traded.

During the year, the BSE Index has increased by 24.8% from 22,386 to 27,957 whereas the Company's price has reduced by 57.5% from Rs.43.75 to Rs.18.60.

E. Registrar and Share Transfer Agents

The name and address of the Company's Share Transfer Agents is as under:
M/s Universal Capital Securities Pvt. Ltd.
(Formerly Mondkar Computers Pvt. Ltd.)
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road,
Andheri (E) Mumbai: 400 093
Phone No.: 28207203 / 28257641
Telefax: 2820 7207

F. Share Transfer system

With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to the Share Transfer Agents. Shares for transfer are processed expeditiously within fifteen days in the case of physical transfers.

G. Dematerialisation of Shares

The Company has entered into a contract with CDSL and NSDL.

As on 31st March 2015, 77.70 % of the Company's listed shares were held in Dematerialized form.

H. Shareholding Pattern as on 31st March 2015

Category	No. of Shares	%
Promoters	107,677,750	74.40%
Banks, Financial Institutions	3,805,972	2.63%
Bodies Corporate	146,606	0.10%
NRIs/OCBs	18,649,983	12.89%
Trust	13,525,000	9.35%
Public	920,340	0.63%
Total	144,725,651	100.00%

I. Distribution of Shareholding as on 31st March 2015

Share Holding No.	Share Holders Number	Share Holders % of Total	Share Holdings Holdings	Share Holdings % of Total	Share Amount(₹)	% of Total
1	2	3	4	5	6	7
Up to 500	1,168	96.529	38,647	0.027	386,470	0.027
501 - 1,000	14	1.157	11,417	0.008	114,170	0.008
1,001 - 2,000	8	0.661	12,452	0.009	124,520	0.009
2,001 - 3,000	1	0.083	2,510	0.002	25,100	0.002
3,001 - 4,000	2	0.165	7,250	0.005	72,500	0.005
4,001 - 5,000	1	0.083	4,900	0.003	49,000	0.003
5,001 - 10,000	1	0.083	7,250	0.005	72,500	0.005
10,001 and above	15	1.240	144,641,225	99.942	1,446,412,250	99.942
TOTAL	**1,210**	**100.000**	**144,725,651**	**100.000**	**1,447,256,510**	**100.000**

Liquidity of Shares: The Equity Shares of the Company are included under T category at the Bombay Stock Exchange, Mumbai.

J. Outstanding Convertible Instruments:

The Company has 1,14,80,893 Compulsory Convertible Preference Shares (CCPS) outstanding as on 31st March 2015. Out of this, 13,25,000 CCPS were allotted on 30th September 2014 and 1,01,55,893 CCPS were allotted on 24th February 2015. These CCPS are convertible into equal number of equity shares on giving of two month's notice by the allottee. In case no notice is received, the CCPS will be compulsorily converted into equity shares after 18 months from the date of allotment. On conversion of all of the CCPS, the equity share capital will increase by 7.9% from Rs. 144,72,56,510 to Rs.156,20,65,440.

K. Plant locations:

Gat No. 265/1,266, Village - Avankhed,
Taluka - Dindori, District - Nashik : 422 201.

L. Address for Correspondence:

The Shareholders may address their communications /suggestions /grievances/ queries to:
Company Secretary
POLYGENTA TECHNOLOGIES LIMITED
Solitaire Corporate Park,
Building No.1,6th Floor, Unit No.2,
Andheri-Ghatkopar Link Road, Chakala, ,
Andheri(E), Mumbai : 400093.

OR

The Registrar and Transfer Agents
M/s Universal Capital Securities Pvt. Ltd.
(Formerly M/s. Mondkar Computer Services Private Limited)
21, Shakil Niwas, Opp. Satya Saibaba Temple
Mahakali Caves Road, Andheri (East),
Mumbai 400 093.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Marc Lopresto
Chairman
Date:12th August 2015

12. Auditors Report on Corporate Governance :

To,
The Board of Directors,
Polygenta Technologies Limited

We have examined the compliance of conditions of Corporate Governance by Polygenta Technologies Limited ("the Company"), for the year on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange of India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations given by the management of the company, we certify that the Company has complied in all material respects with the conditions of Corporate Governance, except for

(a) *non-compliance of clause 49-II (A), 49-III (A) and 49-IV (A) regarding the required number of independent director in the composition of Board of the directors, Audit Committee and Nomination and Remuneration Committee of the Company; and*

(b) *non-compliance of clause 49-II (B)6 regarding no separate meeting of the independent directors held during the year.*

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

For LODHA & COMPANY
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 12th August 2015

ANNEXURE 'VII' TO DIRECTORS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure Overview, Opportunities and Threats

Annually, 70 Million MTs of polyester (PET) are produced globally, of which 19 Million MTs are used for making bottles (approximately 650 billion plastic bottles). Over the past few years, the recycling of PET waste has continued to gain momentum and importance but has been hampered by the lack of cost-effective technologies to efficiently recycle plastic bottles back into high quality end-products.

Over half of post-consumer PET bottles,millions of metric tons of valuable petrochemicals, albeit in waste form, are not recycled at all – ending up in land-fill sites, the ocean, or being burnt for energy. Of those post-consumer bottles which are collected and recycled, more than 50% is made into low end staple fibre. Most staple fibre producers use rudimentary mechanical recycling processes, superficially cleaning and then flaking PET bottles, melting the PET flakes (and residual contaminants) at high temperature and then extruding staple fibre. The quality of the products produced by this method is relatively inferior and these products are normally sold at a discounted price compared to staple fibre made conventionally using virgin petrochemical feedstocks derived by refineries from crude oil. There are very few companies who have the know-how and technology to produce efficiently and consistently high quality filament yarn products from post-consumer plastic bottles. Polygenta is the only company in India that has the technology to produce high quality environmentally beneficial, sustainable filament yarn from waste plastic bottles.

Polygenta's existing plant, based in Nashik, India, currently operates at between 25 MTs/ day to 30 MTs/day. It is envisioned that any future plants would range in size from 25 to 100 MTs per day, to balance the logistics of collecting and processing.

India Overview

In India, the recycled PET industry consists of mainly manufacturers of staple fibre and strapping.The estimated recycled fibre capacity in India is 500,000 MT per annum producing mostly low quality staple fibre.

There is a growing trend of leading global apparel, footwear and furnishing brands to increase their use of high quality sustainable filament yarns in the manufacturing of their products because:

- increasing consumer demand for products (without compromising quality) that are made sustainably, in particular maximising the use of recycled and/ or renewable source feedstocks so as to minimise harm to the environment.

- polyester filament yarn has become the leading fabric of choice to meet global textile demand due to the rising world population. Producing high quality sustainable filament yarn from waste plastic bottles directly:

  a) reduces the number of waste PET bottles which end up in landfill sites or the ocean; and

  b) decreases green-house gases, water consumption, and the use of crude oil whose by-products are used to manufacture traditional polyester.

- Emerging government initiatives and regulations requiring retailers to provide labelling indicating and quantifying the environmental impact of the manufacture of products (e.g. aspects such as carbon footprint, waste, water consumption, chemical use).

As the second largest manufacturer of polyester textiles worldwide, these global trends find themselves also reflected in the Indian polyester filament yarn sector and, indeed, in Indian consumer demand as well. Steadily increasing demand for high quality recycled sustainable polyester can be observed in all segments of textile applications from sportswear to apparels and home textiles. At present, demand for high quality sustainable filament yarns outstrips supply. This aspect, and a favourable future outlook, comprise the bedrock for Polygenta's singular strategic focus on manufacturing and selling polyester filament yarn made solely from sustainable post-consumer bottles.

To help ensure a successful pursuit of this strategy, Polygenta is committed to being an enterprise that excels in transparency, technology innovation, environmental sustainability, the empowerment of its staff, and building mutually rewarding partnerships with all of its stakeholders.

Operating Results and Financial Performance:

Polygenta currently operates from a single plant near Nashik in the state of Maharashtra in India. The plant is 100% integrated from feedstock (using only discarded waste plastic bottles) through to the manufacturing of sustainable polyester filament yarn (SPFY). The plant currently processes in excess of 2.5million plastic bottles a day which are transformed chemically into a molten polyester polymer spun into a raw yarn **("POY")** which in turn is texturised to make a finished drawn texturised yarn **("DTY")**. Polygenta customers knit and/or weave this DTY into fabric for various applications including garments (e.g. athletic apparel, denim, casual wear, uniforms), home furnishings, luggage, automotive fabrics, etc.

Presently, the plant has an operating capacity of 30 MTs/day with 100% of its feedstock derived from p-cPET (post-consumer plastic bottles). The products have received globally accepted GRS Certificate (for recycling content) from Control Union, Netherlands. The products have also been certified by the Hohenstein Institute, Germany with Oekotex Standard 100 Product Class I certificate which certifies the product meet the human-ecologicl requirements of the standard presently established for baby articles.The company's environmental, labor and social sustainability aspects are audited yearly by large global institutions such as the International Finance Corporation (part of the World Bank) and Robeco.

During the financial year 2014-15, Polygenta undertook many activities detailed below to improve operational efficiency and the quality and consistency of its products, to strengthen its positioning as a supplier of high quality 100% recycled content PFY in international markets:

a. Improving the quality and consistency of feedstock;
b. Further optimisation of its ReNEW recycling process to improve the polymer quality;
c. Strengthening its process control system, which has led to higher consistency in the product quality;
d. Prudent control systems to better control operational and overhead costs;
e. Enhancing manpower productivity to realise better unit cost performance; and
f. Expansion and diversification of its customer base in terms of segments as well as market areas, contributing to increased sales volumes of with better pricing margins.

During the year, the Company received commercial approval of the product by internationally recognised and reputed global brands well known in both the sports industry and high street retail fashion shops.

