

**31st
Annual Report
2014-2015**

Gupta

GUPTA SYNTHETICS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Prakash Gupta *Managing Director*
 Mohan Gupta *Whole Time Director*
 Pramod Kumar Tiwari *Director*
 Anil Kumar Singhal *Director*
 Meenu Maheshwari *Director*

REGISTERED OFFICE

326, Sardar Gruh Building
 198, Lok Manya Tilak Road,
 Near Crawford Market,
 Mumbai - 400 002.

COMPANY SECRETARY

Avinash Shah

CORPORATE OFFICE

101, Trividh Chambers,
 Opp. Fire Brigade Station,
 Ring Road, Surat - 395 002. (Gujarat)
 E-mail : info@guptasynthetics.com

BANKERS

Edelweiss Assets Reconstrucrtion Company Ltd.
 [Formerly Oriental Bank of Commerce]
 State Bank of India
 ING Vysya Bank Ltd.
 IDBI Bank Ltd.
 Standard Chartered Bank

CIN

L17110MH1984PLC091906

PLANT

Plot No. 28, Survey No. 259/1/1,
 Navnit Shah Industrial Estate,
 Dadra, Silvassa (U.T. of D. & N.H.)

AUDITORS

M/s. R. R. Patchigar & Co.
 Chartered Accountants
 Surat

REGISTRAR & SHARE TRANSFER AGENT

MCS Limited
 10, Aram Apartment,
 12, Sampatrao Colony,
 B/h Laxmi Hall, Allkapuri, Vadodara- 390007

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THRITYFIRST ANNUAL GENERAL MEETING

DATE : 30th September, 2015

DAY : Wednesday

VENUE : Maharashtra Chamber of Commerce, Industry And Agriculture, Oricon House, 6th Floor, 12, K, Dubhash Marg, Fort, Mumbai- 400 001

TIME : 02.00 P.M.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY FIRST ANNUAL GENERAL MEETING OF MEMBERS OF GUPTA SYNTHETICS LIMITED WILL BE HELD ON WEDNESDAY THE 30TH SEPTEMBER, 2015 AT MAHARASHTRA CHAMBER OF COMMERCE, INDUSTRY AND AGRICULTURE, ORICON HOUSE, 6TH FLOOR, 12, K, DUBHASH MARG, FORT MUMBAI- 400 001 AT 02.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance sheet as at 31st March, 2015 and the Profit & Loss Account for the year ended on that day, together with the Reports of Directors & Auditors thereon.
2. To appoint a Director in place of Shri Prakash Gupta ,(DIN 00010358) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a ordinary Resolution
RESOLVED THAT in accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (Including any statutory modification(s) or re enactments therefore for time being in force) M/s R.R. Patchigar & Co Chartered Accountants (Reg No 107639W) Surat be and are hereby appointed Statutory Auditors of the Company to hold office from the conclusion of the 31st Annual General meeting of the Company till the conclusion of 32nd Annual General Meeting at such remuneration be fixed by the Board of Director of the Company.

SPECIAL BUSINESS

4. To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a ordinary Resolution:
RESOLVED THAT Mrs Meenu Maheshwari DIN : 07113136, who was appointed as an additional director by the Board of Directors of as on March, 23,2015 to hold office up to this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom notice under section 160 of the Companies Act, 2013 has been received by the Company from a member signifying his intention to propose her as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

Dated : 14.08.2015

By Order of the Board of Directors

Registered Office :

326, Sardar Gruh Building,
198, Lok Manya Tilak Road,
Mumbai - 400002.

Sd/-
(Avinash Shah)
Company Secretary

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER .**
2. The instrument appointing a proxy, in order to be effective must be deposited with the Company, on any day during business hours at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting.
3. The Register of members and the share transfer books will remain closed from Friday, September 25, 2015 to Wednesday,30th September,2015 (Both Days Inclusive.)
4. Members are requested to notify the change, if any, in their address, to the Registrars and Transfer agents MCS Share Transfer Agent Ltd 10, Aram Apartment, 12, Sampatrao Colony, B/h Laxmi Hall, Allkapuri, Vadodara- 390007 and in any case on or before 30th September, 2015.
5. Pursuant to Section 124 of the Companies Act 2013 dividend for the financial year ended 31st March, 2006, which remains unpaid or unclaimed was already been transferred to Investor Education Protection Fund.
6. Shareholders are requested to make all correspondence for share transfer and other purpose at Registered office of the Company or to Registrar & Share Transfer Agent MCS Share Transfer Agent Ltd 10, Aram Apartment, 12, Sampatrao Colony, B/h Laxmi Hall, Allkapuri, Vadodara- 390007 . Members holding shares in dematerialized form are requested to notify their respective Depository Participant about any change of address and their bank particulars.
7. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
8. Members who hold shares in dematerialized form are requested to write their client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.

In order to provide protection against fraudulent encashment of dividend warrants, Members who holds shares in physical form and demate form are requested to intimate the Company's Registrar and Transfer Agent under the

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signature of sole/first joint holder the particulars of Bank account viz. name of bank, name of branch, complete address of bank with pin code number account type i.e. savings bank account or current account and bank account number.

9. Trading in equity shares of the Company is compulsorily in dematerialized mode by all the investors. In view of the above, the shareholders are advised to convert their shareholding in dematerialized form details of director seeking reappointment / appointment as a Director at Annual General Meeting is given as under pursuant to paragraph VIA of Clause 49 of Listing Agreement with the Stock Exchange is furnished as below :
10. Details of Director seeking reappointment / appointment as a Director at Annual General Meeting is given as under pursuant to paragraph VI A of Clause 49 of Listing Agreement with Stock Exchanges is furnished as below:

Shri Praksh N Gupta is a Director appointed on the Board of the Company since incorporation the Company He appointed as Managing Director of the Company for Five years from 12th August, 2014

He is a Commerce graduate having 30 years business in the Textile Industry. He is looking after General Administration, Finance & Production subject to Control and supervision of the Board of Directors of the Company. Experience. Shri Mohan Gupta is related to him. He is Director of Evergreen Synthetics Pvt Ltd and Gupta Education Foundation Institution.

11. Voting through electronic means

The Company is pleased to provide e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically, in compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014. Necessary arrangements have been made by the Company with CDSL to facilitate e-Voting. The instructions and manner for e-Voting facility are as under.

The instructions for shareholders voting electronically are as under:

- i) The voting period begins on 28.09.2015 at 09.00 A.M. and ends on 29.09.2015 6.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24.09.2015 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:

	For Members holding shares in Demat Form and Physical Form
PAN	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 serial number print in address slip.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Date of Birth as registered with the DP/RTA in dd/mm/yyyy format Or Enter the Dividend Bank Details as recorded with your DP/RTA. Please note - In respect of Physical shareholding and whose DOB and Dividend bank details are not registered with DP/RTA should enter No. of shares held by you as on the cut-off date i.e. 24.09.2015

- 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: 150904017 for the relevant Gupta Synthetics Ltd 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.

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

Dated : 14.08.2015

By Order of the Board of Directors

Registered Office :

326, Sardar Gruh Building,
198, Lok Manya Tilak Road,
Mumbai - 400002.

Sd/-
(Avinash Shah)
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT 2013

ITEM NO 4

Pursuant to the provision of section 161 of the Companies Act, 2013 the terms of office of Mrs Meenu Maheshwari, appointed as an additional Director of the Company on the Board with effect from 23rd March, 2015 and in terms of section 161(1) of the Companies Act, 2013 she will hold office as an Additional Director only upto the date of this Annual General Meeting. As required under Section 160 of the Above Act, a notice has been received from a member signifying his intention to propose her as a candidate for the office of Director of the Company. In the opinion of the Board, Mrs Meenu Maheshwari fulfils the conditions specified in the Company Act, 2013 and Rules made there under and also under the listing Agreement for her appointment as Directors of the Company. Her Appointment shall also comply with the provision of section 149(1) of the Act and amended clause 49 of the Listing Agreement to have at least one women director. The Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services.

Mrs Meenu Maheshwari is a fellow member of Institute of Company Secretaries of India. She is practicing Company Secretary She also hold Master Degree in Commerce. She has more than 15 years of experiences in Secretarial Field.

This Explanatory statement may also be regarded as a disclouser under applicable provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchange.

None of the directors or Key Managerial personal of the Company is in any way concerned or interested in this resolution.

Dated : 14.08.2015

By Order of the Board of Directors

Registered Office :

326, Sardar Gruh Building,
198, Lok Manya Tilak Road,
Mumbai - 400002.

Sd/-
(Avinash Shah)
Company Secretary

DIRECTORS' REPORT

To,
THE MEMBERS,

Your Directors are pleased to present the Thirty first Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2015.

PARTICULARS	As at 31-03-2015 (₹. in Lacs)	As at 31-03-2014 (₹. in Lacs)
Sales & Other Incomes	9203.38	7305.45
Gross Profit before Interest & Depreciation	(865.62)	(916.43)
Less : Interest	1694.18	1850.65
Depreciation	863.09	2557.27
	664.70	2515.35
Profit / (Loss) before Tax	(3422.88)	3431.78
Less : Provision for Current Tax	0.00	0.00
Add Provision for Deferred Tax	131.39	131.39
Provision for Fringe Benefit Tax	0.00	34.44
	0.00	34.44
Profit / (Loss) after Taxation	(3291.49)	(3397.34)
Less : Adjustments of earlier years	9.09	(18.96)
	(3300.58)	(3416.30)
Add : Surplus brought forward from previous years	(10570.12)	(7153.82)
Balance carried to Balance Sheet	(13870.70)	(10570.12)

DIVIDEND

Due to the loss incurred by the Company during the year 2014- 2015 no dividend is recommended for the payment on the Equity Share capital.

MATERIAL CHANGES

The Company has received notices under section 13 (4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 from IDBI Bank Ltd , ING Vysya Bank Ltd and State Bank of India Ltd. And above banks have taken the symbolic possession of the factory of the Company..

Status of Sick Company was abated on the 01st Day of July, 2015 by Board of BIFR, New Delhi.

DEPOSITS :

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

RESERVES

In view of Loss, your Board of Directors do not appropriate any amount to be transferred to General Reserves during the year under review.

INSURANCE

The Company has adequately covered all assets against all risks.

CORPORATE SOCIAL RESPONSIBILITY

Due to Loss incurred by the Company during the year 2014-15, your directors regret their inability to recommend any amount for Corporate Social Responsibility.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

The turnover of the Company during the year increase by 25.98 % at 9203.38 Lacs as compared to Rs 7305.45 Lacs for the corresponding year ended 31st March, 2015. The profit before Interest and Depreciation worked out to ₹ (865.62) Lacs as against Loss of ₹(916.43) Lacs for the year ended 31st March, 2014. The net profit/(Loss) derived by the Company is ₹ (3300.58) Lacs. Due to non profitability in manufacturing of Partially Oriented Yarn the Company has temporary decided to stop the production of POY and concentrate only Nylon filament yarn.

STATEMENT FOR IMPROVEMENT/ DEPRESSED RESULT

The management's discussion and analysis report, as required under corporate governance, forming part of report, is reflection of the current state of business. It is also deals with the opportunities and threats faced by your Company. They also discussed to make improvement in the business of the Company.

