

**UNITED POLYFAB (UNIT-II) PRIVATE LIMITED  
(CIN: U18109GJ2010PTC062928)**

**SURVEY NO. 238/239, SHAHWADI,  
OPP AARVEE DENIM, NAROL SARKHEJ HIGHWAY  
AHMEDABAD - 382405**

=====

Notice is hereby given that the Annual General Meeting of the members of UNITED POLYFAB (UNIT-II) PVT. LTD. Will be held on 30<sup>th</sup> Sept., 2014 at the Registered Office of the Company at 11.00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2014 and profit and loss account for the year ended on that date together with the reports of Auditors and Directors thereon.
2. To re-appoint M/s Nahta Jain & Associates, Chartered Accountants, as Auditors of the company to hold office from the conclusion of Fourth Annual General Meeting until conclusion of the Nineth Annual General Meeting and to authorize the Board of Directors to fix Auditors Remuneration.

Place: Ahmedabad

For & on behalf of the Board,

Date : 05/09/2014

**UNITED POLYFAB (UNIT-II) PRIVATE LIMITED**



**GAGAN NIRMALKUMAR MITTAL  
(Director)**

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the company.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the Meeting.

2. Members/proxies should bring the attendance slips, duly filled in for attending the Meetings.

# UNITED POLYFAB (UNIT-II) PVT LTD

## DIRECTORS REPORT

To:

The Members,

### UNITED POLYFAB (UNIT-II) PRIVATE LIMITED

Your directors have pleasure in presenting their Annual Report together with audited statements of Accounts for the year ended 31<sup>st</sup> march, 2014.

#### FINACIAL RESULTS:

(Rs in "000")

	Particulars	2013 – 2014
1	Income from Operations & Other	96523
2	Net Profit/(Loss) before Tax	3789
3	Provision for Tax	1176
4	Prior Period Adjustment	0.0
5	Net Profit/(Loss) after Tax	2613

#### DIVIDEND:

During the year company has not recommended any Dividend for the year ended 31<sup>st</sup> March, 2014.

#### DEPOSITS:

The Company has not accepted any deposit from the public as defined under the provisions of the section 58-A of the Companies act, 1956.

#### PERTICULARS OF EMPLOYEES:

There was no employee of the Company who received remuneration in excess of the limits prescribed under section 217(2A) of the Companies act, 1956.

#### COMPLIANCE CERTIFICATE:

In term of S-383A of the companies act, 1956 and companies (Compliance certificate) Rules, 2002, Compliance Certificate obtained from Company Secretary in whole time practice is attached herewith.

**DIRECTORS RESPOSNSIBILITY STATEMENT:**

Pursuant to section 217 (2 AA) of the companies (Amendment) Act 2000, with respect to Directors Responsibility statement, it is herby confirmed.

- (i) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2014, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 year under review.
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956, for safeguarding of the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2014 on a going concern basis.

**AUDITORS:**

The auditors of the Company **M/s. NAHTA JAIN & ASSOCIATES, Chartered Accountants, Ahmedabad** retire at the conclusion of this annual general meeting and have confirmed their eligibility and willingness to accept the office, if re-appointed

**APPRECIATION:**

Your Directors express their warm appreciation to all the employees at various branches for their diligence and contribution.

**PLACE: AHMEDABAD      FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**DATE: 05.09.2014**

**SD/-**

**GAGAN MITTAL**

**Chairman**

**DIN: 00593377**

## *Independent Auditors' Report*

To the Members of  
**M/S. UNITED POLYFAB (UNIT-II) PVT LTD**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **M/S. UNITED POLYFAB (UNIT-II) PVT. LTD.** ("the Company"), which comprises the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended. and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular No. 15/2013 dated 13 Sept. 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

### **Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and Statement of Profit and Loss, by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; read with General Circular No. 15/2013 dated 13 Sept. 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

As per our Report of Even Date  
For and on Behalf of  
Nahta Jain & Associates  
Chartered Accountants  
Firm Regn. No. 106801W