Industry Outlook:

The demand for high quality recycled polyester has been steadily increasing and is observed in all segments of textile applications from sportswear to apparels and home textiles.This provides the confidence for sustaining the demand for high quality recycled yarns at price levels materially above PFY manufactured conventionally with crude oil derived petrochemicals (i.e. not sustainable post-consumer waste bottles). There have been limited additions in capacity of high quality recycled polyester over last five years. Owing to the complexity of chemical recycling and long gestation period for brand validations, the entry barrier for new entrants is significant.

Apart from global brands, India-centric brands too have started opting for recycled polyester in their product range. This signals that the favourable outlook for sustainable apparel is not only limited to the traditional geographic markets of global brands. Indeed, the largest growth in branded apparel over the next 5 to 10 years is slated for Asia, and it seems this may also hold true for apparel highlighting sustainable credentials.

With the increasing costs in China and growing concerns about over-dependency on a single national source, India is becoming an attractive alternative source for procuring woven and knitted fabrics for brands and retail chains.

Risks and Concerns:

While there is a bright outlook for the sustainable yarn and specialty segments of interest to Polygenta, the Company is cognizant that inherently, particularly in a sector such as polyester, one needs to be vigilant in identifying and actively and prudently managing risk inherent to the business.

Generally, the Company manages its risks in terms of market risk (including feedstock and product pricing, interest rate and foreign currency fluctuations), credit risk, infrastructure risk (hardware, software and IT) and operating risks (including but not limited to health, safety, environmental risks, and transactional/ integrity control risks).

The Company is seeking to manage its overall exposure to product, feedstock, and margin fluctuations through a number of steps: including diversifying suppliers, careful negotiation of supply contract terms and matching of contract sales as feasible and seeking benefits when possible from the use of substitute feedstocks. Similarly, the Company is actively pursuing export markets for its products first and foremost because of the excellent opportunities that the management believes those markets hold, but also because these provide a natural hard-currency hedge for the Company's foreign currency denominated term debt obligations.

With respect to operating risks, the Company continues to diligently strive for HSE performance levels that rank at the upper levels of its peers. With respect to transactional and integrity control risks, over the last 18 months, the Board and management have taken a number of steps to review and strengthen operational and financial controls. These include appointing a new consultancy to fulfill the Company's internal audit needs, identifying areas for improvement in financial controls, operations, SOPs, and protocols and authorities matrices and implementing measures to strengthen accordingly, recruiting experienced and proven senior management and new finance and accounts personnel, and arranging for relevant additional training for Company personnel. Related to managing and safeguarding against such risks, it should be noted that the Company and its parents are in dispute regarding various matters and transactions with a former senior executive who was associated with the Company until September 2013, which are currently outstanding in the courts of Mumbai, which are not expected to have a material impact on the Company's operation, financial position or profitability.

Management is also aware that competition for talented personnel will only intensify in the future and the Company's personnel are a core and vital asset. To help ensure full develop and optimal retention of its this valuable asset, management is committed to investing in its development and providing through an exceptional work environment and training opportunities coupled with competitive and innovative compensation and incentive schemes.

Segment –wise Performance

All products relate to textile application and hence segmental reporting is not applicable.

Internal Control Systems and their Adequacy

The Company is constantly enhancing its internal control systems commensurate with the size and nature of its business. The Company has a specialist internal audit firm M/S. B. K. Khare & Company, which submits its quarterly report to the Audit Committee, which in-turn reports to Board of Directors.

The Internal Auditor provides reasonable assurance to the Board of Directors that the risk exposures the Company faces are understood and managed appropriately in dynamically changing contexts. The Company's internal audit focuses on Management / Operational Audit through transaction validation on value additions, systems improvement, and statutory compliances.

Human Resource Development:

The Management strongly feels that the Company's core strength lies in its human resources. Training and development of human resources is an ongoing priority for the Company as it seeks to become a leading innovator in its sector and perform at a very high standard in all aspects of its business and operations, particularly in a rapidly changing external environment. In pursuit of such high standards the company achieved certification for ISO 9001 (Quality); ISO 14001 (Environment) and OHSAS 18001 (Health and Safety). As on 31st March 2015, the Company had 254 employees on the payroll and 199 labourers on a contract basis.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Marc Lopresto
Chairman
Date: 12th August 2015

The Management of Polygenta Technologies Limited has prepared and is responsible for the financial statements that appear in this Report. These are in conformity with accounting principles generally accepted in India.

The Management also accepts responsibility for the preparation of other financial information that is included in this Report. Statements in the Annexure IV Management Discussion and Analysis section describing the Company's progress, status, objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. The Management has made these statements based on its current expectations and projections about future events. Wherever possible, it has tried to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance. Such statements, however, involve known and unknown risks, significant changes in commercial market conditions, the political and economic environment in India and elsewhere, tax laws, litigation, labour relations, exchange rate fluctuations, interest expense, and other costs, which may cause actual results to differ materially. The management cannot guarantee that these forward-looking statements will be realised, although it believes that it has been prudent in making these assumptions. The Management undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

ANNEXURE 'VIII' TO DIRECTORS REPORT

PARTICULARS OF REMUNERATION AS PER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

If employed throughout the financial year, was in receipt of remuneration for that year which in the aggregate not less than Rs.60 lakhs OR if employed for part of the financial year, was in receipt of remuneration for any part of that year at a rate which in the aggregate was not less than Rs.5 lakhs per month:

Name of the Employee	M N S Rao**	Amarjit Singh Bhatia**
(i) designation of the employee;	CEO	CFO
(ii) remuneration received;	Rs.97,56,452	Rs.57,58,117
(iii) nature of employment, whether contractual or otherwise;	Full Time	Full Time
(iv) qualifications and experience of the employee;	B.Sc., CA Previous Experience : 32 years	C.A. Total Previous Experience : 23 years
(v) date of commencement of employment;	17-Jul-14	23-Apr-14
(vi) the age of such employee;	57 Years	51 Years
(vii) the last employment held by such employee before joining the company;	BLA Industries Pvt. Ltd.	DBM Geotechnics & Constructions Pvt. Ltd.
(viii) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	Nil	Nil
(ix) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	No	No

** Employed for part of the Year

If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Name of the Employee	Makarand Kulkarni
(i) designation of the employee;	General Manager – Sales & Marketing
(ii) remuneration received;	Rs.31,61,844
(iii) nature of employment, whether contractual or otherwise;	Full time
(iv) qualifications and experience of the employee;	B.E. textile, Experience 24.4 yrs
(v) date of commencement of employment;	1st April 2014
(vi) the age of such employee;	48 Years
(vii) the last employment held by such employee before joining the company;	Textila India Private Limited
(viii) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	Nil
(ix) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	No

ANNEXURE 'IX' TO DIRECTORS REPORT

COMPARISON OF DIRECTORS REMUNERATION WITH MEDIAN EMPLOYEE REMUNERATION

As per rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and other particulars are given as under

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Ratio of the remuneration for Marc Lopresto to the median remuneration of the employees: 9.92
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	No increase
(iii) the percentage increase in the median remuneration of employees in the financial year;	No increase
(iv) the number of permanent employees on the rolls of company;	On-roll employees : 288 (till 31-Mar-15)
(v) the explanation on the relationship between average increase in remuneration and company performance;	Not Applicable as there is no increase
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	There is no increase in remuneration of KMP KMP Total Remuneration:Rs.19.5 Million Company Performance: Loss for Year Ended 31/03/15 Rs.642.9 Million as against loss of Rs.699.6 Million for the previous year
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Market Capitalisation :Reduced from Rs.6331.7 Million as on 31st March 2014 to Rs.2561.6 Million as on 31st March 2015 Price Earning Ratio : Not applicable as the Company has incurred losses during current and previous financial years. Percentage increase or decrease in Mkt quotation in comparison to the rate at which the Company came out with the last public offer : Last public offer was made: Public issue was made in 1995 at par Rs.10/- per share. In 2001, the Company was referred to the BIFR. In October 2009, a shareholder approved capital reduction approved (in conjunction with a recapitalisation of the Company to bring it out of the BIFR), was made by issuing 1 share against 10 share held. As on 31st March 2015 the closing share price is Rs. 17.70 per share. Thus, there is reduction by 82% against last public offer after considering the reduction in the share capital.

(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	No increase
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	There is no increase in remuneration of KMP Marc Lopresto, Wholetime Director, Remuneration Rs.2.3 Million M N S Rao, CEO, (For part of the Year),Remuneration Rs.9.8 Million Amarjit Singh Bhatia, CFO (For part of the Year),Remuneration Rs.5.8 Million Paresh Damania, Company secretary , Remuneration Rs.1.6 Million Company Performance: Loss for Year Ended 31/03/15 Rs.642.9 Million as against loss of Rs.699.6 Million for the previous year
(x) the key parameters for any variable component of remuneration availed by the directors;	No variable components. Fixed Salary is paid
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	The Ratio of the remuneration of the only wholetime director to that of the highest paid employee is 17%, to the 2nd highest paid employee is 32% and third highest paid employee is 64%
(xii) affirmation that the remuneration is as per the remuneration policy of the company.	Yes

ANNEXURE 'X' TO DIRECTORS REPORT
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2015