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

Your Company have not any Subsidiary or joint venture or Associates Company

APPOINTMENT OF STATUTORY AUDITORS AND AUDITORS REPORT

Statutory Auditors of the Company M/s.R.R.Patchigar & Co. Chartered Accountant of Surat will retire at the conclusion of the ensuring Annual General Meeting from the office of the Statutory Auditors and being eligible offer themselves for re-appointment from the end of the ensuring Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

EXPLANATION TO THE QUALIFICATION IN AUDITORS REPORT

The qualification /adverse remarks in the Auditors Report are self explanatory and in opinion of the Board do not call for any clarification.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURT AND ANY OTHER AUTHORITY

Members attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the financial statement

SHARE CAPITAL

The paid up share capital of the company is ₹ 7, 35, 27,000/ is Equity Share Capital and ₹ 15.00 00 000/ is Preference Share Capital

Your Company has not issue any kind of Share During the financial year ending on 31st March, 2015

LISTING ON STOCK EXCHANGE :

The Equity Shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE), Mumbai

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in form no MGT- 9 shall forming a part of the Board report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO

The particulars prescribed by the companies under the provisions of the section 134(3) of the Companies Act, 2013 as to conservation of energy, Technology absorption, Foreign Exchange Earnings and outgo are furnished below:

A. CONSERVATION OF ENERGY

- I) The step taken or impact on conservation of energy Nil
- II) The Steps taken by the Company for utilization alternate source of energy: Nil
- III) The capital investment on energy conservation equipments : Nil

B. TECHNOLOGY ABSORPTION

- I) the efforts made towards technology absorption : Not applicable
- II) the benefits derived like product improvement, cost reduction, product development or import substitution: Not applicable
- III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - a. the details of technology imported : Not applicable
 - b. the year of import : Not applicable
 - c. whether the technology been fully absorbed : Not applicable
 - d. if not fully absorbed, areas where absorption has not taken place, and the reason thereof; : Not applicable
- IV) The expenditure incurred on research and development : Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned (actual inflows during the year)	Nil
Foreign Exchange outgo (actual outflows)	Nil

TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to section 124 of the Companies Act, 2013, your company has transferred ₹ 125624/ to Investor Education and protection Fund on 12th December, 2014 as it was Un claimed & Unpaid Dividend since last seven years and form no 1 INV was already uploaded.

DIRECTORS :

Mrs Meenu Maheshwari, (DIN : 07113136) Additional Director, appointment has been made during the Financial year 2014-15

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152(6) and Articulars of Association of the Company, Shri Prakash Gupta (DIN : 00010358) will retire by rotation at the ensuing Annual general meeting of the Company and being eligible, offers him self for re- appointment. The Board recommends his appointment

CESSATION

No director has resign from the Directorship of the Company

Declaration by an independent director(s) and reappointment, if any

A declaration by an independent Directors that they meet the criteria of independence as provided in sub section (7) of Section 149 of the Companies Act, 2013 has been received and took the note of the same.

FORMAL ANNUAL EVALUATION

The Nomination and Committee of the Board has formulated a performance Evaluation framework, under which the committee has identified the criteria upon which the committee has identified the criteria upon which every director shall be evaluated. The policy also provides the manner in which the Directors, as a collective unit in the form of Board committee and the Board function and perform

DETAILS OF BOARD MEETING

During the year. Six Board Meeting were held on May14, 2014, August 12,2014, September 30, 2014, November 14, 2014, February 14, 2015 and March 23, 2015. The intervening gap between the meeting was within the period prescribed under the Companies Act, 2013 for the details of Audit committee meeting please refer report on Corporate Governance of this Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company promoters ethical behaviour in all its business activities and has put in implementation of a mechanism wherein in Employees are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's codes of conduct or Corporate Governance policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Company or the Compliance officer. The Whistle Blower policy has been appropriately communicated within the Company

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013

The details of the investments made by the company is given in the financial statement

MANAGERIAL REMUNERATION

Your company has not paid any remuneration to any director or managing Director of the Company.

Your Company have not any employees, who was in receipt of remuneration in excess of limits specified in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

SECRETARIAL AUDIT

A Secretarial Audit Report given by M/s K. Dalal & Co, a Company Secretary in practice shall be annexed with the report.

CORPORATE GOVERNANCE CERTIFICATE

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in clause 49 of the Listing agreement shall be annexed with the report.

Pursuant to clause 49 of the Listing Agreement with Stock Exchange, a separate section entitled Corporate Governance and the Certificate from the Auditors of the Company confirming compliance with the conditions of the Corporate Governance has been included in this Annual Report

RISK MANAGEMENT POLICY

A Statement indicating development and implementation of risk management policy for the Company including therein of elements of risk, if any which in the opinion of the Board may threaten the existence.

The Board of Directors has duly developed and implemented a risk management policy for the Company.

CODE OF CONDUCT

The Board has laid down a code of conduct for Board Members and for Senior Management and Employees of the Company (Code).All the Board Members and Senior Management personnel have affirmed compliance with these Codes. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report.

The Board has also laid down a Code of Conduct for Independent Directors pursuant to section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Director which is a guide to professional conduct for Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub section (3) of section 134 of the Companies Act, 2013

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The directors had selected accounting policies and applied are consistent and the judgments and estimates made 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 or loss of the Company for the period.
- (iii) The directors had taken proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- (iv) The Directors had prepared the annual accounts on a going concern basis.
- (v) The Company has received notices under section 13 (4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 from IDBI Bank Ltd , ING Vysya Bank Ltd and State Bank of India Ltd. And above banks have taken the symbolic possession of the factory of the Company.

DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT,2013

The Company has been employing about one women employee. The Company has in place an Anti harassment policy in line with the requirement of Sexual harassment of women at workplace(Prevention, prohibition and Redressal) Act, 2013 Internal Complaint committee is set up to redress complaints received regularly, is monitored and directly report to the Chairman & Managing Director. There was no complaint received from employee during the financial year 2014-15 and hence no complaint is outstanding as on 31.03.2015 for redressal. report to the Chairman

ACKNOWLEDGEMENTS :

Your Directors wish to express their sincere thanks for the support and co-operation extended by the Financial Institution, Commercial Banks, Government of India, Government of Gujarat, Government of Union Territory of Silvassa (Dadra & Nagar Haveli) Buyers, Suppliers and Share Holders for their continued support.

our Directors also wish to express their thanks for the services rendered by the Company's employees at all

FOR AND ON BEHALF OF THE BOARD

Place : Surat
Date : 14.08.2015

Sd/-
C H A I R M A N

ANNEXURE TO THE DIRECTORS' REPORT
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Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2015

[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	L17110MH1984PLC091906
ii)	Registration Date	07/08/1984
iii)	Name of the Company	Gupta Synthetics Limited
iv)	Category/Sub-Category of the Company	Public Company/Limited by Shares.
v)	Address of the Registered Office and contact details	326,Sardar Gruh Building,198 Lok Manya Tilak Marg,Mumbai-400002 (Maharashtra) Tel. No. 91-22-22000356 Fax No. 91-22-22000357
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Ltd. 10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall, Alkapuri, Vadodara-390007 Tel. No. 0265-2339397 Email : mcsltdbaroda@gmail.com
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	As per Attachment A
III	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	AS per Attachment B
IV	SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)	
	i) Category-wise Shareholding	As per Attachment C
	ii) Shareholding of Promoters	As per Attachment D
	iii) Change in Promoters' shareholding (please specify, if there is no change)	As per Attachment E
	iv) Shareholding Pattern top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
	v) Shareholding of Directors and key Managerial Personnel	As per Attachment G
V	INDEBTEDNESS Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
	A. Remuneration to Managing Director, whole-time Directors / Manager/ Other Directors	As per Attachment I & J
	B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD	As per Attachment K
VII	PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES	As per Attachment L

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Attachment A

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	Partially Oriented Yarn	54024200	Nil
2	Nylon Yarn	54025100	100%

Attachment B

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
N.A.					

Attachment C

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

i) Category-wise Share holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of Shares	% of Total Shares
A. Promoters										
(1) Indian										
a) Individual/HUF	3507343	0	3507343	47.70	3507343	0	3507343	47.70	0	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0	0.00
c) Bodies Corporates	239334	239334	3.26	239334	0	239334	3.26	0	0.00	
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0	0.00
e) Any other	0	0	0.00	0	0	0.00	0	0.00		
SUB TOTAL:(A) (1)	3746677	0	3746677	50.96	3746677	0	3746677	50.96	0	0.00
(2) Foreign										
a) NRI- Individuals	0		0	0.00	0		0	0.00	0	0.00
b) Other Individuals	0		0	0.00	0		0	0.00	0	0.00
c) Bodies Corp.	0		0	0.00	0		0	0.00	0	0.00
d) Banks/FI	0		0	0.00	0		0	0.00	0	0.00
e) Any other...	0		0	0.00	0		0	0.00	0	0.00
SUB TOTAL (A) (2)	0		0	0.00	0		0	0.00	0	0.00
Total Shareholding of Promoter (A)= (A)(1)+ (A)(2)	3746677	0	3746677	50.96	3746677	0	3746677	50.96	0	0.00

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of Shares	% of Total Shares
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0		0	0.00	0		0	0.00	0	0.00
b) Banks/FI	0		0	0.00	0		0	0.00	0	0.00
c) Central govt	0		0	0.00	0		0	0.00	0	0.00
d) State Govt.	0		0	0.00	0		0	0.00	0	0.00
e) Venture Capital Fund	0		0	0.00	0		0	0.00	0	0.00
f) Insurance Companies	0		0	0.00	0		0	0.00	0	0.00
g) FIIS	0		0	0.00	0		0	0.00	0	0.00
h) Foreign Venture Capital Funds	0		0	0.00	0		0	0.00	0	0.00
i) Others (specify)	0		0	0.00	0		0	0.00	0	0.00
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0	0.00
(2) Non Institutions										
a) Bodies corporates										
i) Indian	175786	8100	183886	2.50	141520	8100	149620	2.03	-34266	-0.47
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0	0.00
b) Individuals				0.00	0	0	0	0.00	0	0.00
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	2271389	392388	2663777	36.23	2261376	388288	2649664	36.04	-14113	-0.19
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	577504	0	577504	7.85	630045	0	630045	8.57	-52541	-0.71
c) Others (specify)				0.00				0.00	0	0.00
Hindu undivided Families	0		0	0.00	0		0	0.00	0	0.00
Non Resident Individual	46156	134700	180856	2.46	41994	134700	176694	2.40	4162	0.06
OCB	0		0	0.00	0		0	0.00	0	0.00
SUB TOTAL (B)(2):	3070835	535188	3606023	49.04	3074935	531088	3606023	49.04	0	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	3070835	535188	3606023	49.04	3074935	531088	3606023	49.04	0	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00				0.00	0	0.00
Grand Total (A+B+C)	6817512	535188	7352700	100	6821612	531088	7352700	100	0	0.00