SD/-

Place : Ahmedabad  
Date : 05/09/2014

(CA. Gaurav Nahta)  
Partner  
M. No. 116735

**Annexure to Auditor's Report (Referred to in our report of even Date)**

- i.) In respect of Fixed Assets:
  - a. The Company has no Fixed Assets during the period under audit, hence maintenance of proper records showing full particulars including quantitative details and situation of fixed assets is not required and consequently clause (b) and (c) is not applicable.
- ii) In respect of its inventories:
  - a. Physical verification of Inventory has been conducted by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
  - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - c. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) In respect of the loans, secured or unsecured, granted or taken by the company to / from companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956 :
  - a) The company has granted loans to one company, firm or other party as listed in the register maintained under section 301 of the companies Act, 1956 and aggregate outstanding balance as on 31/03/2014 was ` 7,22,396/-.
  - b) In our opinion, the rate of interest and other terms and conditions on which loans were granted to firm and other parties listed in the register maintained u/s 301 of the Companies Act 1956 are not, *prima facie*, prejudicial to the interest of the company.
  - c) That receipt of the principal amounts and interest, wherever applicable, was also regular.
  - d) That there are no overdue amount of ` one lacs or more.
  - e) The Company had taken unsecured loans from five parties having aggregating outstanding balance of ` 1,00,87,741/- as listed in the register maintained u/s 301 of the companies Act, 1956.
  - f) In our opinion, the rate of interest and other terms and conditions on which loans were accepted from firm and other parties listed in the register maintained u/s 301 of the Companies Act 1956 are not, *prima facie*, prejudicial to the interest of the company.
  - g) That payment of the principal amounts and interest, wherever applicable, was also regular.
- iv.) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of Goods/Services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) In respect of the contract or arrangement referred to in section 301 of the companies Act, 1956 :
  - a. The particulars of contracts arrangements referred to in section 301 of the Act have been entered in the register required under the Act.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Company Act, 1956 and exceeding the value of

rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- vi.) The company has not accepted any deposit from the public during the year.
- vii.) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- viii.) We are informed that maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not required for the company.
- ix) In respect of statutory dues:
  - a) The Company is regular in depositing the undisputed statutory dues including Income tax and any other statutory dues with the appropriate authorities.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of afore mentioned dues were in arrears, as at 31<sup>st</sup> March 2014 for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us, there are no statutory dues that have not been deposited on account of dispute and no matters was pending before appellate authority.
- x.) In our opinion, the company does not have any accumulated losses and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi.) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks. As there are no debentures, the question of repayment does not arise.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv) We are informed that the Company has not given any guarantees for loans taken by others from banks or financial institutions. Therefore, clause 4(xv) of the companies (Auditor's Report) order, 2003 is not applicable to the company.
- xvi) The company has not obtained any term loan during the year and therefore, clause 4(xiv) of the companies (Auditor's Report) order, 2003 is not applicable to the company.
- xvii) According to the information and explanation given to us and on an overall examination of the Balance Sheet of the company, we report that the no funds raised on short term basis have been used for long term investment. No Long term funds have been used to finance short term assets except permanent working capital.
- xviii) The company has not made any preferential allotment of shares to the parties covered in the register maintained u/s. 301 of the companies Act, 1956.



- xix) The company has not issued any debentures during the year and therefore clause 4(xix) of the companies (Auditor's Report) order, 2003 is not applicable.
- xx) The Company has not raised money by public issue during the year and therefore clause 4(xx) of the companies (Auditor's Report) order, 2003 is not applicable.
- xxi) According to the information and explanations give to us, no fraud on or by the company has been noticed or reported during the course of our audit.

As per our Report of Even Date  
For and on Behalf of  
Nahta Jain & Associates  
Chartered Accountants  
Firm Regn. No. 106801W