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L17120MH1981PLC025388
ii)	Registration Date [DDMMYY]	06/10/1981
iii)	Name of the Company	Polygenta Technologies Limited
iv)	Category/ Sub-category of the Company	Public Company / Limited by Shares
v)	Address of the Registered office and contact details	Solitaire Corporate Park, Building No. 1, 6th Floor, Unit No. 2, Andheri Ghatkoper Link Road, Andeheri (East), Mumbai : 400093 Telephone No.: 022-61933333 Fax Number : 022-61933316 Email : info@polygenta.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar & Transfer Agents, if any	M/s. Universal Capital Securities Pvt. Ltd. (Formerly M/s. Mondkar Computer Services Pvt. Ltd.) Address :21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai : 400093 Telephone No. : 022 – 28207203 / 28257641 Fax No. : 022 - 28207207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Manufacturing of Synthetic or artificial yarns, tenacity yarns whether or not texturized including high tenacity yarn	20203	93.7%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	PerPETual Global Technologies Ltd. - C/o AAA Global Services Ltd, 1st Floor, The Exchange, 18 Cybercity, Ebene, Mauritius	Not Applicable	Holding	55.75% (58.18% on diluted basis)	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub- Total (A)(1)	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
(2) Foreign									
a) NRIs –Individuals	--	--	--	--	--	--	--	--	--
b) Other Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	85607864	22069886	107677750	74.40	107677750	--	107677750	74.40	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub- Total (A)(2)	**85607864**	**22069886**	**107677750**	**74.40**	**107677750**	**--**	**107677750**	**74.40**	**--**
Total shareholding of Promoter (A)=(A)(1)+A(2)	**85607864**	**22069886**	**107677750**	**74.40**	**107677750**	**--**	**107677750**	**74.40**	**--**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	3095594	51000	3146594	2.17	3095594	51000	3146594	2.17	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	**3095594**	**51000**	**3146594**	**2.17**	**3095594**	**51000**	**3146594**	**2.17**	**--**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	138126	8110	146236	0.10	138596	8010	146606	0.10	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	829267	46608	875875	0.61	829617	45888	875505	0.61	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(a) Category-wise Share Holding (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	44535	--	44535	0.03	44535	--	44535	0.03	--
c) Others (specify)									
Non Resident Indians	--	--	--	--	--	--	--	--	--
Overseas Corporate Bodies	659378	18649983	19309361	13.34	659378	18649983	193309361	13.34	-
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	300	--	300	0.00	300	--	300	0.00	-
Trusts	-	13525000	13525000	9.35	--	13525000	13525000	9.35	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	1671606	32229701	33901307	23.42	1672426	32228881	33901307	23.42	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**4767200**	**32280701**	**37047901**	**25.60**	**4768020**	**32279881**	**37047901**	**25.60**	**--**
C. Shares held by Custodian for GDRs & ADRs	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Grand Total (A+B+C)	**90375064**	**54350587**	**144725651**	**100.00**	**112445770**	**32279881**	**144725651**	**100.00**	**--**

b) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	*Perpetual Global Technologies Limited	80677750	55.75	7.26	80677750	55.75	7.26	*0.00
2	Aloe Environment Fund II	19363636	13.38	--	19363636	13.38	--	0.00
3	Green Investment Asia Sustainability Fund I	7636364	5.28	--	7636364	5.28	--	0

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	107677750	74.40	107677750	74.40
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	*There is no change			
	At the end of the year	107677750	74.40	107677750	74.40

*During the year on 24th February 2015; 1,01,55,893 Compulsory Convertible Preference Shares(CCPS) were allotted to PerPETual Global Technologies Limited. The Tables above indicates shareholdings in respect of equity shares only.

d) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Movement during the year			Cumulative Shareholding during the year	
		No. of Shares at the beginning (1-4-14)/end of the year (31-3-15)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
1	Less RPet Ltd.	1,36,49,983	9.43%	1-4-2014/ 31-3-2015	No movement during the year		1,36,49,983	9.43%
2	The Trustees Polygenta Stock option Trust	1,35,25,000	9.35%	1-4-2014/ 31-3-2015	No movement during the year		1,35,25,000	9.35%
3	Empower Finance Ltd.	50,00,000	3.45%	1-4-2014/ 31-3-2015	No movement during the year		50,00,000	3.45%
4	IFCI Ltd.	28,45,594	1.97%	1-4-2014/ 31-3-2015	No movement during the year		28,45,594	1.97%
5	Subodh Maskara	8,04,600	0.56%	1-4-2014			8,04,600	0.56%
				16-1-2015	45	Transfer	8,04,645	0.56%
		8,04,645	0.56%	31-3-2015			8,04,645	0.56%
6	SL Trading Mauritius Ltd	6,59,378	0.46%	1-4-2014/ 31-3-2015	No movement during the year		6,59,378	0.46%
7	SICOM Limited	2,50,000	0.17%	1-4-2014/ 31-3-2015	No movement during the year		2,50,000	0.17%
8	Sanosil Biotech Pvt. Ltd.*	26,500	0.02%	1-4-2014			26500	0.02%
				5-12-2014	107,840	Transfer	1,34,340	0.09%
		1,34,340	0.09%	31-3-2015			1,34,340	0.09%
9	Union Bank of India	50,000	0.03%	1-4-2014/ 31-3-2015	No movement during the year		50,000	0.03%

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

Sr. No.	Name	Shareholding		Movement during the year			Cumulative Shareholding during the year	
		No. of Shares at the beginning (1-4-14)/end of the year (31-3-15)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
10	Bimal Kumar Maskara	44,535	0.03%	1-4-2014/ 31-3-2015	No movement during the year		44,535	0.03%
11	Micromill Technologies Pvt. Ltd.#	64,570	0.04%	1-4-2014			64,570	0.04%
				28-11-2014	-64,570	Transfer	0	0%
		0	0%	31-3-2015			0	0%

* Not in the list of Top 10 Shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shreholders as on 31-03-2015.

Not in the list of Top 10 Shareholders as on 31-03-2015. The same has been reflected above since the shareholder was one of the Top 10 shreholders as on 01-04-2014.

Note : the above information is in respect of Equity shares and does not include CCPS allotted during the year under review.

e) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	------NIL------			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the end of the year				

V. INDEBTEDNESS

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

(Rs. In Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1643.5	359.5	-	2002.9
ii) Interest due but not paid	249.5	0.7	-	250.1
iii) Interest accrued but not due	13.5	-	-	13.5
Total (i+ii+iii)	**1906.4**	**360.1**	**-**	**2266.5**
Change in Indebtedness during the financial year				
* Addition	12.1	586.8	-	598.9
* Reduction	-463.0	-	-	-463.0
Net Change	**-450.9**	**586.8**	**-**	**135.9**
Indebtedness at the end of the financial year				
i) Principal Amount	1186.9	913.1	-	2099.9
ii) Interest due but not paid	257.9	-	-	257.9
iii) Interest accrued but not due	10.9	33.8	-	44.7
Total (i+ii+iii)	**1455.6**	**946.9**	**-**	**2402.5**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Million)

SN	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Marc Lopresto-Wholetime Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.5	1.5
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit		
	- others, specify…	-	-
5	Others, please specify	-	-
	Total (A)	1.5	1.5
	Ceiling as per the Act	2.4	2.4

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Anand Dua, Independent Director	Mr.Krishnava Dutt, Independent Director	Mr. Ramesh Alur, Nominee Director of Ventur East Life Fund III	Mr. Fredrik Wijkander, Nominee Director of Swedfund International Inc	
1	Independent Directors					
	Fee for attending board / committee meetings	0.5	0.2			0.7
	Commission					
	Others, please specify					
	Total (1)	**0.5**	**0.2**			**0.7**
2	Other Non-Executive Directors					
	Fee for attending board / committee meetings			0.2	0.3	0.5
	Commission					
	Others, please specify					
	Total (2)			**0.2**	**0.3**	**0.5**
	Total (B)=(1+2)	**0.5**	**0.2**	**0.2**	**0.3**	**1.2**
	Total Managerial Remuneration					2.7
	Overall Ceiling as per the Act					6.4

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

SN	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO (Mr. M N S Rao)	CS (Mr.Paresh Damania)	CFO (Mr.Amarjit Singh Bhatia)	
1	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.8	1.5	5.7	17.0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**9.8**	**1.5**	**5.7**	**17.0**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

LODHA & CO
Chartered Accountants
6, Karim Chambers,
40, Ambalal Doshi Marg,
Mumbai - 400001

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF

POLYGENTA TECHNOLOGIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Polygenta Technologies Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter:

Without qualifying, we draw attention to note no. 27 of the financial statements regarding the financial statements of the Company prepared on going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of the business. The Company has incurred a loss of Rs.635.2 Mn during the year ended March 31, 2015 (loss of Rs.699.6 Mn in the previous year) and as of the date, has accumulated losses of 2,521.3 Mn. Further, the Company has defaulted in dues to its lenders. These conditions indicate the existence of uncertainty that may cast doubt about the Company ability to continue as a going concern.

As explained by the management, during the year, modification has been done in ReNew to operate plant at optimum level and improving the quality of the product. The Company is gradually shifting its focus where the

Company can realize premium pricing. The Company has started receiving orders from premium brands at premium pricing. Due to above the Company expects to achieve significant improvement in operating margins going forward. The management is negotiating with its lenders to reschedule/revise the terms of the debts. Also, the Parent Company has confirmed its intentions to provide to the Company for at least for the forthcoming 12 months with any financial, technical and administrative support it may require in order to pursue the operations and honoring the commitments.

Accordingly, management believes that it is appropriate to prepare the financial statements on a going concern basis. Therefore, the financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and to the amounts of liabilities that might be necessary, should the Company be unable to continue its operations as going concern.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in the aforesaid financial statements- Refer Note 29 to the financial statements;

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For LODHA & COMPANY
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 28th May 2015

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE POLYGENTA TECHNOLOGIES LIMITED ON STANDALONE FINANCIAL STATEMENTS

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The Company has not carried out physical verification of all its fixed assets during the year. The Company carries out physical verification of Fixed Assets over the period of two years and make adjustments for discrepancies accordingly. In our opinion, the frequency of verification is reasonable considering the size of the Company and the nature of its assets except in case of Plant and Machinery which needs to be verified every year.

2. a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified by the management with reference to the confirmations received from them and/or subsequent receipt of goods.

b) The procedures for physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material considering the operations of the Company and have been properly dealt with in the books of account.

3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.

4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased and sold are of the special nature and suitable alternative source does not exist for obtaining comparable quotations and also considering internal audit report and special report of an independent expert, the internal control systems need to be strengthened to be commensurate with the size of the Company and nature of its business for purchase of inventory, fixed assets and with regard to the sale of goods and services. As explained, necessary steps have been taken by the Company in this regard.