Attachment D

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	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	Prakash Gupta	521400	7.09	0.00	521400	7.09	0.00	0.00
2	Shyamsunder Gupta	505936	6.88	0.00	505936	6.88	0.00	0.00
3	Sunilkumar Gupta	490290	6.67	0	490290	6.67	0	0.00
4	ShreeMohan N. Gupta	470760	6.40	0	470760	6.40	0	0.00
5	Gupta Silk Mills Pvt. Ltd.	221799	3.02	0.00	221799	3.02	0.00	0.00
6	Sunilkumar N. Gupta	181350	2.47	0	181350	2.47	0	0.00
7	Neetadevi P. Gupta	217206	2.95	0	217206	2.95	0	0.00
8	Savitadevi Gupta	192300	2.62	0	192300	2.62	0	0.00
9	Umadevi M. Gupta	172500	2.35	0	172500	2.35	0	0.00
10	ShreeMohan Gupta	106500	1.45	0	106500	1.45	0	0.00
11	Sunainadevi S. Gupta	116250	1.58	0	116250	1.58	0	0.00
12	Mallika S. Gupta	71400	0.97	0	71400	0.97	0	0.00
13	Jatin Gupta	69072	0.94	0	69072	0.94	0	0.00
14	Gaurav Prakash Gupta	67052	0.91	0	67052	0.91	0	0.00
15	Kshitij M. Gupta	50700	0.69	0	50700	0.69	0	0.00
16	Nikunj S Gupta	106802	1.45	0	106802	1.45	0	0.00
17	Shefali M. Gupta	40849	0.56	0	40849	0.56	0	0.00
18	Shikha Shyamsunder Gupta	41509	0.56	0	41509	0.56	0	0.00
19	Aisha S. Gupta	30800	0.42	0	30800	0.42	0	0.00
20	Umadevi M. Gupta	36467	0.50	0	36467	0.50	0	0.00
21	Shikha Investments Pvt. Ltd.	17535	0.24	0	17535	0.24	0	0.00
22	Sunainadevi S. Gupta	18200	0.25	0	18200	0.25	0	0.00
	Total	3746677	50.96		3746677	13.88		

Attachment E

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sr. No.		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
No Change during the year					

Attachment F

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

SR. NO.	Name	No. of Shares at the beginning of the Year	% OF Holding	Change during the F.Y.			No. of the shares at the closing of the F.Y.	% OF Holding
				Date of Allotment/ Transfer	No. of the Shares	% OF Holding		
1	L. Govindarajan	100992	1.37		0	0	100992	1.37
2	Dharmendra Kumar Jethani	59100	0.80		0	0	59100	0.80
3	Geeta Jethani	59100	0.80		0	0	59100	0.80
4	Anupkumar Lohia R.	50000	0.68		0	0	50000	0.68
5	Sonia Chand	30000	0.41		0	0	30000	0.41
6	Mita Dipak Shah	29994	0.41		0	0	29994	0.41
7	Ashwin Patwa	26068	0.35		0	0	26068	0.35
8	Hitesh K. Veera	25000	0.34		0	0	25000	0.34
9	Hari Babu Pallela	24699	0.34		0	0	24699	0.34
10	Sanjaykumar Chimabhai Macwan	22000	0.30		0	0	22000	0.30

Attachment G

(v) Shareholding of Directors & KMP

Sr. No.	Mohan Gupta	Shareholding at the end 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
	For Each of the Directors & KMP				
	At the beginning of the year	577260	7.85		
	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	577260	7.85		

Sr. No.	Prakash Gupta	Shareholding at the end 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
	For Each of the Directors & KMP				
	At the beginning of the year	521400	7.09		
	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	521400	7.09		

Attachment H
V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	1747620191	362125577	0	2109745768
ii) Interest due but not paid	469853693	0	0	469853693
iii) Interest accrued but not due	0			
Total (i+ii+iii)	2217473884	362125577	0	2579599461
Change in Indebtedness during the financial year				
Additions	169033637	0	0	169033637
Reduction	-16179	9589409	0	9573230
Net Change	169049816	-9589409	0	159460407
Indebtedness at the end of the financial year				
i) Principal Amount	1747636370	352536168	0	2100172538
ii) Interest due but not paid	638887330	0	0	638887330
iii) Interest accrued but not due				
Total (i+ii+iii)	2386523700	352536168	0	2739059868

Attachment I & J
VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director / Manager / Other Directors :

No Remuneration paid Managing Director, Whole time director / Manager / Other Directors.

Attachment K

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Avinash Shah	CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	504832	Nil	504832
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	as % of profit	Nil	Nil	Nil
	others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
		Nil	Nil	Nil
	Total	504832	Nil	504832

Attachment L

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES;PERSONNEL OTHER THAN MD/MANAGER/WTD :

No Penalties/Punishment/Compounding of Offences are imposed to the neither Company nor to any Directors of the Company.

ANNEXURE TO THE DIRECTORS' REPORT
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SECRETARIAL AUDIT REPORT**For The Financial year Ended On 31st March, 2015**

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

To,
The Members
Gupta Synthetics Limited
326 Sardar Ghru Bldg, 3rd Floor,
198 Lok Manya Tilak Road,
Mumbai 400002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gupta Synthetics Limited (CIN: L17110MH1984PLC091906)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Gupta Synthetics Limited for the financial year ended on 31st March, 2015 according to the provisions of :
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
 - f) The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
 - h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

vi Other Applicable Acts:

The Company is a sick Industrial Company under provisions of Sick Industrial Company (Special Provisions) Act, 1985. We do not comment on the Compliance of the said Act since the matter is subjudice.

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

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings. **(not notified hence not applicable to company during Audit period)**
- ii. The listing Agreements entered into by the Company with Stock Exchange

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, *except to the extent that the Company has not filed Form MGT15 under the Companies Act 2013.*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

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

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

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

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

For K.Dalal & Co.
Company Secretaries

Kunjil Dalal
Proprietor
FCS No. 3530
COP No. 3863

Date : 14th August, 2015

Place : Surat

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

Annexure 'A'

To,
The Members
Gupta Synthetics Limited
326 Sardar Ghru Bldg, 3rd Floor,
198 Lok Manya Tilak Road,
Mumbai 400002

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. 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 test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever 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. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For K.Dalal & Co.
Company Secretaries

Kunjal Dalal
Proprietor
FCS No. 3530
COP No. 3863

Date : 14th August, 2015
Place : Surat

MANAGEMENT DISCUSSION AND ANALYSIS**INDUSTRY SCENARIO AND STRUCTURE**

The most significant change in the Indian textile industry has been the advent of man made fibers. India has successfully placed its innovative range of man made fibers textile almost all the countries across the globe..

The Textile sector has witnessed a spurt in investment during the last five years. The Industry attracted foreign direct investment during 2000 to 2014. Recent policy reforms and improved business confidence have provided a booster shot to economic activity. While india's growth rate is expected to improve from 7.2 per cent in last fiscal to 7.5 per cent this year.

The textile industry holds significant presence in Indian economy. Ther size of the industry is currently estimated to be over \$120 billion. It contribute around 14% in industrial production.

The New Government has undertaken a number of new reforms measures whose cumulative impact could be substantial. India's apparels, home textile and technical textiles segments are expected to double their market size.

OPPORTUNITIES

The volatility in the Crude oil prices affects prices of Raw material which is use for polyester chips. Sluggishness in demand and sudden change in prices of crude affects margin on product,

The Company's sound business strategy is to concentrate on specility & high quality of Nylon yarns. Constant development of new product to strengthen its position in domestic market, stepping up production of high contributing Nylon yarns, increase in capacity of yarn, introduction of new products. Etc

EMPLOYMENT

The Indian Textile adds 11.5% to the industrial production and 7% to the GDP OF India. It provides employment to 39 Million people and thus, is second largest employment provider after agriculture. The Indian Apparel & textile is one of the Largest sources of foreign exchange flow into country with the apparel export accounting for almost 18% of the total export of the country.

OUTLOOK

The Company is in the process of improving quality of Naylon yarns, constant development of new product which is running in domestic markets and concentration on products yielding high margins are expected to increase margins of profits.

HUMAN RESOURCES/ INDUSTRIAL RELATION

During the year under review, yours Company continued its concern for development of its personnel through various training programmes. Besides Management has laid special emphasis on strengthening HR activities for all levels in the Organization with an introduction of PMS module.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Company has a proper and adequate system of internal controls to ensure that all assets are safeguard and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly

The Company has internal audit system which covers cost saving aspects, system and procedure improvement. Such reports are regularly reviewed by the management and corrective measures ate timely taken for improving efficiency.

REPORT ON CORPORATE GOVERNANCE

Company's philosophy

The Company believes that good Corporate Governance is essential to achieve long term corporate goals and to enhance stake holders' value. Corporate Governance is about commitment to values and adhering ethical business. This include its corporate structure, culture, policies and the manner in which it deals with various stake holders.

Board of Directors

As on March, 2015 the Company's Board of Directors consisting of Five directors. The day to day affairs are however being looked after by Shri Moahn Gupta who is designated as Whole Time Director out of Four, Non executive directors Shri Promod Kumar Tiwari, Shri Anil Singhal and Mrs Meenu Maheswari independent directors & Shri Prakash Gupta promoter Director. The Chairman of the Company Shri Anilkumar Singhal is a Non Executive Director.

During the year 2014-2015 the Board met 6th times on 14.05.2014, 12.08.2014, 30.09.2014, 14.11.2014, 14.02.2015 and 23.03.2015 The maximum gap between two meeting was not more than four months.

The Company Secretary while preparing the agenda, notes on agenda, minutes etc. of the meeting(s) and holding and conducting the meetings, is responsible for and is required to ensure adherence to all the applicable provisions of law including the Companies Act, 1956 and the Secretarial standards recommended by The Institute of Company Secretaries of India, New Delhi.

The composition of the Board of Directors, attendance of Directors at the Board Meetings and at the last Annual General Meeting as also the number of Directorship and Committee Membership held by them in other companies are given below.

NAME	CATEGORY	MEETINGS ATTENDED	LAST AGM ATTENDED	NO. OF OTHER DIRECTORSHIP	COMMITTEE MEMBERSHIP
Shri Anil Singhal	Independent & Non Exe.	06	Yes	5	3
Shri Prakash Gupta	Non Ind. & Executive.	06	Yes	4	2
Shri Mohan Gupta	Non Ind. & Executive.	05	—	2	3
Shri P.K. Tiwari	Independent & Non Exe.	04	—	0	3
Mrs Meenu Maheswari	Non Executive	1	—	0	1

Audit Committee

The Audit Committee consist of two independent Directors namely Shri Anil Singhal and Shri Pramodkumar Tiwari and Shri Prakash Gupta Executive Director. Shri Pramod Kumar Tiwari Independent Non Executive Director is the Chairman of Audit Committee.

Terms of reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchange that interalia includes overseeing financial reporting process, reviewing periodic financial results, financial statements and adequacy of internal control system with the Management and adequacy of internal audit function, discussions with auditor about the scope of audit including the observation of the auditors and discussion with internal auditors on any significant findings dated 14.05.2014, 12.08.2014 14.11.2014 and 14.02.2015.

Remuneration Committee.

The remuneration committee consist of two independent Directors namely Shri Anil Singhal and Shri Pramodkumar Tiwari and Shri Prakash Gupta Executive Director. Shri Anil Singhal Independent Non Executive Director is the Chairman of remuneration Committee. The terms of reference of Remuneration Committee is to recommend / review the remuneration package of the Managing Director/ Executive Directors, base on the performance and define criteria.

Shareholders / Investors / Grievance Committee:

The Committee consists of 4 members viz Shri Pramodkumar Tiwari, Shri Anilkumar Singhal, Shri Mohan N Gupta and Smt Meenu Maheswari.

- Shri Avinash Shah Company Secretary of the Company is the Compliance officer.
 - No. of Shareholders' complaints received during the period 1-04-2014 to 31.03.2015. 0
 - No. of complaints not solved to the satisfaction of the Shareholders Nil
- Number of pending complaints as on 31.03.2015. Nil

Compliances by the Company

There has neither been any non compliance of any legal provision of applicable law, nor any penalty, structure imposed by the stock exchange or securities and exchange Board of India or any other authorities, on any matter related to capital market during the last three years.

Name and designation of Compliance Officer:

Shri Avinash Shah, Company Secretary of the company has been appointed as compliance officer .

Means of Communication:

Financial Results are published in leading Financial Newspaper as well as copies of the same are also being sent to Stock Exchange where the shares of the company is listed for the benefit of the public at large. It is also being displayed on the website of the company www.guptasynthetics.com with regular updation.