SD/-

Place : Ahmedabad  
Date : 05/09/2014

(CA. Gaurav Nahta)  
Partner  
M. No. 116735

**UNITED POLYFAB (UNIT-II) PVT. LTD.**  
**Balance Sheet as at 31 March, 2014**

Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	29,828,500	29,828,500
(b) Reserves and surplus	2	33,038,425	30,425,344
(c) Money received against share warrants		-	-
		<b>62,866,925</b>	<b>60,253,844</b>
<b>Share application money pending allotment</b>		-	-
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	153,969,289	53,119,327
(b) Deferred tax liabilities (net)		448,928	-
(c) Other long-term liabilities	4	15,087,741	11,031,386
(d) Long-term provisions		-	-
		<b>169,505,958</b>	<b>64,150,713</b>
<b>Current liabilities</b>			
(a) Short-term borrowings	5	13,677,323	-
(b) Trade payables	5	18,844,976	13,594,353
(c) Other current liabilities	6	27,827,873	6,626,002
(d) Short-term provisions	7	726,704	18,400
		<b>61,076,876</b>	<b>20,238,755</b>
<b>TOTAL</b>		<b>293,449,759</b>	<b>144,643,312</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	8	173,315,289	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress (Plant & Machinery)		-	34,372,622
(iv) Intangible assets under development		-	-
		<b>173,315,289</b>	<b>34,372,622</b>
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	8	34,248,396	34,228,471
(e) Other non-current assets		-	-
		<b>207,563,685</b>	<b>68,601,093</b>
<b>Current assets</b>			
(a) Current investments		-	-
(b) Inventories	8	16,714,478	-
(c) Trade receivables	9	39,802,325	13,604,291
(d) Cash and cash equivalents	10	100,282	33,515
(e) Short-term loans and advances	11	28,933,970	61,985,639
(f) Other current assets	12	335,019	418,774
		<b>85,886,074</b>	<b>76,042,219</b>
<b>TOTAL</b>		<b>293,449,759</b>	<b>144,643,312</b>
<b>See accompanying notes forming part of the financial statements</b>			
		-	-

As per our report of even date  
**For Nahta Jain & Associates**  
Chartered Accountants  
Firm Regn. No. 106801 W

SD/-

**(CA. Gaurav Nahta)**  
**Partner**  
M.No. 116735

Place : Ahmedabad  
Date : 05/09/2014

**For and on behalf of the Board of Directors**  
**United Polyfab (Unit-II) Pvt. Ltd.**

SD/-

**(Director)**

Place : Ahmedabad  
Date : 05/09/2014

SD/-

**(Director)**

**UNITED POLYFAB (UNIT-II) PVT. LTD.**  
**Statement of Profit & Loss for the Year ended 31 March, 2014**

Particulars	Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>CONTINUING OPERATIONS</b>			
Revenue from operations (gross)	13	93016693	13604291
Less: Excise duty		-	-
Revenue from operations (net)		93016693	13604291
Other income	14	3,505,992	367,958
<b>Total revenue</b>		<b>96522685</b>	<b>13972249</b>
<b>Expenses</b>			
(a) Cost of materials consumed		66428889	-
(b) Purchases of stock-in-trade		4449551	13581070
(c) Changes in inventories of finished goods, work-in-progress and stock-in-	15	-9074427	0
(d) Employee benefits expense	16	1964197	40000
(e) Finance costs	17	2649431	2995
(f) Depreciation and amortisation expense		5916522	-
(g) Other expenses	18	20399809	288636
<b>Total expenses</b>		<b>92733971</b>	<b>13912701</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>3788714</b>	<b>59548</b>
Exceptional items		-	-
Extraordinary items		-	-
<b>Profit / (Loss) before tax</b>		<b>3788714</b>	<b>59548</b>
<b>Tax expense:</b>			
(a) Current tax expense		726704	18400
(b) Deferred tax		448928	-
(c) Add/Less : Excess/Short Provision of Income Tax		1	50
<b>Profit / (Loss) for the year</b>		<b>2613081</b>	<b>41098</b>
<b>Earnings per equity share of face value of ` 10/- each :</b>			
Basic and diluted (in `)		0.88	0.01
<b>See accompanying notes forming part of the financial statements</b>			
As per our report of even date <b>For Nahta Jain &amp; Associates</b> Chartered Accountants Firm Regn. No. 106801 W		<b>For and on behalf of the Board of Directors</b> <b>United Polyfab (Unit-II) Pvt. Ltd.</b>	
SD/-		SD/-	SD/-
<b>(CA. Gaurav Nahta)</b> Partner M.No. 116735		<b>(Director)</b>	<b>(Director)</b>
Place : Ahmedabad Date : 05/09/2014		Place : Ahmedabad Date : 05/09/2014	