5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company.

6. On the basis of records produced, we are of the opinion that prima facie, the cost records and accounts prescribed by the Central Government under Section 148 (1) of the Act have been maintained. However, we are not required to and thus have not carried out any detailed examination of such accounts and records, with a view to ascertain whether these are accurate and complete.

7. a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service tax or duty of Customs or duty of Excise or Value Added Tax or Cess which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Financial Year	Amount in Million (₹)
The Income Tax Act, 1961	Income-Tax	Income Tax Appellate Tribunal (ITAT)	2002-03 to 2004-05	70.76
Central Excise Act, 1944	Excise duty / Service Tax	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	2008-09 and 2009-10	3.89

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

8. The Company has accumulated losses exceeding by more than fifty percent of its net worth at the end of the financial year. The Company has incurred the cash losses of in the financial year and in the immediately preceding financial year.

9. The Company has defaulted in repayment of dues of Rs. 661 Mn (including overdue interest of Rs. 257.8 Mn) of financial institutions as per details under –

Period of default	Amount in Million (₹)
0 – 1 Year	407.4
1 – 2 Years	104.9
2 – 5 Years	148.7

As explained, the management is negotiating with its lenders to reschedule/revise the terms of the debts.

10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.

11. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management except one case file against ex-promoter in respect of irregularities of Rs.83 Mn.

For LODHA & COMPANY
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 28th May 2015

BALANCE SHEET AS AT 31st MARCH 2015

(₹ in million)

Particulars	Note	As at 31st March, 2015	As at 31st March, 2014
I EQUITY AND LIABILITIES			
A. Shareholder's funds			
(a) Share capital	2	1,562.1	1,447.3
(b) Reserves and surplus	3	(1,342.5)	(1,127.31)
Sub Total (A)		**219.6**	**319.9**
B. Share application money, Pending allotment	4		617.9
Sub Total (B)		**-**	**617.9**
C. Non-current liabilities			
(a) Long-term borrowings	5	1,114.7	1,101.2
Sub Total (C)		**1,114.7**	**1,101.2**
D. Current liabilities			
(a) Short-term borrowings	6	179.0	362.3
(b) Trade payables	7	90.2	78.1
(c) Other current liabilities	8	1,207.3	817.3
(d) Short-term provisions	9	7.3	12.7
Sub Total (D)		**1,483.9**	**1,270.4**
TOTAL (A+B+C+D)		**2,818.1**	**3,309.5**
II ASSETS			
E. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	2,170.7	2,524.1
(ii) Intangible assets	10	3.3	6.0
(iii) Capital work-in-progress	10	166.5	171.4
(iv) Intangible Assets Under Development	10	0.2	-
(v) Assets held for Disposal		1.0	25.0
		2,341.7	**2,726.5**
(b) Deferred Tax Assets (Net)	38	-	-
(c) Long-term loans and advances	11	130.2	139.5
(d) Other non-current assets	12	116.1	115.9
Sub Total (E)		**2,588.0**	**2,981.8**
F. Current assets			
(a) Inventories	13	184.7	235.2
(b) Trade receivables	14	25.5	64.4
(c) Cash and bank balances	15	10.9	16.8
(d) Short-term loans and advances	16	6.8	9.5
(e) Other current assets	17	2.2	1.6
Sub Total (F)		**230.2**	**327.6**
TOTAL (E+F)		**2,818.1**	**3,309.5**
Significant Accounting Policies and Accompanying notes forming integral part of the financial statements	**1-39**		

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants

A.M.Hariharan
Partner

Place: Mumbai
Dated: 28th May, 2015

For and on behalf of the Board of Directors

Marc Lopresto
Chairman

M N S Rao
CEO

Rakesh Tanna
CFO

Paresh Damania
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

(₹ in million)

	Particulars	Note	For the year ended 31st March, 2015	For the year ended 31st March, 2014
1	**Revenue from operations (gross)**	**18**	**594.4**	**611.7**
	Less :- Excise Duty		48.5	67.2
			546.0	544.5
2	Other income	19	10.8	7.5
3	**Total Revenue (1+2)**		**556.7**	**552.0**
4	**Expenses**			
	(a) Cost of materials consumed	20	480.4	564.1
	(b) Power & Fuel	21	183.4	229.2
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	50.0	(38.4)
	(d) Employee benefits expense	23	143.6	86.4
	(e) Finance costs	24	157.7	129.7
	(f) Depreciation and amortisation expense	-	155.1	157.0
	(g) Selling & Distribution expenses	25	11.2	11.1
	(h) Other expenses	26	86.5	80.5
	(i) Foreign Exchange (Gain)/Loss	-	(92.3)	31.9
	Total Expenses		**1,175.7**	**1,251.5**
5	**Profit / (Loss) before exceptional and tax (3 - 4)**		**(618.9)**	**(699.6)**
6	Exceptional items Income/(Expenses)			
	Provision for loss in respect of assets held for disposal	28	(24.0)	-
7	**Profit / (Loss) before tax (5+6)**		**(642.9)**	**(699.6)**
8	**Tax Expenses:**			
	(a) Current tax		7.7	-
	(b) Deferred tax Assets reversed		-	-
9	**Profit / (Loss) For the Year (7 - 8)**		**(635.2)**	**(699.6)**
10	Earnings per share of face value of Rs. 10 each -			
	(a) Basic & Diluted Earnings Per Share (Before Exceptional Items) in ₹		(4.22)	(5.69)
	(b) Basic & Diluted Earnings Per Share (After Exceptional Items) in ₹		(4.39)	(5.69)

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants

A.M.Hariharan
Partner

Place: Mumbai
Dated: 28th May, 2015

For and on behalf of the Board of Directors

Marc Lopresto
Chairman

M N S Rao — CEO
Rakesh Tanna — CFO
Paresh Damania — Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(₹ in million)

Particulars		For the year ended 31st March 2015	For the year ended 31st March 2014
CASH FLOW FROM OPERATING ACTIVITIES			
Net (Loss) after Taxation and after exceptional and Prior period items		**(635.2)**	**(699.6)**
Adjustment for :			
Impairment Loss on Fixed Assets (income) / expenses (net)		24.0	0.0
Depreciation / amortisation		155.1	157.0
Interest and other charges		157.7	129.7
Interest received		(9.8)	(0.0)
Provision for Doubtful Debts		-	(0.2)
Provision no longer required written back & Misc. Income		(1.0)	(0.1)
Exchange loss unrealised		(92.3)	31.9
Operating Loss before Working Capital Changes		**(401.4)**	**(381.3)**
(Includes current & non Current items)			
(Increase) / decrease in trade receivable		38.9	(117.7)
(Increase) / decrease in inventories		50.5	(45.1)
(Increase) / decrease in loans & advances & other receivables		(2.3)	(0.0)
Increase / (decrease) in trade payables & other liabilities		174.5	(15.2)
Increase / (decrease) in provisions		(4.3)	(0.0)
Cash Generated from Operations		257.3	(559.3)
Taxes paid (Net of refund)		(9.0)	(0.0)
Net Cash Flow (used in)/from Operating Activities	**(A)**	**248.3**	**(559.3)**
(Including exceptional item as referred to in note 26.1)			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets (Including CWIP and capital advance)		201.8	(188.6)
(Increase) / decrease in bank fixed deposits		22.2	0.0
Net Cash Flow (used in) / from Investing Activities	**(B)**	**224.0**	**(188.6)**
CASH FLOW FROM FINANCING ACTIVITIES			
Refund of share application money		(78.3)	(0.0)
Interest received		9.8	0.0
Interest paid		(105.3)	(60.2)
Proceeds from long-term borrowings		325.3	445.2
Share application Money received		-	439.0
Repayment of long-tem borrowing		-	(63.4)
Increase / (decrease) in short-term borrowings		(228.3)	(0.0)
Net Cash (used in) / from Financing Activities	**(C)**	**(76.8)**	**760.6**
Net increase / (decrease) in cash and cash equivalents	**(A+B+C)**	**(5.9)**	**12.7**
Cash and cash equivalents at beginning of the year		16.8	4.1
Cash and cash equivalents at end of the year		10.9	16.8
Net increase / (decrease) in cash and cash equivalents		**(5.9)**	**12.7**

Notes:

1 Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 "Cash Flow Statement" prescribed by Companies (Accounting Standards) Rules,2006.

2 Figures in brackets indicate cash outflow.

3 Previous year's figures have been re-grouped / re-arranged, wherever necessary, to conform to current year's classification.

As per our attached report of even date

For LODHA & COMPANY
Chartered Accountants

A.M.Hariharan
Partner

Place: Mumbai
Dated: 28th May, 2015

For and on behalf of the Board of Directors

Marc Lopresto
Chairman

M N S Rao	**Rakesh Tanna**	**Paresh Damania**
CEO	CFO	Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

NOTE '1'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2015.

Overview

Polygenta Technologies Limited is engaged in the business of manufacturing sustainable polyester filament yarn by recycling post consumer PET flakes using a break-through recycling technology (the ReNEW process). The polyester yarn products made by Polygenta using the ReNEW process are sold for various applications in the fields of apparel, denim, home furnishings, floor coverings, and industrial applications.

SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting:

i) The financial statements are prepared under historical cost convention, on a going concern basis and in accordance with the applicable Accounting Standard as specified in the Companies (Accounting Standards) Rules, 2006 ("the Rules") and the relevant provisions of the Companies Act, 2013.

ii) All expenses and income to the extent ascertainable with reasonable certainty are accounted for an accrual basis.

iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – noncurrent classification of assets and liabilities.

b) Use of estimates

The preparation of financial statements is in conformity with Generally Accepted Accounting principles (GAAP), which requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements, and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

c) Revenue Recognition:

i) Sales revenue is recognised on transfer of significant risks and rewards of ownership of the goods to the buyer, which is generally on despatch of goods /Bill of lading. Sales are inclusive of Excise Duty and are net of trade discounts and sales tax.

ii) Export incentives under the various schemes are accounted for in the year of export.

iii) Revenues from the sale of consultancy projects are recognised as and when the advisory commitments are rendered as per the terms of the contract.

iv) Interest income is recognised on a time proportion basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

d) Fixed Assets:

Tangible Assets:

i) Fixed Assets are stated at cost less accumulated depreciation and impairment losses. The diminution, if any, in the book value of these assets is provided for in the year of such determination of diminution.

ii) Cost of acquisition comprises all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use. The cost of construction is composed of those constituent assets that relate directly to completion of specific fixed assets and those that are attributable to the construction activity in general and can be allocated to specific fixed assets up to the date such fixed assets are put to use.

Intangible Assets:

The Company capitalises software where it is reasonably estimated that the software has an enduring useful life.

e) Capital Work in Progress:-

Capital work in progress represents all costs directly attributable and incurred for setting up new manufacturing and/or modifying existing manufacturing facility including pre-operative expenses for trial run and borrowing costs incurred prior to the date of commencement of commercial production.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related asset.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the fixed asset is charged off to profit and loss account in the period in which they are incurred

f) Depreciation / Amortisation :

i) Depreciation on Fixed Assets is provided on the Straight Line Method (S.L.M.) by writing off 95% of the cost of the assets over the 'Specified Period' of the assets in accordance with the provisions of Section 123(2) of the Companies Act, 2013.

ii) Asset put to use prior to 1st April 2014, the carrying value of assets as at 31st March 2014 net of residual value of 5% of the original cost is depreciated over the remaining life of the assets considering the total useful life provided under part C of Schedule II of the Companies Act 2013.

iii) Depreciation on the amounts' capitalised during the year on account of foreign exchange fluctuation is provided prospectively over the residual life of the assets.

iv) Leasehold premium is being amortised over the remaining period of lease after the commencement of production.

v) The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is charged to Statement of Profit & Loss. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

g) Impairment of Assets:

In accordance with Accounting Standard AS28 on 'Impairment of Assets' issued and prescribed by Companies

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

(Accounting Standards) Rules, 2006, where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of such assets exceeds its recoverable amount. An impairment loss is recognised in the profit and loss account.

h) Lease:

i) Assets acquired under lease, in which the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability. Any leasehold land premium is amortised over the period of lease.

ii) Assets acquired under lease wherein a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit & Loss account on an accrual basis.

i) Inventories:

i) Inventory of Finished Goods and Semi finished goods are valued at lower of cost and estimated net realisable value. Cost of finished goods and Work-in-process include conversion and other cost incurred in bringing the inventories to their present location and condition. Cost of raw material, consumable and stores & spares and packing materials is computed on weighted average basis.

ii) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, defective and unserviceable stocks are duly provided for.

j) Foreign Currency Transactions:-

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from April 1, 2011 onwards, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.

- In other cases such differences are accumulated in a "Foreign currency monetary item translation difference account" and amortised to Statement of Profit & loss over the balance life of the long term monetary item.

  In respect of forward exchange contracts, the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the period of the contract. Gains or losses on cancellation/settlement of forward exchange contracts are recognised as income or expenses.

All other exchange differences are dealt with in the Statement of Profit & Loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

k) Employee Benefits:

Liabilities in respect of employee benefits are dealt with as under:

i) The Company has a defined contribution plan for a Provident Fund at a percentage of salary / wages for eligible employees and the Company's contributions thereto are charged to the Profit & Loss Account.

ii) **Gratuity:** A contribution is made to the Trust administered by the Trustees and managed by ICICI Prudential for an amount actuarially valued at fiscal year-end.

iii) The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of un-utilised leave balance is provided based on an actuarial valuation carried out by an independent actuary at the fiscal year-end and charged to the Profit & Loss account.

l) Borrowing Costs:

General and specific Borrowing Costs (including exchange differences) directly attributable to the acquisition, construction and production of a qualifying asset are capitalised as part of the cost of such asset up to date when such asset is ready for its intended use. Other borrowing costs are charged to the profit & loss account.

m) Taxation:-

i) Income tax expense comprises current tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

ii) Provision for income tax is made on the basis of estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.

iii) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

iv) Deferred tax assets are recognised only to the extent that there is virtual certainty that the assets can be realised in future. However, where there is un-absorbed depreciation or a carry-forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or up to reflect the amount that is reasonably / virtually certain to be realised.

v) Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each balance sheet date.

n) Provisions, Contingent Liabilities and Contingent Assets:

i) Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimates can be made of the amount of the obligation.

ii) Contingent liabilities are disclosed by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved.

iii) Contingent Assets are neither recognised nor disclosed in the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

2 SHARE CAPITAL

Particulars	As at 31-Mar-15	As at 31-Mar-14
Authorized		
Equity shares, of ₹10 each		
145,000,000 (Previous Year 145,000,000) equity shares of ₹10 each	1,450.0	1,450.0
Preference shares, of ₹10 each		
45,000,000 (Previous Year 45,000,000) preference shares of ₹10 each	450.0	450.0
Issued, Subscribed and Paid-Up		
144,725,651 (Previous Year 144,725,651) equity shares of ₹10 each fully paid-up	1,447.3	1,447.3
11,480,893 (Previous Year Nil) Compulsory Convertible Preference Shares of ₹10 each fully paid-up	114.8	-
Total of Share Capital	**1,562.1**	**1,447.3**

Details of Share holding

a) Shares held by Holding company and ultimate holding company and its associates	31st March, 2015		31st March, 2014	
	No. of shares	%	No. of shares	%
Equity Shares:				
PerPETual Global Technologies Limited	80,677,750	56%	80,677,750	56%
Aloe Environment Fund II	19,363,636	13%	19,363,636	13%
Green Investment Asia Sustainability Fund I	7,636,364	5%	7,636,364	5%
The Trustees, Polygenta Stock Option Trust	13,525,000	9%	13,525,000	9%
Compulsory Convertible Preference Shares:				
PerPETual Global Technologies Limited	10,155,893	*88%	Nil	Nil

b) Details of Share holding more than 5%	31-Mar-15		31-Mar-14	
	No. of shares	%	No. of shares	%
Equity Shares:				
PerPETual Global Technologies Limited	80,677,750	56%	80,677,750	56%
Aloe Environment Fund II	19,363,636	13%	19,363,636	13%
Green Investment Asia Sustainability Fund I	7,636,364	5%	7,636,364	5%
Less RPET Ltd.	13,649,983	9%	13,649,983	9%
The Trustees, Polygenta Stock Option Trust	13,525,000	9%	13,525,000	9%
Compulsory Convertible Preference Shares:				
PerPETual Global Technologies Limited	10,155,893	*88%	Nil	Nil
VentureEast	1,325,000	*12%	Nil	Nil

* As percentage of total no. of CCPS issued

c) Terms & Rights attached to equity shares

I) Equity shares having a par value of ₹ 10, Each holder of equity shares is entitled to one vote per share.

ii) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

iii) 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 all preferential amount in proportion to their shareholding.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

Terms & Rights attached to Compulsory Convertible Preference Shares (CCPS)

i) CCPS shall be convertible into the Equity Shares in the ratio of 1 :1 within 18 months from the date of allotment i.e. 30th September, 2014 and 24th February,2015.

ii) The resultant Equity shares shall be subject to lock-in for a period of three years from date of allotment of CCPS.

d) The reconciliation of the number of Equity shares outstanding and the amount of share capital is set out below:

Particulars	31st March, 2015		31st March, 2014	
	No. of shares	₹ in Millions	No. of shares	₹ in Millions
Number of shares at the beginning	144,725,651	1,447.3	122,655,765	1,226.6
Add: Share issued during the year	-	-	22,069,886	220.7
Number of shares at the end	**144,725,651**	**1,447.3**	**144,725,651**	**1,447.3**

The reconciliation of the number of Preference shares outstanding and the amount of share capital is set out below:

Particulars	31st March, 2015		31st March, 2014	
	No. of shares	₹ in Millions	No. of shares	₹ in Millions
Number of shares at the beginning	Nil	Nil	22,069,886	220.7
Add: Shares issued during the year	11,480,893	114.8	Nil	Nil
Less : Conversion of Preference share into Equity shares	-	-	22,069,886	220.7
Number of shares at the end	**11,480,893**	**114.8**	**Nil**	**Nil**

e) The company has neither allotted shares pursuant to a contract without receiving cash, by way of bonus shares nor it has bought back shares during the immediately preceding five years from the date of balance sheet.

3 RESERVES AND SURPLUS

Particulars	As at	
	31-Mar-15	31-Mar-14
Securities premium account:		
Balance at the beginning of the year	754.0	754.0
Add:Premium on issue of CCPS	424.8	-
Balance at the year end	1,178.8	754.0
Surplus Profit/ (Loss):		
Balance at the beginning of the year	(1,881.3)	(1,181.8)
Add: Additional Depreciation due to change in life of assets	(4.8)	-
Add: Net profit/(loss) for the year.	(635.2)	(699.6)
Balance at the year end	(2,521.3)	(1,881.3)
Total of Reserves and surplus	**(1,342.5)**	**(1,127.3)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

4 SHARE APPLICATION MONEY, PENDING ALLOTMENT

Particulars	As at 31-Mar-15	As at 31-Mar-14
Share Application money, pending allotment		
From Holding Company	-	477.3
From Others	-	140.6
Total of Share Application Money	**-**	**617.9**

During the year under review the Company has alloted on pefrential basis 10155893 CCPS to PerPETual Global Technologies Limited and 1325000 CCPS to a Domestic Private Equity Fund at the price of Rs.47/- per share and balance amount has been refunded.