Financial results are published normally in leading English and in Vernacular daily newspaper.

Website of the company is www.guptasynthetics.com.

The company supplies copies of the financial results and annual report of the company to various analysts, registered shares brokers, various government department and agencies and investors/shareholders and all those interested in getting the same as and when requested.

Stock code:

The stock code of the company on the Bombay Stock Exchange Ltd. is 514116 and ISIN No. INE 957D01017

Share Transfer System:

The Share Transfers (pertaining to shares in physical mode) are approved by the committee of Directors which meets regularly. Total numbers of shares transferred during the financial year 2014-15 were 600 (Six Hundred).

Shareholding Pattern of Equity Shares as on 31.03.2015:

Sr No	Category	Number of Shares held	% of Share holdings
1	Promoters	3746677	50.96
2	Private Bodies Corporate	149620	02.03
3	NRI's	176694	02.40
4	Indian Public	3279709	44.61
	Total	7352700	100.00

Distribution of Shareholding:

Share or Debenture holding of nominal value of		Share / Debenture holders		Share / Debenture Amount	
		Number	% to total	(In ₹)	% to total
Upto	500	4174	75.86	783688	10.66
501	1000	717	13.03	544728	7.41
1001	2000	318	5.78	476960	6.49
2001	3000	104	1.89	266751	3.63
3001	4000	39	0.71	137568	1.87
4001	5000	33	0.60	150896	2.05
5001	10000	59	1.07	428477	5.83
10001	50000	38	0.69	718557	9.77
50001	100000	7	0.13	440990	6.00
100001	above	13	0.24	3404085	46.29
		5502	100.00	73527000	100.00

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Share price for the period April,2014 to March,2015

MONTHS	HIGH	LOW
APRIL	2.49	1.40
MAY	3.50	2.61
JUNE	4.84	3.57
JULY	5.23	4.93
AUGUST	4.85	3.23
SEPTEMBER	3.07	2.57
OCTOBER	2.75	2.33
NOVEMBER	2.50	2.10
DECEMBER	2.20	1.95
JANUARY	1.95	1.67
FEBRUARY	1.80	1.75
MARCH	1.70	1.62

These Data is from BSE site: www.bseindia.com

General Body Meetings

Location and time, where last three AGMs held :

For the Year Ended	Location	Date	Time
31.03.2012	Maharashtra Chamber of Commerce, Industry of Agriculture, Oricon House12, k, Dubhash Maarg, Fort, Mumbai	04.07.2012	11.30 a.m.
31.03.2013	326,Sardar Gruh Building, 198 Laok Maniya Tilak Road, Mumbai 400 002	27.09.2013	12.30 p.m.
31.03.2014	M.C. Ghia Hall, Bhogilal Hargovinddas Building, 2 nd Floor, Dubhash Marg, Fort, Mumbai- 400 001,	30.09.2014	01.00 p.m.

Whether Special Resolutions

- 1) Were put through postal ballot last year : No
- 2) Details of voting pattern : N.A.
- 3) Person who conducted the postal ballot exercise : N.A.
- 4) Are votes proposed to be conducted through postal ballot this year. : No.

Nomination facility:

Your Company has already offered the facility of nomination to the members. Individual shareholders can avail of the facility of nomination and may submit to the company the prescribed form 2B at the Registered Office of the Company. It is advisable to avail the facility especially by shareholders who currently hold shares in single name. In case of any assistance, please contact at the Registered Office or Corporate office of the Company.

Disclosure:

There has neither been any other non-disclosure of any legal provision of applicable law, nor any penalties or structures have been imposed on the company by the statutory authority on any matter related to capital market during last three years.

Address for correspondence:

Regd.office:

326, Sardar Gruh Building, 198, Lokmanya Tilak Road, Nr. Crawford Market, Mumbai- 400002.

Tel:-022-22000356, Fax:-022-22000357, Email:-shahavinash@guptasynthetics.com investorgrievances@guptasynthetics.com

Corporate Office:

101, Trividh Chambers, Opp. Fire Brigade Station, Ring Road, Surat-395 002.

Tel:-0261-2335891, Fax:-0261-2313301, E-mail : info@guptasynthetics.com

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Gupta Synthetics Limited

We have examined the compliance of conditions of Corporate Governance by Gupta Synthetics Limited for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, we certify that the Company has complied in material respects with the conditions of corporate governance as stipulated in the above mentioned Listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the shareholders grievance committee.

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

**For R.R. Patchigar & Co
Chartered Accountants.**

Place : Surat
Date : 14.08.2015

**R.R. Patchigar
(Proprietor)**

CERTIFICATE BY CHIEF FINANCIAL OFFICER OF THE COMPANY

We Mohan Gupta Whole-time Director and Chief Financial Officer of Gupta Synthetics Limited , to best of our knowledge and belief certify that:

We have reviewed the Balance Sheet and Profit & Loss Account of the Company for the year ended March 31, 2015 and all its schedules and notes on account, as well as the Cash Flow Statement.

To the best of our knowledge and information

These statement do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading:

These statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company, which are fraudulent, illegal violate the company's code of conduct.

We are responsible for establishing and maintaining internal controls and procedures for the Company, and we have evaluated the effectiveness of the Company's controls and procedures.

We have disclosed , based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the audit committee of the Company's Board of Directors:

We also certify that there have been no significant changes in internal control during the year and also there have been no significant changes in accounting policies during the year.

Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems.

We further declare that all board members and senior management have affirmed compliance with the code of conduct for the year 2014-2015.

Place : Surat
Date : 14.08.2015

Mr. Mohan Gupta
(CFO & Whole time Director)

AUDITORS' REPORT

TO THE MEMBERS OF
GUPTA SYNTHETICS LTD.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; subject to points mentioned below:

1. Loss of Stock in Fire of ₹ 2162.93 Lacs of earlier years yet not provided by the company as mentioned in the Note No. 42 forming part of balance sheet.
2. The ING Vysya Bank Ltd., have written off ₹18,14,90,530.05 in Term Loan Account during FY 2013-14. The company have written a letter to the Bank to know the reason for the said writing off. The company has not received any explanations about the same and therefore said amount is not written off by the company in its books of account and therefore the balance outstanding in the name of ING Vysya Bank Ltd is shown higher by that amount ₹ 18,14,90,530.05 and correspondingly the Profit & Loss Account balance in Balance Sheet show the loss figure higher by the amount ₹18,14,90,530.05.
3. The Standard Chartered Bank have written off ₹ 20,29,76,713.71 in the Term Loan Account during FY 2013-14. The company have written a letter to the Bank to know the reason for the said writing off. The company has not received any explanations about the same and therefore said amount is not written off by the company in its books of account

and therefore the balance outstanding in the name of Standard Chartered Bank is shown higher by that amount ₹ 20,29,76,713.71 and correspondingly the Profit & Loss Account balance in Balance Sheet show the loss figure by the amount ₹20,29,76,713.71.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in Annexure 'A' of the Auditor's Report attached herewith and to our 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 its financial statements as referred to in Note No. 7(b) of the Annexure 'A' to the Audit Report and Note No. 44 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, and the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For R. R. PATCHIGAR & CO.

Chartered Accountants

FRN: 107639W

Place : Surat
Date : 14.08.2015

Rupin Patchigar
Proprietor
Membership No.:31172

ANNEXURE 'A' TO AUDITORS' REPORT

1. In respect of fixed assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
 - b. As explained to us, the physical verification of the assets has been carried by the management at reasonable intervals and no material discrepancies were noticed on such verification.
2. In respect of its inventories :
 - a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
 - b. In our opinion and according to information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the company has maintained proper record of its inventories and no material discrepancies noticed on physical verification.
3. In respect of loans, secured or unsecured, granted by the company to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2015.
 - a. The company has granted unsecured loans to company and other parties covered in the register maintained under Section 189 of the Companies Act.
 - b. The loan granted by the company is interest free and, the principal amount is repayable on demand and there is no repayment schedule.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure that commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, the company has accepted deposits against the terms of provisions of Section 73 and 76 of the Companies Act, 2013.
6. We have broadly reviewed the Cost Audit Report for the year ended as on 31-03-2014 regarding books of accounts pursuant to the rule made by the Central Government for the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
7. In respect of statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Income tax, Sales tax, Custom Duty, Excise Duty, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of Income tax, Sales tax, Custom Duty, Excise Duty, Cess and other material statutory dues as at 31st March, 2015 which are outstanding for a period of more than six months from the date they become payable, except income tax of ₹ 30.09 lacs, fringe benefit tax of ₹ 16.33 lacs, tax on proposed dividend of ₹ 5.03 lacs and provident fund (earlier years) of ₹ 6.52 lacs are outstanding exceeding six month from the end of the financial year.

- b. According to the information and explanations given to us and the records produced before us, the particulars of commercial tax and excise duty and service tax as at 31st March, 2015 which have not been deposited as on 31st March, 2015 on account of dispute pending are as under:

Nature of Statute	Nature of Dues	₹ in Lacs	Period to which Amount relates	Forum where dispute is pending
Gujarat Commercial Tax	Value Added Tax / Penalties	33.48	2006-07	Gujarat Value Added Tax Appellate Tribunal
		80.83	2007-08	Deputy Commissioner of Commercial Tax
		4.12	2008-09	
		172.22	2009-10	
		87.56	2010-11	
Central Excise Act, 1944	Excise Duty and Service Tax	26.45	Various years from 2002-03 to 2007-08	Customs, Excise & Service Tax Appellate Tribunal
		63.92	Various years from 2005-06 to 2010-11	Commissioner of Central Excise (Appeals)
		53.41	Various years from 2006-07 to 2010-11	Additional Commissioner of Central Excise & Service Tax
Total		521.99		

- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
8. At the end of the financial year the accumulated losses of the Company have exceeds its net worth. Further the company has incurred cash loss during current and preceding financial years. The Company has an accumulated loss of INR 18245.12 Lacs as on 31st March 2015 and the Company has incurred cash losses of INR 2556.73 Lacs during the financial year and cash losses of INR 2786.04 Lacs in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanations given to us, the company has defaulted in repayment of dues towards their Term Loan Accounts with ING Vysya Bank Ltd., Oriental Bank of Commerce, Industrial Development Bank of India and State Bank of India. Details of period and amount of default are as under:

Sr. No.	Name of the Bank	Amount of default As on 31.03.2015 (₹ in lacs)
1	ING Vysya Bank Ltd.	2135.83
2	Oriental Bank of Commerce	2600.40
3	Industrial Development Bank of India	1605.74
4	State Bank of India	3023.00
	Total	9364.97

The amount of default includes principal and interest. Note that company has not paid any installments and above bank accounts have become Non-Performing Assets, therefore entire term loan accounts are shown as default.

10. The company has pledge certain shares held as investments as guarantees for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us, term loan were applied for the purpose for which the loans were obtained.
12. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For R. R. PATCHIGAR & CO.