## 1 Share Capital

31 March 2014 31 March 2013

Authorised Share Capital		
30,00,000 Equity Shares of ` 10/- each	30000000	30000000
Issued, Subscribed and fully paid up shares		
29,82,850 (P.Y. 29,82,850) Equity Shares of ` 10/- each	29828500	29828500
Total Issued, Subscribed and fully paid up shares	<u>29828500</u>	<u>29828500</u>

### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 March 2014		31 March 2013	
	No.		No.	
At the beginning of the period	2982850	29828500	479300	4793000
Issued during the period	0	0	2503550	25035500
Outstanding at the end of the period	<u>2982850</u>	<u>29828500</u>	<u>2982850</u>	<u>29828500</u>

### b. Terms/rights attached to equity shares

The company has only one class of equity shares having par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declare and pays dividend in indian rupee.

### c. Details of share holders holding more than 5% shares in the company.

	31 March 2014		31 March 2013	
	No.	% of holding	No.	% of holding
Gagan Mittal	277550	9.30	277550	9.30
Gagan N. Mittal HUF	250000	8.38	250000	8.38
Nirmal Mittal	523000	17.53	523000	17.53
Smt. Shilpa Gagan Mittal	310800	10.42	310800	10.42
United Polyfab Pvt. Ltd.	155000	5.20	155000	5.20
Crystal Delmark Pvt. Ltd.	225000	7.54	225000	7.54
Twister Vincom Pvt. Ltd.	185000	6.20	185000	6.20
Grade Vintrade Pvt. Ltd.	160000	5.36	160000	5.36
Gliter Commosale Pvt. Ltd.	225000	7.54	225000	7.54
Lawa Marketing Pvt. Ltd.	225000	7.54	225000	7.54
Leoline Properties Pvt. Ltd.	200000	6.70	200000	6.70
Others	246500	8.26	246500	8.26
Total	<u>2982850</u>	<u>100.00</u>	<u>2982850</u>	<u>100.00</u>

As per records of the company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

## 2 Reserves & Surplus

31 March 2014 31 March 2013

### Securities Premium Account

Balance as per last financial statement	30345500	5310000
Add: Premium on shares issued during the year	0	25035500
<b>Closing Balance</b>	<u>30345500</u>	<u>30345500</u>
General Reserve (Shree Ganesh Maharaj)	11	11
	<u>11</u>	<u>11</u>

### Profit & Loss A/c

Balance as per last financial statement	79833	38735
Profit for the year	2613081	41098
<b>Closing Balance</b>	<u>2692914</u>	<u>79833</u>
<b>Total Reserves &amp; Surplus</b>	<u>33038425</u>	<u>30425344</u>

### 3 Long-term Borrowing

	31 March 2014	31 March 2013
<b>Secured</b>		
Term Loan for machines from State Bank of India	85234006	53119327
	<u>85234006</u>	<u>53119327</u>
Less:		
Current Maturity of Term Loan	10937500	0
	<u>74296506</u>	<u>53119327</u>
SBI Osaka Branch (Buyers Credit )	79672783	0
	<u>79672783</u>	<u>0</u>
	<u>153969289</u>	<u>53119327</u>

1 Term Loan from State Bank of India carries interest rate of 2.90% above Base Rate. The loan is Primarily secured by Hypothecation of machineries purchased out of bank finance. Further as a Colateral security Extension of Equitable Mortgage charge over factory land & building situated at survey No. 238 & 239, Shahwadi, Opp. Pirana Octroi Naka, Narol Highway, Ahmedabad which is owned by the M/s United Polyfab Pvt. Ltd. and Extension of charge over residential bunglow No. 30 situated at Riviera Greens, Gokuldham Township, Near S.P. Ring Road, Sanathal, Ahmedabad which is jointly owned by Shri Nirmal Mittal, Shri Gagan Mittal, Smt. Urmila Mittal and Smt. Shilpa Mittal. Further, the loan has been guaranteed by Personal guarantee of Shri Gagan Mittal, Shri Ritesh Hada, Mrs. Shilpa Mittal, Mrs. Neeti Hada, Shri Nirmal Mittal and Smt. Urmila Mittal. Corporate Guarantee of M/s United Polyfab Pvt. Ltd.