5 LONG TERM BORROWINGS

Particulars	As at 31-Mar-15	As at 31-Mar-14
Secured Borrowings		
External Commercial Borrowings From SwedFund & Finnfund	201.6	741.7
Unsecured Borrowings		
External Commercial Borrowings From Holding Company	913.1	359.5
Total Long Term Borrowings	**1,114.7**	**1,101.2**

5.1. Terms of Repayment of Loan 2014-15

Type of the Loan	Interest Rate	Terms of Repayment 2014-15		
		0- 1 years	1-3 years	> 3 years
Secured Loan - External Commercial borrowings from Swedfund & Finfund	Euribor + 5%	806.3	201.6	-
Unsecured Loan - External Commercial borrowings From PGTL	USD Libor + 5%	-	-	913.1

Terms of Repayment of Loan 2013-14

Type of the Loan	Interest Rate	Terms of Repayment 2013-14		
		0- 1 years	1-3 years	> 3 years
Secured Loan - External Commercial borrowings from Swedfund & Finfund	Euribor+ 5%	432.7	741.7	-
Unsecured Loan - External Commercial borrowings From PGTL	USD Libor + 5%	-	-	359.5

5.2. Details of Security.

External Commercial Borrowings:

The said loan is secured by first pari passu charge by way of mortgage of land, buildings and tenements and immovable Plant & Machinery, both present and future at the Company's works at Nashik, and first pari passu charge by way of hypothecation of the whole of the inventories and other movable assets of the Company including its movable Plant & Machinery, spares, tools and accessories both present and future.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

6 SHORT TERM BORROWINGS

Particulars	As at 31-Mar-15	As at 31-Mar-14
I. Secured Short Term Borrowings		
From Banks (Repayable on demand)		
11.75% Project Loan from Standard Chartered Bank	-	189.7
14.75% Working Capital loan from Ratnakar Bank Ltd	179.0	172.6
Total Short Term secured Borrowings	**179.0**	**362.3**

Additional information to Secured Short Term Borrowings:

II. Working Capital Loan from Ratnakar Bank Ltd

The said loan is secured by first pari passu charge by way of mortgage of land, buildings and tenements and immovable Plant & Machinery, both present and future at the Company's works at Nashik and first pari passu charge by way of hypothecation of the whole of the inventories and other movable assets of the Company including its movable Plant & Machinery, spares, tools and accessories both present and future.

7 TRADE PAYABLES

Particulars	As at 31-Mar-15	As at 31-Mar-14
Due to Small & Micro Enterprises (Refer Note no. 30)	-	-
Other than Small & Micro Enterprises	90.2	78.1
Total of Trade Payables	**90.2**	**78.1**

8 OTHER CURRENT LIABILITIES

Particulars	As at 31-Mar-15	As at 31-Mar-14
Current portion of the Ratnakar Bank Term Loan	-	45.0
Current portion of the External Commercial Borrowings	403.1	432.7
Interest Accrued and Due on Long Term Borrowings	257.8	250.1
Interest Accrued but not Due on Long Term Borrowings	44.7	13.5
Overdue External Commercial Borrowings	403.1	61.8
Advance From Customers:		
Holding Company	85.9	-
Others	0.1	0.1
Creditors for Fixed Assets	2.3	1.7
Withholding and other taxes payable	10.3	12.5
Total Other Current Liabilities	**1,207.3**	**817.3**

9 SHORT-TERM PROVISIONS

Particulars	As at 31-Mar-15	As at 31-Mar-14
Provision for employee benefits		
Gratuity	3.4	1.6
Leave Entitlement	3.9	3.3
Provision for		
Income taxes	-	7.7
Wealth taxes	0.0	0.0
Total of Other Short Term Provisions	7.3	12.7

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

10 FIXED ASSETS

₹in million

Particulars	GROSS BLOCK (At Cost)				DEPRECIATION / AMORTISATION				NET BLOCK
	As at 01.04.2014	Additions	Deductions/ Adjustments	As at 31.03.2015	Up to 31.03.2014	For the Year	Deductions/ Adjustments	Up to 31.03.2015	As at 31.03.2015
Tangible Assets									
Freehold Land	1.1	-	-	1.1	-	-	-	-	1.1
Buildings	475.9	-	16.8	459.1	63.5	19.1	-	82.6	376.5
Plant & Equipment	2,547.1	31.4	211.5	2,367.1	455.7	128.0	-	583.6	1,783.5
Office Equipment	8.8	0.2	-	8.9	5.1	3.57	-	8.7	0.3
Furniture & Fixtures	11.9	0.0	-	11.9	4.9	2.0	-	6.9	5.1
Vehicles	11.4	-	-	11.4	5.9	2.1	-	8.1	3.3
Data Processing Equipment	7.6	0.4	-	8.0	4.7	2.4	-	7.1	0.9
Total for Tangible Assets	**3,063.9**	**32.0**	**228.3**	**2,867.5**	**539.8**	**157.1**	**-**	**696.9**	**2,170.7**
Intangible Asset		-	-						
Softwares (Information Technology)	17.1		-	17.1	11.1	2.7	-	13.8	3.3
Total for Intangible Assets	**17.1**	**-**	**-**	**17.1**	**11.1**	**2.7**	**-**	**13.8**	**3.3**
Total	**3,081.0**	**32.0**	**228.3**	**2,884.7**	**550.8**	**159.9**	**-**	**710.7**	**2,174.0**
Capital Work-in-Progress for Tangible Assets : Plant & Machinery									**166.5**
Capital Work-in-Progress for Intangible Assets Under Development									**0.2**

Particulars	As at 01.04.2013	Additions	Deductions/ Adjustments	As at 31.03.2014	Up to 31.03.2013	For the Year	Deductions/ Adjustments	Up to 31.03.2014	As at 31.03.2014
Tangible Assets									
Freehold Land	1.1		-	1.1	-			-	1.1
Buildings	459.6	16.3	-	475.9	48.6	14.9	-	63.5	412.4
Plant & Equipment	2,341.1	206.3	0.2	2,547.1	320.3	135.5	0.1	455.7	2,091.5
Office Equipment	8.8	0.0	0.1	8.8	4.4	0.8	0.0	5.1	3.7
Furniture & Fixtures	11.8	0.1	-	11.9	4.2	0.7	-	4.9	7.0
Vehicles	11.4	-	-	11.4	4.8	1.1	-	5.9	5.5
Data Processing Equipment	7.6		-	7.6	3.4	1.3	-	4.7	3.0
Total for Tangible Assets	**2,841.5**	**222.6**	**0.3**	**3,063.9**	**385.7**	**154.2**	**0.2**	**539.8**	**2,524.1**
Intangible Asset		-	-						
Softwares (Information Technology)	16.8	0.3	-	17.1	8.3	2.7	-	11.1	6.0
Total for Intangible Assets	16.8	0.3	-	17.1	8.3	2.7	-	11.1	6.0
Total	**2,858.3**	**222.9**	**0.3**	**3,081.0**	**394.1**	**156.9**	**0.2**	**550.8**	**2,530.1**

"* Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from 1st April,2014, the Company has realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Consequently, i) in case of assets which have completed their useful life, the carrying value (net of residual value) as at 1st April, 2014 amounting to ₹ 4.75 Millions which has been included in Current Depreciation and adjusted to "Surplus in the Statement of Profit and Loss" and ii) in case of other assets the carrying value (net of residual value) is being depreciated over the revised remaining useful lives. Accordingly, the depreciation and amortization expense for the year ended 31st March, 2015 is lower by ₹ 11.3 Millions."

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

11 LONG TERM LOANS & ADVANCES

Particulars	As at	
	31-Mar-15	31-Mar-14
VAT Refund receivable	16.3	25.2
Input credit receivable- Excise and Service Tax	72.3	91.9
Income Tax Refund receivable	33.9	14.7
Capital Advance (Unsecured and considered good)	5.2	5.5
Deposits with Service & Material suppliers	2.5	2.1
Total of Long Term loans & Advances	**130.2**	**139.5**

12 OTHER NON-CURRENT ASSETS

Particulars	As at	
	31-Mar-15	31-Mar-14
Deposits with Banks- held as margin money with maturity more than 12 months	91.8	113.9
Foreign Currency Monitary Item Transalation Diff. A/c	23.9	-
Interest Accrued on Fixed Deposit	0.4	2.0
Total of Other Non Current Assets	**116.1**	**115.9**

13 INVENTORIES

Particulars	As at	
	31-Mar-15	31-Mar-14
Raw Materials	20.3	8.7
Work-in-Progress	27.6	77.0
Finished Goods & By-Products	74.0	87.9
Packing Materials	4.6	5.8
Consumables and Stores & Spares	58.3	55.8
Total of Inventories	**184.7**	**235.2**

14 TRADE RECEIVABLES

Particulars	As at	
	31-Mar-15	31-Mar-14
Unsecured, considered good unless otherwise stated		
Debts outstanding for a period exceeding six months		
Considered Good	1.8	4.6
Considered doubtful	3.4	3.4
	5.1	8.0
Debts outstanding for a period less than six months		
Considered Good	23.7	59.8
Considered doubtful	0.4	-
	29.2	59.8
Less: Provision for doubtful debts	3.7	3.4
Total of Trade Receivable	**25.5**	**64.4**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

15 CASH AND BANK BALANCES

Particulars	As at	
	31-Mar-15	31-Mar-14
Cash & Cash Equivalents		
Cash on hand	0.1	0.1
Balances with banks-In current Accounts	10.9	16.8
Total of Cash & Cash equivalent	**10.9**	**16.8**

16 SHORT-TERM LOANS AND ADVANCES

Particulars	As at	
	31-Mar-15	31-Mar-14
Unsecured, considered good		
Excise Refund Receivable	1.1	2.4
Staff Loans & Advances	0.2	0.5
Prepaid Expenses	1.1	2.3
Advances to suppliers	4.5	4.4
Total of short term Loans & Advances	**6.8**	**9.5**

17 OTHER CURRENT ASSETS

Particulars	As at	
	31-Mar-15	31-Mar-14
Export Incentive Receivable	2.2	1.6
Total of Other current assets	2.2	1.6