Chartered Accountants

FRN: 107639W

Place : Surat
Date : 14.08.2015

Rupin Patchigar
Proprietor
Membership No.:31172

BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹.)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I. EQUITY AND LIABILITIES :			
1. SHARE HOLDER'S FUND			
a) Share Capital	1	223,527,000	223,527,000
b) Reserve & Surplus	2	(1,678,868,991)	(910,804,875)
c) Money received against share warrants		-	-
		<u>(1,455,341,991)</u>	<u>(687,277,875)</u>
2. SHARE APPLICATION MONEY PENDING ALLOTMENT			
		-	-
3. NON-CURRENT LIABILITIES			
a) Long term borrowings	3	901,341	2,026,221
b) Deferred tax liabilities (Net)		121,791,392	134,930,128
c) Other long term liabilities		-	-
d) Long term provisions		-	-
		<u>122,692,733</u>	<u>136,956,350</u>
4. CURRENT LIABILITIES			
a) Short term borrowings	4	2,106,996,213	2,115,624,941
b) Trade payables	5	281,690,123	116,147,184
c) Other current liabilities	6	663,936,033	491,431,328
d) Short term provisions	7	8,467,386	9,756,596
		<u>3,061,089,755</u>	<u>2,732,960,049</u>
		<u>1,728,440,597</u>	<u>2,182,638,524</u>
II. ASSETS :			
1. NON - CURRENT ASSETS			
a) Fixed assets	8		
i) Tangible assets		290,989,712	830,383,029
ii) Intangible assets		816,977	-
iii) Capital work-in-progress		-	-
iv) Intangible assets under development		-	-
		<u>291,806,689</u>	<u>830,383,029</u>
b) Non-current investments	9	12,676,500	12,676,500
c) Deferred Tax Assets (Net)		-	-
d) Long term loans and advances	10	82,711,676	79,572,101
e) Other non-current assets	11	4,459,990	7,726,363
		<u>391,654,855</u>	<u>930,357,993</u>
2. CURRENT ASSETS			
a) Current investments		-	-
b) Inventories	12	114,657,803	153,353,110
c) Trade receivables	13	843,871,160	733,696,948
d) Cash and cash equivalents	14	8,686,362	9,727,219
e) Short-term loans and advances	15	369,570,417	355,503,253
f) Other current assets		-	-
		<u>1,336,785,742</u>	<u>1,252,280,530</u>
		<u>1,728,440,597</u>	<u>2,182,638,524</u>

Significant accounting policies and notes on accounts 24 to 50

As per our report of even date attached

FOR R. R. Patchigar & CO.,
Chartered Accountants

FRN: 107639W

(R. R. Patchigar)
Proprietor

Membership No. : 31172

Place : Surat

Date : 14.08.2015

FOR AND ON BEHALF OF THE BOARD

Prakash Gupta
Managing Director
Mohan Gupta
Whole-time Director
Avinash Shah
Company Secretary

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2015

(Amount in ₹.)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I. Revenue from operations	16	914,431,395	729,150,857
II. Other Incomes	17	5,906,860	1,394,463
III. Total Revenue (I + II)		920,338,255	730,545,320
IV. Expenses			
Cost of Materials consumed	18	531,156,587	562,179,433
Purchase of Stock-in-Trade		262,859,774	-
Changes in inventories	19	39,804,663	87,659,842
Employee benefits expense	20	17,968,680	16,870,378
Finance costs	21	169,417,685	185,065,416
Depreciation and amortization expense	8	86,308,963	66,470,001
Other expenses	22	155,110,475	155,478,573
		1,262,626,828	1,073,723,642
V. Profit before exceptional and extraordinary items and tax (III - IV)		(342,288,573)	(343,178,323)
VI. Exceptional items	23	908,655	1,896,000
VII. Profit before extraordinary items and tax (V - VI)		(343,197,228)	(345,074,323)
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		(343,197,228)	(345,074,323)
X. Tax expense			
Current tax		-	-
Deferred tax Liability / (Asset)		(13,138,735)	(3,444,183)
		(13,138,735)	(3,444,183)
XI. Profit / (Loss) for the period from continuing operations (VII - VIII)		(330,058,492)	(341,630,140)
XII. Profit / (Loss) for the period from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV. Profit / (Loss) for the period (XI + XIV)		(330,058,492)	(341,630,140)
XVI. Earnings per equity share: (Refer Note No. 41)			
Basic		(44.89)	(46.46)
Diluted		(44.89)	(46.46)

As per our Report of even date annexed

24 to 50

As per our report of even date attached
FOR R. R. Patchigar & CO.,
Chartered Accountants
FRN: 107639W
(R. R. Patchigar)
Proprietor
Membership No. : 31172
Place : Surat
Date : 14.08.2015

FOR AND ON BEHALF OF THE BOARD

Prakash Gupta *Managing Director***Mohan Gupta** *Whole-time Director***Avinash Shah** *Company Secretary*

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹.)

Particulars	As at 31st March 2015	As at 31st March 2014
NOTE 1 : SHARE CAPITAL		
Authorised Share Capital :		
1,50,00,000 Equity Share of ₹ 10 each	150,000,000	150,000,000
15,00,000 Preference Share of ₹ 100 each	150,000,000	150,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
Issued, Subscribed and paid-up capital : (Refer Note No. 26)		
Equity Shares of ₹ 10 each		
Opening Balance : 73,52,700 equity shares	73,527,000	73,527,000
Add : Addition of equity shares during the year	-	-
Less : Deduction of equity shares during the year	-	-
	<u>73,527,000</u>	<u>73,527,000</u>
Redeemable Non-Cummulative Preference Shares of ₹ 100 each		
Opening Balance : 15,00,000 preference shares	150,000,000	150,000,000
Add : Addition of preference shares during the year	-	-
Less : Deduction of preference shares during the year	-	-
	<u>150,000,000</u>	<u>150,000,000</u>
	<u>223,527,000</u>	<u>223,527,000</u>
NOTE 2 : RESERVES AND SURPLUS		
Capital Reserve		
Opening Balance	30,147,750	30,147,750
Add : Addition during the year	-	-
Less : Deduction during the year	-	-
	<u>30,147,750</u>	<u>30,147,750</u>
General Reserve		
Opening Balance	30,014,049	30,014,049
Add : Addition during the year	-	-
Less : Deduction during the year	-	-
	<u>30,014,049</u>	<u>30,014,049</u>
Securities Premium Reserve		
Opening Balance	86,044,500	86,044,500
Add : Addition during the year	-	-
Less : Deduction during the year	-	-
	<u>86,044,500</u>	<u>86,044,500</u>
Surplus		
Opening Balance	(1,057,011,174)	(715,381,034)
Add : Loss during the year	(330,058,492)	(341,630,140)
Less: Retained Earnings on Fixed Assets (Completed Life)	438,005,624	-
	<u>(1,825,075,290)</u>	<u>(1,057,011,174)</u>
	<u>(1,678,868,991)</u>	<u>(910,804,875)</u>

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(Amount in ₹.)

Particulars	As at 31st March 2015	As at 31st March 2014
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NOTE 3 : LONG TERM BORROWINGS

SECURED BORROWINGS

Term Loans:

From Banks towards car loan	901,341	2,026,221
	901,341	2,026,221

NOTE 4 : SHORT TERM BORROWINGS

SECURED BORROWINGS

Loan from banks repayable on demand: (Refer Note No.35 to 39)

Term loan from bank	936,498,048	936,498,048
Working capital loan from bank	811,138,322	811,122,143
Overdrawn bank accounts	6,823,674	5,879,173

UNSECURED BORROWINGS

Loans and advances from related parties

Other loans and advances :

From Body Corporate	315,877,089	317,367,309
From Others	34,364,680	35,210,169
	2,106,996,213	2,115,624,941

NOTE 5 : TRADE PAYABLES

Creditors (Refer Note No. 29)

For Goods	250,537,360	78,216,435
For Expenses	25,860,031	32,598,685
For Capital Goods	5,292,732	5,332,065
	281,690,123	116,147,184

NOTE 6 : OTHER CURRENT LIABILITIES

Interest accrued and due on borrowings (Refer Note No.38)

Others :

Advance from customers	13,282,235	11,166,515
Outstanding expenses	11,766,468	10,411,120
	663,936,033	491,431,328

NOTE 7 : SHORT TERM PROVISIONS

Provision for Employee benefits:

LTA Payable	67,144	85,591
Provident Fund Payable	-	38,745
Salary and bonus payable	2,495,092	4,052,525
Provident Fund Payable of earlier years (Refer No. 44)	652,311	

Others :

Provision for Income Tax	3,009,555	3,009,555
Provision for Fringe Benefit Tax	1,633,434	1,633,434
Provision for Dividend	-	130,339
Provision for Tax on Proposed Dividend	502,829	502,829
Provision for Excise Duty	-	171,799
T.D.S. / T.C.S. Payable	107,021	131,779
	8,467,386	9,756,596

NOTE 8 : FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	As at 01.04.2014	Deductions	For the year	As at 31.03.2015	As At 31.03.2015	As at 31.03.2014
Land	26,240,994	-	1,818,804	24,422,190	-	-	-	24,422,190	24,422,190	-
Building	212,569,250	-	-	212,569,250	60,171,825	-	6,781,932	66,953,757	145,615,493	152,397,425
Plant & Machineries	1,119,173,956	-	459,535,266	659,638,690	484,125,914	13,597,895	75,809,073	546,337,092	113,301,598	635,048,042
Furniture & Fixtures	13,381,768	-	3,752,445	9,629,323	7,386,249	-	579,447	7,965,696	1,663,627	5,995,519
Vehicles	23,408,169	-	1,798,801	21,609,368	13,157,841	-	2,844,384	16,002,225	5,607,143	10,250,328
Office Equipments	3,712,706	21,500	1,569,160	2,240,046	1,584,608	-	254,277	1,838,885	401,161	2,128,098
Total Tangible Assets	1,398,486,843	21,500	468,474,476	930,108,867	566,426,437	13,597,895	86,269,113	639,097,655	291,011,212	830,241,602
Computer Software	7,087,455	-	(354,373)	7,441,828	7,087,455	-	-	7,087,455	354,373	-
Computer Equipment	8,664,226	75,000	(2,158,331)	10,822,557	10,341,603	-	39,850	10,381,453	441,104	(1,677,377)
Total Intangible Assets	15,751,681	-	(2,512,704)	18,264,385	17,429,058	-	39,850	17,468,908	795,477	(1,677,377)
Total Assets	1,414,238,524	96,500	465,961,772	948,373,252	583,855,495	13,597,895	86,308,963	656,566,563	291,806,689	828,564,225
PREVIOUS YEAR	1,413,297,528	940,996	-	1,414,238,524	517,385,494	-	66,470,001	583,855,495	830,383,029	895,912,034

Note: Adjustment/Deduction comprises of "Retained Earning" on Fixed Assets (Completed Life)

(Amount in ₹.)

Particulars	As at 31st March 2015	As at 31st March 2014
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NOTE 9 : NON-CURRENT INVESTMENTS
Investment in Equity Instruments (at Cost)
Quoted : (Refer Note No. 42)

350500 Equity Shares of Rs. 10 each fully paid up of CIL Nova Petrochemicals Ltd. (Market Value as on 31.03.2014 is INR 85,87,250)	6,331,500	6,331,500
1135800 Equity Shares of Rs. 5 each fully paid up of GSL Nova Petrochemicals Ltd. (Market Value as on 31.03.2014 is INR 6,47,406)	6,331,500	6,331,500

Unquoted :

50 Equity shares of Rs.10 each fully paid-up of Anamika Syntex Pvt Ltd.	500	500
50 Equity shares of Rs.10 each fully paid-up of Rivera Tex Prints Pvt Ltd.	500	500
10 Equity shares of Rs.100 each fully paid-up of Sharp Synthetics Pvt Ltd.	1,000	1,000
50 Equity shares of Rs.10 each fully paid-up of Sangam Silk Mills Pvt Ltd.	500	500
100 Equity shares of Rs.10 each fully paid-up of Gupta Agro Farms Pvt Ltd.	1,000	1,000
400 Equity shares of Rs.10 each fully paid-up of Micro Filaments Pvt. Ltd.	4,000	4,000
400 Equity shares of Rs.10 each fully paid up of Novarties Syntex Pvt. Ltd.	4,000	4,000
400 Equity shares of Rs.10 each fully paid up of Millennium Infosoft Pvt. Ltd.	1,000	1,000
400 Equity shares of Rs.10 each fully paid up of Comptel Infosys Pvt Ltd.	1,000	1,000
	12,676,500	12,676,500

NOTE 10 : LONG TERM LOANS AND ADVANCES

Security Deposits	15,490,182	11,786,081
Loans and Advances to Related Parties	41,227,000	41,811,526
Other Loans and Advances		
Advances to Associates	25,994,494	25,974,494
	82,711,676	79,572,101

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(Amount in ₹.)