2 Installments falling due in respect of all the above term loans upto 31.03.2015 have been grouped under "Current maturities of long term borrowing." (refer Note 6)

### 4 Other Long-term Borrowing

	31 March 2014	31 March 2013
<b>Loan From Others</b>	15087741	11031386
	<u>15087741</u>	<u>11031386</u>

### 5 Short-term Borrowing

	31 March 2014	31 March 2013
<b>Secured</b>		
State Bank Of India C.C.AC-6997	13677323	0
	<u>13677323</u>	<u>0</u>

1 Hypothecation of company's entire current assets of the company including receivables. Further Collateral security as Extension of Equitable Mortgage charge over factory land & building of M/s United Polyfab Pvt. Ltd. situated at survey No. 238 & 239, mouje Shahwadi, Near Pirana Octroi Naka, Narol Highway, Ahmedabad. Further, the loan has been guaranteed by Personal guarantee of four directors Shri Nirmal Mittal, Shri Gagan Mittal, Shri Kamal Kishore Hada & Shri Ritesh Hada and Third Party guarantee of Shri Vinod Mittal director of Vinod Fabrics Pvt. Ltd..

### 5 Trade Payables

	31 March 2013	31 March 2012
Trade Payables	18844976	13594353
	<u>18844976</u>	<u>13594353</u>

### 6 Other Current Liabilities

31 March 2014 31 March 2013

Current Maturities of Long term Borrowing	10937500	0
Statutory Dues	81116	5533
Payables for Purchase of Fixed Assets	9646699	6531756
Payables for expenses	7162558	88713
	<u>27827873</u>	<u>6626002</u>

## 7 Short Term Provisions

31 March 2014 31 March 2013

Provision for Income Tax	726704	18400
	<u>726704</u>	<u>18400</u>

## 8 Other Long term Loans & Advances

31 March 2014 31 March 2013

Fixed Deposits with State Bank of India held as Security by Govt. Departments & Other Authorities	34000000	34000000
Interest Accured on Fix Deposit	248396	228471
	<u>34248396</u>	<u>34228471</u>

## 12 Inventories

31 March 2014 31 March 2013

Raw Material	7571051	0
Store & Spare	69000	0
Work in Progress	5754779	0
Work - in - progress (Job)	175644	0
Finished Goods	3144004	0
	<u>16714478</u>	<u>0</u>

## 9 Trader Receivables

31 March 2014 31 March 2013

a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured considered good	0	0
b. Other Trade receivables	39802325	13604291
Total - a + b	<u>39802325</u>	<u>13604291</u>

## 10 Cash and Bank Balance

31 March 2014 31 March 2013

Balance with Banks State Bank of India Current A/c. 5930	10369	12742
Cash on Hand	89913	20773
	<u>100282</u>	<u>33515</u>

## 11 Other Short Term Loans & Advances

31 March 2014 31 March 2013

Deposit for Land & Building	6902858	3997000
Subsidy Receivable	2770575	741492

Balance with Statutory / Govt. Authority (TDS)	690231	136969
Other Loans & Advances (Unsecured but considered Good)	18570306	57110178
	<u>28933970</u>	<u>61985639</u>

## 12 Other Current Assets

31 March 2014 31 March 2013

Preliminary Exps. A/c	335019	418774
	<u>335019</u>	<u>418774</u>

## 13 Revenue From Operations

31 March 2014 31 March 2013

Revenue from operations		
<b>Sales of Products</b>		
Sales (Grey) (Net of Returns, Rebate & Discount)	63767237	13604291
Sales Denim	2674139	0
<b>Sale of Services</b>		
Job Sales	26575317	0
Revenue from Operations (Gross)	<u>93016693</u>	<u>13604291</u>
Less: Excise Duty	0	0
Revenue from Operations (Net)	<u>93016693</u>	<u>13604291</u>

## 14 Other Income

31 March 2014 31 March 2013

Interest income on		
Bank Deposit	1509367	2881
Others (Net of Interest Exps.)	1996372	365077
Sundry Balance W/Off	253	0
	<u>3505992</u>	<u>367958</u>

## 19 Cost of raw material and components consumed

31 March 2014 31 March 2013

Inventory at the beginning of the year	0	0
Add.: Purchase	73999940	0
	<u>73999940</u>	<u>0</u>
Less: inventory at the end of the year	7571051	0
Cost of raw material and components consumed	<u>66428889</u>	<u>0</u>