18 REVENUES FROM OPERATIONS

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
a) Sale of Products		
Draw Texturised Yarn	490.5	471.0
Partially Oriented Yarn	74.5	92.2
PET Chips	15.6	21.0
Oligomer	0.9	9.0
By-Products	8.1	7.4
Total Sales of the Products (Gross)	589.6	600.5
b) Sale of Services	0.6	6.2
c) Other operating income:-		
Export Incentives	1.6	2.8
Scrap Sales	2.7	2.3
Total of Revenues from operations	**594.4**	**611.7**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

19 OTHER INCOME

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Interest on Fixed Deposit	9.7	6.7
Liabilities / Provision no longer required written back	1.0	0.3
Miscellaneous Income	0.0	0.4
Total of other income	**10.8**	**7.5**

20 COST OF GOODS SOLD

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Consumption of Raw Material	354.4	480.6
Consumption of Packing Material	29.4	30.9
Consumption of Consumables & Spares	90.8	46.4
Freight Inward	5.9	6.2
Total Cost of Goods Sold	**480.4**	**564.1**

21 POWER & FUEL COST

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Power Cost	126.9	145.2
Fuel Cost	56.6	84.0
Total of Power & Fuel Cost	**183.4**	**229.2**

22 CHANGE IN THE INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Closing Stocks		
Finished goods	69.4	84.5
Work-in-Progress	27.6	67.6
Less:- Opening Stocks		
Finished goods	84.5	45.6
Work-in-Progress	67.6	64.0
Adjustment for Provision for Excise duty on closing Stock	(5.3)	4.3
Total of change in the Inventories of Finished goods & Work In Progress	**50.0**	**(38.4)**

23 EMPLOYEES BENEFIT EXPENSES

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Salaries, Wages and bonus	135.7	78.4
Contribution to provident and other funds	5.6	5.6
Staff Welfare Expenses	2.3	2.4
Total of Employee benefit Expenses	**143.6**	**86.4**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

24 FINANCE COSTS

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Interest on Term Loan(ECB)	98.9	80.0
Interest on working capital Loan	33.0	46.8
Interest On Share Application Money	23.2	-
Other borrowing costs	2.6	3.0
Total of Finance Costs	**157.7**	**129.7**

25 SELLING & DISTRIBUTION EXPENSES

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Commission to Sales Agents	7.0	6.5
Freight and Octroi	4.2	4.6
Total of Selling & Distribution Expenses	**11.2**	**11.1**

26 OTHER EXPENSES

Particulars	For the year ended	
	31-Mar-15	31-Mar-14
Repairs and Maintenance:		
Building	1.4	1.5
Plant and Machinery	7.7	4.5
Others	0.8	0.5
Machine Hire Charges	3.0	3.0
Insurance	1.7	1.6
Rent	4.6	3.2
Rates & Taxes	4.3	6.5
Auditors' Remuneration:		
Audit Fees	0.8	0.5
Tax Audit Fees	0.1	0.1
Certification Fees	0.2	0.3
Out of pocket expenses / taxes	0.1	0.0
Legal & Professional fees	28.4	20.6
Provision for Bad Debts	0.5	-
Travelling and Conveyance	13.8	12.2
Vehicle Expenses	6.5	8.2
Security Service Charges	4.2	4.1
Computer/ IT Expenses	1.0	1.7
Telephone Expenses	1.0	2.0
Postage & Courier.	1.7	3.0
Miscellaneous Expenses	4.9	6.9
Total of other Expenses	**86.5**	**80.5**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

OTHER NOTES

27) During financial year 2014-15, modification was done in ReNew to operate plant at optimum level and improving the quality of the product. The Company is gradually shifting its focus to exports where the Company can realise premium pricing. The Company has started receiving orders from premium brands at premium pricing. Due to above the Company expects to achieve significant improvement in operating margins going forward.

The existing Promoters and the lenders of the Company have always been extremely supportive of the Project and with this the Company is quite hopeful of achieving its strategic objective of becoming a leading supplier of 100% recycled content product and being recognized as a preferred supplier. We have also received letter of support from the parent Company PGTL for an financial, technical and administrative support for the forthcoming 12 months.

Based on the above the management has performed impairment test and is of the view that there is no impairment in the value of fixed assets. Accordingly, the accounts are prepared based on Principle of Going Concern.

28) Exceptional expenses of ₹ 24.00 million for the year ended 31st March 2015 resulted from the revaluation of its Plant & Machinery which was held for disposal and its stated recoverable value.

29) Contingent liabilities and commitments

a) Contingent Liabilities:

(₹ in Millions)

Particulars	As at	
	31-Mar-15	**31-Mar-14**
Estimated amount of claims against the company not acknowledged as debt in respect of: (Including interest up to date of demand, where applicable)		
- Disputed Excise/Service Tax Demands	3.9	4.3
- Claims in respect of various pending litigations of civil / criminal nature	155.5	0.9
- Disputed Income Tax Demands	102.6	102.6

b) Commitments:

Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of Advances) is ₹118.6 million (previous year ₹168.9 million)

c) The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements

30) Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Millions)

Sr. No.	Particulars	As at	
		31-Mar-15	**31-Mar-14**
a)	Principal amount remaining unpaid	-	-
b)	Interest paid in terms of Section 16	-	-
c)	Interest due and payable for the period of delay in payment	-	-
d)	Interest accrued and remaining unpaid	-	-
e)	Interest due and payable even in succeeding years	-	-

The above information has been compiled in respect of parties to the extent to which it could be identified as Micro, Small, and Medium Enterprises. The disclosure is based on the information made available to the Company regarding the status of suppliers in relation to the "Micro, Small, and Medium Enterprise Development Act, 2006".

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

31) Related Party Transactions as per Accounting Standard –18:

Related parties where control exists.

- PerPETual Technologies Ltd. (Promoter, Holding Company)

Parties with whom transactions have been entered into during the year:

Associates & Fellow Subsidiaries

- Alpha Bottle Ltd. (Fellow Subsidiary)

Key Management Personnel

- Mr. Marc Lopresto – Chairman and Whole time Director
- Mr. Gerard De Nazelle - Chief Executive Officer (up to 21-February,2014)
- Mr. M. N. Sudhindra Rao - Chief Executive Officer (w.e.f. 17-7-2014)
- Mr. Amarjit Singh Bhatia – CFO, (from 23- April,2014 to 21-February,2015)
- Mr. Paresh Damania – Company Secretary

Enterprises where key managerial persons/directors, their relatives have significant influence

Udwadia Udeshi & Argus Partners

Details of transactions entered into during the year (₹ in millions)

Nature of Transaction	Related party where control exists	Key Management Personnel and enterprises where key managerial personas having significant influence	Total
Advance received for Sale of Material			
PerPETual Global Technologies Limited.	85.9 (-)		85.9 (-)
Purchase of Material			
Alpha Bottle Ltd	- (0.5)		- (0.5)
ECB Loan Received			
PerPETual Global Technologies Limited.	555 (359.5)		584.6 (359.5)
Interest on ECB Loan			
PerPETual Global Technologies Limited.	33.1 (0.7)		33.1 (0.7)
Remuneration			
- Marc Lopresto	- (-)	2.3 (2.1)	2.3 (2.1)
- Gerard De Nazelle	- (-)	- (5.1)	- (5.1)
- M. N. Sudhindra Rao	- (-)	9.8 (-)	9.8 (-)
- Amarjit Singh Bhatia	- (-)	5.7 (-)	5.7 (-)
- Paresh Damania	- (-)	1.6 (1.9)	1.6 (1.9)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

(₹ in millions)

Nature of Transaction	Related party where control exists	Key Management Personnel and enterprises where key managerial personas having significant influence	Total
Advance given for Expenses			
- Marc Lopresto	- (0.1)	- (0.1)	- (0.1)
Professional Services Expenses			
- Udwadia Udeshi & Argus Partners	3.7 (-)		3.7 (-)
Share Application Money Received			
PerPETual Global Technologies Limited.	- (376.8)	- -	- (376.8)
Closing Balances:			
Remuneration payable			
Marc Lopresto		0.7 (0.3)	0.7 (0.3)
M. N. Sudhindra Rao		1.2 (-)	1.2 (-)
Paresh Damania		0.1 (0.1)	0.1 (0.1)
Advance given for Expenses			
- Marc Lopresto	- (0.1)	- (0.1)	- (0.1)
Share Application Money Received PerPETual Global Technologies Limited.	- (477.3)		- (477.3)
ECB Loan PerPETual Global Technologies Limited.	944 (359.4)		944.1 (359.4)
Interest on ECB Loan PerPETual Global Technologies Limited.	33.8 (0.7)		33.8 (0.7)
Advance for Sale of Material PerPETual Global Technologies Limited.	73.9 (-)		85.9 (-)

Notes:

1. Previous year's figures are given in brackets.
2. Neither amount in respect of related parties have been written off/written back during the year, nor has any provision been made for doubtful debts / receivables.
3. Related party relationships are as identified by the management and relied upon by the auditors.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

32) Foreign Exchange currency exposures not covered by derivatives instruments:

(₹ in millions)

Particulars	Currency	As at 31st March 2015		As at 31st March 2014	
	Type	In Foreign Currency	In Indian Rupees	In Foreign Currency	In Indian Rupees
Advance from customers	EURO USD	1.1 0.0	73.9 0.1	- -	- -
Trade receivable	USD	0.1	8.3	-	-
Loan	EURO USD	15.0 15.1	1007.9 944.1	15.0 6.0	1236.1 359.5
Interest payable loan	EURO USD	4.0 0.5	268.7 33.6	3.2 0.0	263.0 0.7
Trade payable	EURO USD	- -	- -	0.0 0.0	2.0 0.0
Advance to vendors	EUR0 USD	0.1 0.0	4.3 0.6	0.0 0.0	2.2 1.0

33) (a) In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.