Particulars	As at 31st March 2015	As at 31st March 2014
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NOTE 11 : OTHER NON-CURRENT ASSETS

Pre-Operative Expenses :

Opening Balance	7,726,363	10,992,736
Add : Addition during the year	-	-
	<u>7,726,363</u>	<u>10,992,736</u>
Less : W/off During the year	3,266,373	3,266,373
	<u>4,459,990</u>	<u>7,726,363</u>

NOTE 12 : INVENTORIES

(As taken, vauled and certified by the Management)

Raw Materials	10,226,780	8,477,397
Work - in - Process	67,129,940	102,135,568
Finished Goods	15,894,943	20,693,978
Stores and Spares / Packing Materials	21,248,215	21,629,082
Spinning Oil / LDO	157,925	417,085
	<u>114,657,803</u>	<u>153,353,110</u>

NOTE 13 : TRADE RECEIVABLES (Unsecured, considered good)

Trade receivables outstanding for a period exceeding 6 months	85,742,028	601,373,721
Others trade receivables	758,129,132	132,323,227
	<u>843,871,160</u>	<u>733,696,948</u>

NOTE 14 : CASH AND CASH EQUIVALENTS

Bank Balance with Banks :

In Current Accounts	2,999,183	812,360
As Bank Gurantees	2,977,621	3,088,621
As Margin Money	879,196	833,980
Cheques, drafts on hand	-	2,500,000
Cash in Hand	1,830,362	2,492,259
	<u>8,686,362</u>	<u>9,727,219</u>

(Amount in ₹.)		
Particulars	As at 31st March 2015	As at 31st March 2014
NOTE 15 : SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Others:		
Advances to brokers	-	1,302,345
Advances to Suppliers	32,985,653	20,592,852
Advances to Others	14,966,453	11,889,337
Interest Receivable (Refer Note No. 33)	79,151,649	79,151,649
Claim Receivable from Insurance Company (Refer Note No. 42)	216,293,654	216,293,654
Prepaid Expenses	-	344,030
<u>Taxes and duties</u>		
Service Tax Receivable	319,194	173,390
Vat Receivable	22,693,489	22,591,315
Balance with Central Excise Authority	737,385	850,949
TDS Receivable	2,422,940	2,313,732
	<u><u>369,570,417</u></u>	<u><u>355,503,253</u></u>

**NOTES FORMING PART OF PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31.03.2015**

(Amount in ₹.)		
Particulars	As at 31st March 2015	As at 31st March 2014
NOTE 16 : REVENUE FROM OPERATIONS		
Sale of products		
Domestics Sales	1,026,459,330	824,817,058
Export Sales	-	-
Other operating revenues		
Job Work Income	1,568,568	-
Commission Income	184,862	-
	<u>1,028,212,760</u>	<u>824,817,058</u>
Less : Excise Duty	109,561,468	90,392,835
Sales Return	4,219,897	5,273,366
	<u><u>914,431,395</u></u>	<u><u>729,150,857</u></u>
NOTE 17 : OTHER INCOMES		
Other Interest Income	707,686	659,039
Bank Interest Income	122,131	170,947
Insurance Claim Received	342,891	564,477
Profit / Loss of Sales of Assets	4,734,152	-
	<u><u>5,906,860</u></u>	<u><u>1,394,463</u></u>

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(Amount in ₹.)

Particulars	As at 31st March 2015	As at 31st March 2014
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NOTE 18 : COST OF MATERIALS CONSUMED

Opening Stock of Material	8,477,397	16,134,318
Add : Purchases made during the year	532,905,970	554,522,512
	<u>541,383,367</u>	<u>570,656,830</u>
Less : Closing Stock of Material	10,226,780	8,477,397
	<u>531,156,587</u>	<u>562,179,433</u>

NOTE 19 : CHANGES IN INVENTORIES**OPENING STOCK :**

Work in Process	102,135,568	200,687,545
Finished Goods	20,693,978	9,801,843
	<u>122,829,546</u>	<u>210,489,388</u>

CLOSING STOCK :

Work in Process	67,129,940	102,135,568
Finished Goods	15,894,943	20,693,978
	<u>83,024,883</u>	<u>122,829,546</u>
	<u>39,804,663</u>	<u>87,659,842</u>

NOTE 20 : EMPLOYEE BENEFITS EXPENSE

Salary, Wages & Bonus Paid	17,599,723	16,585,550
Contribution to Provident & Other Funds	362,247	284,828
Welfare Expenses	6,710	-
	<u>17,968,680</u>	<u>16,870,378</u>

NOTE 21 : FINANCE COST

Interest on Term Loan (Refer Note No. 38 & 39)	87,919,805	103,227,955
Interest on Working Capital (Refer Note No. 38 & 39)	81,113,832	80,450,754
Interest on Hire Purchase	151,652	267,774
Other Interest	25,439	847,380
Other borrowing costs		
Bank Commission & Charges	206,957	271,552
	<u>169,417,685</u>	<u>185,065,416</u>

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(Amount in ₹.)

Particulars	As at 31st March 2015	As at 31st March 2014
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NOTE 22 : OTHER EXPENSES
MANUFACTURING EXPENSES :

Consumption of Stores and Spares		
Spin Finish Oil Consumed	10,042,891	11,813,897
Stores, Spares & Oil Consumed	9,353,141	12,123,771
Packing Materials	20,710,311	21,112,952
Power & Fuel	82,650,582	76,956,722
Rent	1,018,320	1,153,320
Excise Duty Paid	300,000	287,980
Repairs to Machineries	2,506,875	520,481

ADMINISTRATIVE EXPENSES AND OTHER EXPENSES :

Repairs & Maintenance to - Building	-	1,685
Repairs & Maintenance to - Others	188,606	177,864
Insurance	1,272,663	1,473,410
Fees, Rates, & Taxes	279,784	225,676
Factory Expenses	78,878	745,119
Security Expenses	2,039,145	1,507,889
<u>Payment to Auditor</u>		
As Auditor	57,000	56,180
For Taxation Matters	62,700	61,798
Office Expenses	688,730	491,929
Travelling & Conveyance	639,942	1,243,624
Postage & Telephone	902,370	954,853
Printing & Stationery	199,921	287,842
Legal & Professional Fees	1,351,636	2,753,181
Service Tax Expenses	277,364	235,098
Donation	6,301	501
Membership & Subscription	16,645	11,864
Pre-Operative Exp. Written Off	3,266,373	3,266,373

SELLING EXPENSES :

Cartage, Clearing & Forwarding	2,365,680	3,693,238
Commission, Brokerage & Discounts	12,279,685	14,019,229
Rate Difference	1,989,140	15,271
Claim & Weight Shortage	482,173	206,219
Advertisement	83,619	80,606

155,110,475	155,478,573
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NOTE 23 : EXCEPTIONAL ITEMS

Prior period expenses	908,655	1,896,000
	908,655	1,896,000

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

NOTE 24: SIGNIFICANT ACCOUNTING POLICIES**A. Basis of Preparation**

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 1956 and comply in material aspects with the accounting standards notified under Section 211(3C) of the Act, read with Companies (Accounting Standards) Rules 2006.

B. Use of Estimates

The preparation of financial statements in conformity with Indian generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

C. Inventories

- a. Inventories of Raw Material, Packing Material, Spin Finish Oil and other Consumables are valued as per cost.
- b. Work in Process is valued at cost including material cost, labour cost and manufacturing & operating overheads, or market price, whichever is lower.
- c. Finished goods are valued at cost or net realizable value, whichever is lower.

D. Fixed Assets

Fixed Assets are carried at cost of acquisition less depreciation. CENVAT availed on fixed assets purchased during the year has been reduced from the purchase cost and depreciation has been claimed on the net amount.

E. Depreciation

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

F. Gratuity

The liability as at 31.03.2015 for retiring gratuity payable to the company's employees under Section 3(B) of the payment of the Gratuity Act, 1972 has been determined at ₹ 60.72 lacs. The said amount is accounted on payment basis.

G. Investment

Investments are carried at cost.

NOTES FORMING PART OF ACCOUNTS:

25. The Company has been in losses and as on year ended 31st March, 2015 the accumulated losses of the Company has exceeded its entire net worth, making it a 'Sick Industrial Company' as per the definition of Sick Industrial Companies (Special Provisions) Act, 1985.

The Company had filed reference under Section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 with the Board of Financial and Industrial Reconstruction on 18.04.2012 and said reference was registered on 26.04.2012.

Further the company was declared a 'sick industrial company' under Section 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985 on its hearing dated 29.05.2013 and appointed Industrial Development Bank of India (IDBI) as the Operating Agency u/s. 17(3) of the Act to prepare a rehabilitation scheme for the company.

However as per the order dated 04.08.2015 the Bench of Board for Industrial and Financial Reconstruction held on 01.07.2015 that the case stands abated in terms of third proviso of sub-section(1) of Section 15 of SICA,1985. And further stated that all the creditors including statutory authorities are at liberty to recover their dues, in accordance with law.

26. DISCLOSURES PERTAINING TO SHARE CAPITAL:

a. Details of Equity Shareholders holding more than 5 per cent shares in the company:

Sr. No.	Name of the Shareholder	No. of Shares held
1	Shri Shyamsunder N. Gupta	505936
2	Shri Prakash N. Gupta	521400
3	Shri Mohan N. Gupta	577260
4	Shri Sunilkumar N. Gupta	671640

b. Details of Preference Shareholders holding more than 5 per cent shares in the company:

Sr. No.	Name of the Shareholder	No. of Shares held
1	M/s.Gautam Resources Ltd.	100000
2	M/s Esskay Telecom Ltd.	110000
3	M/s Poonam Corporation Ltd.	140000
4	M/s Artillengence Bio Innovatios Ltd.	105000
5	M/s Sterlite Industries Pvt.Ltd.	100000

c. Details for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash	Aggregate number and class of shares allotted as fully paid up by way of bonus shares	Aggregate number and class of shares bought back
Equity Shares		
Nil	Nil	Nil
Redeemable Non-Cumulative Preference Shares		
Nil	Nil	Nil

d. Forfeiture of share application money:

During the year the company has not forfeited any shares application money.

27. CONTINGENT LIABILITIES (₹ IN LACS):

	As at 31.03.2015	As at 31.03.2014
Bank Guarantees	Nil	41.68
Claims against the company not acknowledged as debt*	521.99	521.99
Gratuity	60.72	31.71

*Note: The company has been legally advised that the demands raised are likely to be either deleted or substantially reduced and accordingly no provision has been made.

#The company has provided for gratuity of employee at Dadra Plant during the year.

28. The company is engaged in manufacturing Partially Oriented Yarn (POY), Fully Drawn Yarn (FDY) Polyester Texturised Yarn, Polyester Draw Twisted Yarn, Polyester Twisted Yarn and Nylon Yarn.
29. The details of amounts outstanding to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on the available information with the company are as under (₹ In lacs):

Particulars	As at 31.03.2015	As at 31.03.2014
Principal amount due and remaining unpaid	9.69	18.64
Interest due on principal amount	-	-
Interest paid on all delayed payments under the MSMED Act	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay other than interest paid on all delayed payments under the MSMED Act	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

30. Managerial Remuneration :

	31.03.2015	31.03.2014
Remuneration to Managing Director	Nil	Nil

31. Previous Year's Figures have been recasted and regrouped wherever considered necessary to make them comparable with those of current year.
32. Trade Receivables, Trade Payables, Advances from customers, Deposits with Banks, Unsecured Short Term Borrowings and Long Term & Short Term Loans and Advances are subject to confirmation.
33. Interest Receivable comprised of Interest Subsidy under Technology Upgradation Fund Scheme. During the earlier year 2010-11 the Company had credited the interest receivable from the bank as interest subsidy under the Technology Upgradation Fund Scheme amounting to ₹ 863.24 Lacs. Against the said amount the Company had received interest subsidy of ₹ 71.72 Lacs during the financial year 2011-12 and thereafter has not received any interest subsidy. Therefore as on 31.03.2015, interest subsidy to be received is ₹ 791.52 Lacs i.e. same as the balance receivable as on 31.03.2014. The calculation of interest subsidy receivable is based on statements provided to us. The balance is subject to confirmation from the bank.
34. Following items are included under the head "Auditors Remuneration" :

Particulars	As at 31.03.2015	As at 31.03.2014
For Audit	₹ 50,000	₹ 50,000
For Tax Audit	₹ 30,000	₹ 30,000
For Taxation Work	₹ 25,000	₹ 25,000
For Service Tax (as applicable)	₹ 14,000	₹ 12,978
	₹ 119,700	₹ 117,978

35. Terms of repayment of term loans are tabulated below:

Sr. No.	Term Loan	Sanctioned Limit (₹ In Lacs)	Moratorium	Repayment Schedule	O/s as on 31.3.2015 (₹ in Lacs)
Oriental Bank of Commerce					
1	Term Loan	1,305.00	Upto 31.03.2010 first repayment shall be made before 30.06.2010.	32 quarterly installments commencing from 30.06.2010 and ending on 31.03.2018.	1472.23
	FITL-II	185.00	Upto 31.03.2010 first repayment shall be made before 30.06.2010.	8 quarterly installments commencing 30.06.2010. FY 11: 40% & FY 12 : 60%	60.28
	WCTL	976.00	Upto 31.03.2010 first repayment shall be made before 30.06.2010.	32 quarterly installments commencing from 30.06.2010 and ending on 31.03.2018.	1067.89
	Total	2466.00			2600.40
ING Vysya					
2	Term Loan-I	285.70	-	81 monthly installments of varying amounts commencing from October 2009 and ending in June 2016.	250.04
	Term Loan-II	96.60	-		84.71
	Term Loan-III	2,042.70	-		1801.08
	Total	2,425.00			2135.83
State Bank of India					
3	T/L-I	1,698.00	-	Commencing from year 2010-11 and ending in year 2017-18.	1,125.00
	WCTL	1,216.00	-		1,216.00
	FITL-I	109.00	-	Commencing from year 2010-11 and ending in year 2010-11.	109.00
	FITL-II	303.00	-	Commencing from year 2010-11 and ending in year 2011-12.	303.00
	FITL-III	270.00	-		270.00
	Total	3,596.00			3,023.00
Industrial Development Bank of India					
4	Term Loan	1,760.00	-	32 quarterly installments commencing from 30.06.2010 and ending on 31.03.2018.	1605.74
	Total	1760.00			1605.74

Above details are compiled based on the latest sanction letters of respective banks produced before us by the management.

36. Working Capital Facilities, Term loan as well as Working Capital from Oriental bank of Commerce Mumbai, ING Vysya Bank Mumbai, State Bank of India Mumbai, Industrial Development bank of India Mumbai, Standard Chartered Bank Mumbai, and State Bank Of Saurashtra Mumbai are secured by way of hypothecation of Stock, Book Debts, Equitable Mortgage of Factory Land and Building, Plant and Machinery and personal guarantee of all the Promoter Directors.

An unsecured loan from Indian Overseas Bank, Baroda for ₹ 500 Lacs has been sanctioned and availed, secured by the personal guarantee of Directors of the Company only.

Term loan from HDFC is secured by way of hypothecation of Motor Cars.

37. The company has defaulted in repayment of dues towards their Term Loan Accounts with State Bank of India, ING Vysya Bank Ltd., Industrial Development Bank of India and Oriental Bank of Commerce. Details of overdue amounts are tabulated below (₹ In lacs):

Sr. No.	Term Loan	Default Since	O/s as on 31.3.2015 in ₹
Oriental Bank of Commerce			
1	Term Loan	117.11.11	1,472.23
2	FITL-II	09.12.11	60.28
3	WCTL	28.11.11	1,067.89
	Total		2,600.40
ING Vysya			
1	Term Loan-I	31.07.10	250.04
2	Term Loan-II		84.71
3	Term Loan-III		1,801.08
	Total		2,135.83
State Bank of India			
1	T/L-I	31.03.08	1,125.00
2	WCTL	21.04.10	1,216.00
3	FITL-I	21.04.10	109
4	FITL-II	21.04.10	303
5	FITL-III	21.04.10	270
	Total		3,023.00
Industrial Development Bank of India			
1	Term Loan	27.05.10	1605.74
	Total		1605.74
	Grand Total		9,364.97

38. Following bank accounts are classified as Non-Performing Assets and the interest expenses for these banks are estimated by the company at the interest rate prescribed by the bank in sanction letters and are debited to the Profit & Loss Statement during the year, since these banks have not provided Bank Statements to the company:

Sr. No.	Name of the Bank	Account Type	Estimated Interest Expense (₹ in lacs)
1	ING Vysya	Cash Credit	161.42
		Term Loan	213.58
2	State Bank of India	Cash Credit	65.53
		Term Loan	245.00
3	Oriental Bank of Commerce	Cash Credit	229.18
		Term Loan	260.04
4	Industrial Development Bank of India	Cash Credit	174.54
		Term Loan	160.57
5	Standard Chartered Bank	Cash Credit	180.46
	Total		1690.32

Above interest is estimated at the rate of ten per cent per annum on the amount outstanding in books of accounts since the date of continuing default in repayment.

39. The balances with Term Loans and Cash Credit Account of State Bank of India, ING Vysya Bank Ltd and Oriental Bank of Commerce and Term Loan of Industrial Development Bank of India are subject to confirmation from the respective banks.

40. EARNINGS PER SHARE (EPS):

The earnings per equity share computed as per the requirement of Accounting Standard 20 "Earnings Per Share" is as under (Amount in ₹):

		As at 31.03.2015	As at 31.03.2014
Loss attributable to Equity Shareholders	(A)	(330058492)	(341630140)
No. of Equity Shares outstanding during the year	(B)	7352700	7352700
Nominal value of Equity Shares (Rupees)		10.00	10.00
Basic and Diluted EPS	(C = A/B)	(44.89)	(46.46)

41. The Company holds investment in 1135800 equity shares of GSL Nova Petrochemicals Ltd. and 350500 equity shares of CIL Nova Petrochemical Ltd. out of which 323000 shares of GSL Nova Petrochemicals were pledged against the loan obtained by GSL Nova Petrochemicals Ltd. and 161500 Shares of CIL Nova Petrochemical Ltd were pledged against the loan obtained by CIL Nova Petrochemical Ltd.

42. LOSS OF STOCK IN FIRE:

On account of fire occurred in the company's factory premises on 30.06.2008 stock were destroyed. According to the Company, the estimated loss due to fire was ₹ 2051.51 Lacs. The company had made a claim with its insurer New India Assurance Co. Ltd. The insurer New India Assurance Co. Ltd. vide its letter dated 09.12.2009 repudiated liability for any claim. The company made detailed submission on 16.12.2009 pointing out that the reasons given by the insurer for repudiating claim were not germane and correct. The solicitor of the company wrote to the insurer for providing copies of papers on which the insurer relied. The company also made application under Right to Information Act 2005 on 07.12.2009. The insurer did not provide all the papers and therefore company again wrote to the insurer on 11.08.2010 that all the papers should be provided by the insurer. On non receipt of the required papers company approached the grievance redressal officer IRDA Hyderabad. By letter dated 14.06.2010 IRDA merely reproduced what insurance company had informed them without their comments. Being aggrieved the company filed complaint under Section 21(A)(1) of Consumer Protection Act 1986 before the National Consumer Disputes Redressal Commission New Delhi on 08.12.2010 and the matter is pending before them.

On the basis of abovementioned facts, upto the year ended on 31 March 2011, the company had separately mentioned the value of destroyed goods amounting to ₹ 2051.51 Lacs, which is claimed by the company from Insurance company.

During the financial year 2011-12 the company had removed the amount of loss of stock in fire, by crediting the said amount as income under the head 'Claim Receivable on Loss of Stock on fire' and debiting the said amount as 'Claim Receivable from Insurance Company'.

For the stock destroyed in fire the Company had amount receivable of ₹ 111.42 Lacs as excise duty credit from Central Excise Department. During the financial year 2011-12 the company had credited the ₹Balance with Central Excise Authority' and debited 'Excise Receivable for Stock Lost in Fire from Insurance Company' by ₹ 111.42 Lacs based on the order dated 20.01.2012 received from Commissioner Central Excise, Customs and Service Tax, Vapi.

Consequently, as on 31.03.2012 the 'Claim Receivable on Loss of Stock on fire' is standing at ₹ 2162.93 Lacs in the balance sheet, which is being carried forward as on 31.03.2015 as well.

43. WRITE OFF AMOUNT OF TERM LOAN BY BANK :

The ING Vysya Bank Ltd., have written off ₹18,14,90,530.05 in Term Loan Account during FY 2013-14. The company have written a letter to the Bank to know the reason for the said writing off. The company has not received any explanations about the same and therefore said amount is not written off by the company in its books of account and therefore the balance outstanding in the name of ING Vysya Bank Ltd is shown higher by that amount ₹18,14,90,530.05 and correspondingly the Profit & Loss Account balance in Balance Sheet show the loss figure higher by the amount ₹18,14,90,530.05.

The Standard Chartered Bank have written off ₹ 20,29,76,713.71 in Term Loan Account during FY 2013-14. The company have written a letter to the Bank to know the reason for the said writing off. The company has not received any

explanations about the same and therefore said amount is not written off by the company in its books of account and therefore the balance outstanding in the name of Standard Chartered Bank is shown higher by that amount ₹ 20,29,76,713.71 and correspondingly the Profit & Loss Account balance in Balance Sheet show the loss figure higher by the amount ₹ 20,29,76,713.71.