(b) The accounts of certain Trade Payables, Trade Receivables and Advances are subject to formal confirmations/reconciliations and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

34) Basic and Diluted Earnings per Share as per AS- 20 is computed as under:

(₹ in millions)

Particulars	2014-15	2013-14
Net Profit/(Loss) – Before Exceptional items	(618.9)	(699.6)
Net Profit/(Loss) – After Exceptional items	(635.2)	(699.6)
Weighted Average No. of Equity Shares	144,725,651	122,897,627
Nominal Value of Shares (Rs.)	10	10
Basic & Diluted Earnings per share – Before Exceptional items	(4.22)	(5.69)
Basic & Diluted Earnings per share – After Exceptional items	(4.39)	(5.69)

35) Employee Benefit Plans:

The disclosures in accordance with the requirements of the Accounting Standards are provided below:-

1. **Defined Contribution Plan:**

The Company has recognised Rs.7.3 million (Previous year Rs 5.5 million) as an expense towards its post-employment defined contribution plan comprising of a provident fund, deposited with government authorities.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

2. Defined Benefit Plan:

In accordance with Payment of Gratuity Act, 1972, the Company is required to provide post-employment benefits to its employee in the form of gratuities. The Company is contributing to the trust, administered by the Trustees and managed by ICICI Prudential, an amount actuarially valued at the year-end. In accordance with Accounting Standards, the disclosure relating to the Company's gratuity plan is given below.

(₹ in millions)

Particulars	2014-15	2013-14
I Reconciliation of Opening and closing balances of Defined benefit Obligation		
- Defined Benefit obligation at beginning of the year	5.8	5.4
- Current Service Cost	1.2	1.2
- Past Service Cost	-	-
- Interest Cost	0.6	0.4
- Actuarial (Gain)/Loss	0.8	(0.6)
- Benefit paid	(1.1)	(0.6)
- Liability Transfer out	-	-
Defined Benefit obligation at year end	7.3	5.8
II Reconciliation of Opening and Closing balances of fair value of plan assets		
- Fair Value of plan asset at beginning of the year	4.2	3.8
- Expected return on plan assets	0.4	0.3
- Actuarial Gain/(Loss)	0.3	0.3
- Employer Contribution	0.0	0.4
- Benefits Paid	(1.0)	(0.6)
- Liability Transfer out	-	-
- Fair Value of plan asset at year end	**3.9**	**4.2**
Actual return on plan assets	**0.6**	**0.6**
II Expenses Recognised in Profit & loss account		
- Current Service Cost	1.2	1.2
- Past Service Cost	-	-
- Interest Cost	0.2	0.4
- Expected return on plan assets	-	(0.3)
- Actuarial Gain & Loss	0.5	(0.6)
Expenses recognised in Profit & loss account	**1.9**	**0.7**
IV Amount Recognised in the Balance Sheet		
- Defined benefit obligation as at end of the year	(7.3)	5.8
- Fair Value of plan assets at the end of the year	3.9	4.2
Net Liability / (Assets)	**(3.4)**	**1.6**
V Actual Return on plan Assets	**0.6**	**0.6**
- Expected return on plan assets	0.4	0.3
Actuarial gain/ (loss) on plan assets	**0.3**	**0.3**
VI Principal actuarial assumptions		
- Discount rate	7.96%	9.31%
- Expected rate of return on plan assets	7.96%	8.70%
- Salary increment rate	6.00%	6.00%
VII Composition of plan assets		
- Central Government Securities	0%	0%
- State Government Securities	0%	0%
- Approved marketable securities	0%	0%
- Bonds/Debentures etc	0%	0%
- Insurer Managed Funds	100%	100%

Notes:

1. The liability recognised with respect to compensated absences in the balance sheet as on 31st March 2015 is Rs.3.9 million (previous year Rs.3.3 million).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

36) Additional disclosures.

(a) Raw Materials consumed:

Particulars	2014-15	2013-14
	₹ in million	₹ in million
Mono Ethylene Glycol (MEG)	16.2	14.3
Purified Terephthalic Acid (PTA)	0	0.2
PET Bottles & Flakes	338.2	466.0
PET Chips	-	-
Total	**354.4**	**480.5**

(b) Value of Raw Material consumed:

Particulars	2014-15		2013-14	
	₹ in million	%	₹ in million	%
Imported	4.0	1.13%	5.5	1%
Indigenous	350.4	98.87%	475.0	99%
Total	**354.4**	**100.%**	**480.5**	**100%**

(d) Expenditure in Foreign Currency:

(₹ in millions)

Particulars	2014-15	2013-14
Travelling and other expenses	3.7	2.2
Interest	94.6	66.6
Technical & Professional Fees	0.3	1.9
Total	**98.6**	**70.7**

(e) Earnings in Foreign Currency:

(₹ in millions)

Particulars	2014-15	2013-14
Export of goods on FOB Basis	36.3	56.0
Export of Services	-	6.2
Total	**36.3**	**62.2**

(f) CIF Value of Imports:

(₹ in millions)

Particulars	2014-15	2013-14
Capital Equipment	9.3	2.3
Raw Materials	4.0	4.2
Spares & Consumable	4.0	12.2
Total	**17.3**	**18.7**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

₹ in millions except as otherwise stated

37) Expenses disclosed in the Profit & Loss a/c are net off expenses capitalised.

The expenses capitalised are as under

Particulars	2014-15	2013-14
Salary & Manpower Cost	-	54.4
Travelling & Transportation	-	6.8
Professional & Technical Fees	-	5.6
Other Expenses Capitalised	-	0.5
Interest Capitalised	-	-
Total	-	**67.3**

38) Deferred Tax Assets / Liabilties

Particulars	2014-15	2013-14
Deferred Tax Assets :		
- Accumulated Tax losses and unabsorbed depreciation	1117.5	855.4
- Provision for Doubtful Debts	1.3	0.0
- Expenses allowable on Payment basis	2.8	1.1
Total Deferred Tax Assets	1121.6	856.5
Deferred Tax Liabilities:		
Depreciation Effects	336.0	384.9
Net Deferred Tax Assets	**785.6**	**471.6**
Assets not recognised as a matter of Prudence	**785.6**	**471.6**

39) a) The previous year's figures have been re-grouped and/or re-arranged wherever necessary to conform to the current year's presentation.

b) Figures in 0.0 represents amount less than ₹ 50,000.

SIGNATURES TO NOTES '1' TO '39'

For and On behalf of the Board of Directors

Marc Lopresto
Chairman

M N S Rao
CEO

Rakesh Tanna
CFO

Paresh Damania
Company Secretary

Place: Mumbai
Date: 28th May, 2015

POLYGENTA TECHNOLOGIES LIMITED

Corporate Identification Number (CIN) - L17120MH1981PLC025388
Registered Office: Solitaire Corporate Park, Bldg No.1, 6th Floor, Unit No. 2,
Andheri - Ghatkopar Link Road, Chakala, Andheri (E), Mumbai : 400093
Tel: +91 22 6193 3333 Fax: +91 22 6193 3316, E-mail: companysecretary@polygenta.com; Website: http://www.polygenta.com

ATTENDANCE SLIP

(To be presented at the entrance)

33RD ANNUAL GENERAL MEETING ON 24TH SEPTEMBER 2015 AT 3.00 P.M.

at ' the Mirador' Hotel, Andheri-Ghatkopar Link Road, Chakala, Andheri (E), Mumbai – 400 099

Folio No. ________________________ DP ID No. _______________________ Client ID No.______________________

Name of the Member_____________________________________ Signature _________________________________

Name of the Proxyholder _________________________________ Signature _________________________________

1. Only Member / Proxyholder can attend the Meeting.
2. Member / Proxyholder should bring his/her copy of Annual Report for reference at the Meeting.

POLYGENTA TECHNOLOGIES LIMITED

Corporate Identification Number (CIN) - L17120MH1981PLC025388
Registered Office: Solitaire Corporate Park, Bldg No.1, 6th Floor, Unit No. 2,
Andheri - Ghatkopar Link Road, Chakala, Andheri (E), Mumbai : 400093
Tel: +91 22 6193 3333 Fax: +91 22 6193 3316, E-mail: companysecretary@polygenta.com; Website: http://www.polygenta.com

PROXY FORM

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

Name of the member (s) :………………………..……...……… Email Id :………...………....……...…….....

Registered Address :…………………………...………... Folio No/ Client Id :……………………………................

:…………………………...……..…. DP Id :………...……...……........……...

I/We, being the member (s) of ……….................. shares of Polygenta Technologies Limited, hereby appoint

1. Name :……………………………………………....…. Email Id :…......………………………………………………
   Address :……………………………………………….... Signature :
   ………………………………………………… :..or failing him
2. Name :……………………………………………....…. Email Id :…......………………………………………………
   Address :……………………………………………….... Signature :
   ………………………………………………… :..or failing him
3. Name :……………………………………………....…. Email Id :…......………………………………………………
   Address :……………………………………………….... Signature :
   ………………………………………………… :...

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Third Annual general meeting of the company, to be held on the 24th day of September 2015 at 3.00 p.m. at 'the Mirador' Hotel, Andheri-Ghatkopar Link Road, Chakala, Andheri (E), Mumbai : 400099 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions

1. To consider and adopt Audited Financial Statement, Report of Board of Directors and Auditors
2. Re-appointment of Mr. Ramesh Alur, who retires by rotation
3. Appointment of Auditors and fixing their remuneration
4. Appointment of Mr. Marc Lopresto as Director
5. Appointment of Ms. Sujata Chattopadhyay as Independent Director
6. Transaction with Related Party

Affix Revenue Stamp of ₹ 1

Signed this………. day of…..…………… 2015

Signature of Shareholder **Signature of Proxyholder(s)**

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

To,

If undelivered, please return to :

Polygenta Technologies Limited

Solitaire Corporate Park, Bldg No.1, 6th Floor, Unit No. 2,

Andheri - Ghatkopar Link Road, Chakala, Andheri(E), Mumbai : 400093