44. Followings are the pending disputed cases against the company:

Sr. No.	Cases	Brief Summary
1	SBI Global Factors Limited v/s Gupta Synthetics Limited.:	The Company has taken unsecured loan of ₹1500 Lacs in 2007-08 and ₹744 Lacs (principal Amount) <i>plus</i> interest was outstanding against the same due to adverse market conditions. SBI Global Factors Limited (a Unsecured Creditors) has filed winding up petition in 2010 against this outstanding and against this company has paid ₹545 Lacs up to February 2012. The matter is pending before Bombay High Court.
2	Standard Chartered Bank v/s Gupta Synthetics Limited	Standard Chartered Bank (a Secured Creditor) has filed recovery application against the company in DRT-I (Mumbai) for the amount of ₹1436.62 Lacs.
3	State Bank of India v/s Gupta Synthetics Limited.	State Bank of India (a Secured Creditor) has filed recovery application against company in DRT-I (Mumbai) for the amount of ₹4287.76 Lacs.
4	Indian Overseas Bank v/s Gupta Synthetics Limited.:	Indian Overseas Bank (a unsecured Creditor) has filed recovery application against company DRT-II (Ahmedabad) for the amount of ₹422.23 Lacs.
5	Indo Rama Synthetics (I) Limited v/s Gupta Synthetics Limited.	Gupta Synthetics Limited has filed application in Delhi High Court against the order of Sole arbitrator. For a dispute of ₹17.05 lacs was outstanding against various supplies <i>plus</i> Interest and other Charges with Indo Rama Synthetics (I) Limited.
6	Desai Construction Private Limited v/s Gupta Synthetics Limited.	Desai Construction Pvt. Ltd. has filed application in The Arbitral Tribunal amount for ₹195.89 Lacs & Company has Counter Claimed vide is reply dated 30.11.2007 for ₹38.39 Lacs on the complainant.
7	ING Vysya Bank Ltd. v/s Gupta Synthetics Limited.	ING Vysya Bank Ltd. has filed recovery application against the company in DRT-I (Mumbai) for the amount of ₹ 4268.01 Lacs.

45. Following banks have issued a demand notice under Section 13(2) of Securitisation and Reconstruction of the Financial Assets and Enforcement of Security Interest Act, 2002. Details as tabulated below :

Sr. No.	Bank Name	Date of Notice	Amt. Outstanding as on 31.03.2015 as per notice
1	IDBI Bank	10.04.2014	6637.57
2	ING Vysya Bank	29.04.2014	6145.20
3	State Bank of India	31.05.2014	8021.38(as on 30.04.2014)

The company has replied to the bankers against the above notice.

46. The Oriental Bank of Commerce have issued a letter No. CN/5501/GUPTA/2166/2014 dated 01.04.2014 stating that the bank have assigned all our banking accounts with the bank to M/s. Edelweiss Asset Reconstruction Company Ltd. And have requested us to address all the corresponding in future to M/s. Edelweiss Asset Reconstruction Company Ltd.

47. In the Financial year 2013-2014 depreciation as per Companies Act is more than the depreciation as per Income-Tax Act. Deferred Tax Asset will arise as follows.

	As at 31.03.2015	As at 31.03.2014
Depreciation as per Companies Act	863,08,963	664,70,001
Depreciation as per Income Tax Act	437,88,784	553,23,778
Deferred Asset	425,201,79	111,46,223
Deferred Tax Asset @ 30.90%	131,387,35	34,44,183

48. RELATED PARTY DISCLOSURES:

I. List of related parties and relationships:

Enterprises over which Key Managerial personnel and relative of such personnel are able to exercise significant influence

Sr. No. Name of the such Related Parties

1. Nandkishore O. Gupta
2. Umadevi M. Gupta
3. Prakash N. Gupta
4. Mohan N. Gupta
5. Sharp Synthetics Pvt. Ltd.
6. Blue Chip Builders Pvt. Ltd.
7. Evergreen Synthetics Pvt. Ltd.
8. Sterlite Synthetics Pvt. Ltd.
9. GSL Nova Petrochemicals Pvt. Ltd.

II. Transactions during the year with related parties (₹ In lacs):

Sr. No.	Nature of Transactions	Transaction during the year
1.	Unsecured Loan taken / (repaid)	29.25 (102.79)
2.	Expenses	00.07
3.	Loan and Advance given/(return)	(1.50)

III. Balance as at March 31, 2015 (₹In lacs):

Sr. No.	Nature of Transactions	Balance Outstanding as on 31.03.2015
1.	Unsecured Loan	22.02 Cr.
2.	Loans and Advances	418.11 Dr.
3.	Sundry Debtors	544.90 Dr.

Above information regarding related parties have been determined to the extent such parties have been identified on the basis of information and explanations given to us by the company.

49. FOREIGN EXCHANGE TRANSACTIONS:

	As at 31.03.2015	As at 31.03.2014
a. C.I.F. VALUE OF IMPORTS (₹ in lacs):		
Raw Materials	Nil	26.24
Components & Spares	Nil	15.12
Capital Goods	Nil	Nil

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	As at 31.03.2015	As at 31.03.2014
b. EXPENDITURE IN FOREIGN CURRENCY (₹ in lacs):		
Royalty	Nil	Nil
Technical Know-How	Nil	Nil
Interest	Nil	Nil
Other Accounts	Nil	Nil
c. AMOUNT REMITTED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS PAID (₹ in lacs):		
No. of Non-Resident Share Holders	Nil	Nil
No. of Shares Held	Nil	Nil
Year to which Dividend related	Nil	Nil
d. EARNING IN FOREIGN EXCHANGE (₹ in lacs):		
Export of Goods (On F.O.B. Value)	Nil	61.06
Royalty Know How Professional & Consultancy Fees and Charges	Nil	Nil
Interest & Dividend	Nil	Nil
Other Incomes	Nil	Nil

50. **QUANTITATIVE DETAILS RELATING TO OPENING STOCK, CLOSING STOCK PURCHASE AND SALES (As certified by the Management) (₹ in lacs):**

Particulars	Unit	31.03.2015		31.03.2014	
		Quantity	Value in ₹.	Quantity	Value in ₹.
A. Opening Stock					
Raw Material	Kgs	34369	84.77	87051	161.34
Work in Progress	Kgs	914103	1021.35	1894743	2006.87
Finished Goods	Kgs	109695	206.94	100486	98.06
B. Closing Stock					
Raw Material	Kgs	46669	102.27	34369	84.77
Work in Progress	Kgs	620408	671.30	914103	1021.35
Finished Goods	Kgs	89922	158.95	109695	206.94
C. Purchase					
Stock in Trade – Fabric	Meters	818875	272.99	Nil	Nil
Stock in Trade –Yarn & Chips	Kgs	3292287	2355.60	Nil	Nil
Other Raw Materials	Kgs	3257363	5329.06	3299950	5545.22
D. Sales					
Stock in Trade – Fabric	Meters	818875	304.36	Nil	Nil
Stock in Trade –Yarn & Chips	Kgs	3292287	2355.60	Nil	Nil
Finished Goods	Kgs	3241681	6468.67	4154970	7291.51

As per our report of even date attached
FOR R. R. Patchigar & CO.,
 Chartered Accountants
 FRN: 107639W
(R. R. Patchigar)
 Proprietor
 Membership No. : 31172
 Place : Surat
 Date : 14.08.2015

FOR AND ON BEHALF OF THE BOARD

Prakash Gupta Managing Director

Mohan Gupta Whole-time Director

Avinash Shah Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2015

Particulars	(Amount in ₹)	
	For the year ended on 31.03.2015	For the year ended on 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) before tax and extraordinary items	(342,288,573)	(343,178,323)
Adjustments for :-		
Depreciation	86,308,963	66,470,001
Profit on sale of fixed assets	(4,734,152)	-
Deferred revenue Expenses Written Off	3,266,373	3,266,373
Interest on Term Loan	87,919,805	103,227,955
Interest on Working Capital	81,113,832	80,450,754
Operating Profit / (Loss) before working capital changes	(88,413,752)	(89,763,240)
Adjustments for changes:		
Trade and other receivables - Net	(127,380,951)	55,639,561
Inventories	38,695,307	96,747,384
Trade payables and other liabilities & provisions - Net	167,724,797	(39,528,983)
Cash generated from operations	(9,374,499)	23,094,722
Adjustment Related to previous year	(908,655)	(1,896,000)
Cash Flow before extraordinary items	(10,283,155)	21,198,722
NET CASH FROM OPERATING ACTIVITIES [A]	(10,283,155)	21,198,722
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed assets	(96,500)	(940,996)
Sale of Fixed assets	19,092,406	-
Sales of Investments	-	-
NET CASH USED IN INVESTING ACTIVITIES [B]	18,995,906	(940,996)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds of Short Term Borrowings	-	-
Repayments of Long Term Borrowings	(1,124,880)	(1,266,941)
Repayments of Short Term Borrowings	(8,628,728)	(22,067,603)
NET CASH USED IN FINANCING ACTIVITIES [C]	(9,753,608)	(23,334,544)
NET INCREASE IN CASH & CASH EQUIVALENTS [D=A+B+C]	(1,040,857)	(3,076,818)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	9,727,219	12,804,037
CLOSING BALANCE CASH & CASH EQUIVALENTS	8,686,362	9,727,219

As per our report of even date attached
FOR R. R. Patchigar & CO.,
Chartered Accountants
 FRN: 107639W
(R. R. Patchigar)
Proprietor
 Membership No. : 31172
 Place : Surat
 Date : 14.08.2015

FOR AND ON BEHALF OF THE BOARD

Prakash Gupta *Managing Director*

Mohan Gupta *Whole-time Director*

Avinash Shah *Company Secretary*

GUPTA SYNTHETICS LIMITED

Registered Office : 326, Sardar Gruh Building, 198 Lok Manya Tilak Road, Mumbai-400002.

CIN : L17110MH1984PLC091906

e-mail : info@guptasynthetics.com, website:www.gslmumbai.com Phone : 022-22000356, Fax : 022-22000357

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

I/We hereby record my/our presence at the 31st Annual General Meeting of Gupta Synthetics Limited held at Maharashtra Chamber of Commerce, Industry and Agriculture, Oricon House, 6th Floor, 12-K, Dubhash Marg, Fort, Mumbai- 400 001 AT 02.00 p.m. on Wednesday, 30th September, 2015.

Name of the Shareholder : _____
 Registered Address of the Shareholder : _____
 Ledger Folio No./CL ID/DP ID No. : _____
 Number of Shares held : _____
 Name of the Proxy/Representative, if any : _____
 Signature of the Member/s / Proxy : _____
 Signature of the Representative : _____

GUPTA SYNTHETICS LIMITED

Registered Office : 326, Sardar Gruh Building, 198 Lok Manya Tilak Road, Mumbai-400002.

CIN : L17110MH1984PLC091906

e-mail : info@guptasynthetics.com, website:www.gslmumbai.com Phone : 022-22000356, Fax : 022-22000357

Form No. MGT-11

PROXY FORM

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

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

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

1. Name _____ Address: _____
 _____ Signature _____ or failing him
2. Name _____ Address: _____
 _____ Signature _____ or failing him
3. Name _____ Address: _____
 _____ Signature _____ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on/our behalf at the 31st Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2015. At 2.00 p.m.at Maharashtra Chamber of Commerce, Industry and Agriculture, Oricon House, 6th Floor, 12-K, Dubhash Marg, Fort, Mumbai- 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.		Optional*	
		For	Against
1	Consider and adoption of Balance Sheet, Profit & Loss, Report of Board of Directors and Auditors for the year ended March 31, 2015.		
2	Re-appointment of Mr.Prakash Gupta, who retires by rotation.		
3	Appointment of Statutory Auditors and fixing their remuneration.		
4	Appointment of Additional Director.		

Signed this _____ day of _____ 2015.

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Notes :

1. 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.
2. Proxy need not be a member.

* It is Optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box . I fyou leave the 'For' or 'Against' column blank against or any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Affix
 Revenue
 Stamp

To,

If undelivered please return to :
GUPTA SYNTHETICS LIMITED
CIN : L17110MH1984PLC091906
326, Sardar Gruh Building, 3rd Floor,
198, Lokmanya Tilak Road,
MUMBAI - 400 002.

Ganapati, (079) 26568111