### Details of Raw Materials Consumed

Cotton & Synthetic Yarn	66428889	0
	<u>66428889</u>	<u>0</u>

## 15 (Increase) / decrease in inventories

31 March 2014 31 March 2013

<b>Inventories at the end of the year</b>		
Finished Goods	3144004	0
Work-in-Progress	5754779	
Job Stock (Semi Finished)	175644	
	<u>9074427</u>	<u>0</u>

### **Inventories at the beginning of the year**

Finished Goods	0	0
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	0	0
<b>Net (Increase)/decrease</b>	<b>-9074427</b>	<b>0</b>

## 16 Employee Benefit Expenses

**31 March 2014    31 March 2013**

Salary, Wages & Bonus	1643982	40000
Staff Welfare	20215	0
Director Remuneration	300000	0
	<u>1964197</u>	<u>40000</u>

## 17 Finance Costs

**31 March 2014    31 March 2013**

Bank Charges	438180	2291
Interest Paid	2211251	704
	<u>2649431</u>	<u>2995</u>

## 18 Other Expenses

**31 March 2014    31 March 2013**

### Manufacturing Expenses

Cartage Exps.	216970	2480
Electricity Exps.	12591644	0
Frieght & Octroi	2400	0
Jobwork Charges	5183521	0
Insurance Exps.	138114	0
Loading & Unloading Exps.	177659	0
Repairs & Maintenance - Machinery	607594	0
Repairs & Maintenance - Building & Others	263019	0
Stores & Spares Consumption	161557	0
	<u>19342478</u>	<u>2480</u>

### Administrative Expenses

Audit Fee	28090	8427
Angadia & Courier Exps.	360	0
Conveyance & Petrol Exps.	29856	2938
Factory Security Charges	88802	0
Fees & Subscription Charges	13700	4800
Interest On TDS On Contractor	301	0
Income Tax Late Filing Fees	200	0
Membership Fees & Subscription	0	8989
Legal & Professional Exps	171330	47280
Office Exps.	11500	1903
Preliminary Expenses W/Off	83755	0
Printing & Stationery	17786	1819
Telephone Exps.	1180	0
Travelling Exps.	10471	0
Rent,Rates & Taxes	600000	210000
	<u>20399809</u>	<u>288636</u>

**19** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

**20** Balance of Trade Payables, Receivables, Loans and advances, unsecured loans are subject to confirmation.

**21** Value of Import on CIF basis during the year.

1) Raw Material	NIL	NIL
2) Components & Spare Parts	NIL	NIL



- 3) Capital Goods NIL NIL
- 22** Expenditure in foreign currency, remittance in foreign currency and earnings in foreign currency during the year NIL NIL
- 23** Contingent liabilities & Commitments NIL NIL
- 24** Break up of expenditure incurred on employess who were in receipt of remuneration aggregating ` 6000000/- or more for year or ` 500000/- or more, where employed for a part of the year. Nil (Previous Year` Nil).

**25 The Profit and Loss Account includes:**

**31 March 2014 31 March 2013**

<b>Auditors Remuneration</b>			<b>28090</b>	<b>8427</b>

**26 Micro & Small Enterprises Dues**

As per information given to us there were no amount overdue and remaining outstanding to small scale and /or ancillary Industrial suppliers on account of principal and /or interest as at the close of the year. Based on the information available with company, there are no dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2014.

- 27** Previous year's figures have been regrouped/rearranged wherever necessary so as to make them comparable with the figures of the current year.

As per our report of even date			
<b>For Nahta Jain &amp; Associates</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants		<b>United Polyfab (Unit-II) Pvt. Ltd.</b>	
Firm Regn. No. 106801 W			
SD/-		SD/-	SD/-
<b>(CA. Gaurav Nahta)</b>		<b>(Director)</b>	<b>(Director)</b>
<b>Partner</b>			
M.No. 116735			
Place : Ahmedabad		Place : Ahmedabad	
Date : 05/09/2014		Date : 05/09/2014	

## **SIGNIFICANT ACCOUNTING POLICIES**

### **Accounting Convention**

The financial statements are prepared under the historical cost convention on the “Accrual Concept” of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 1956.

### **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

### **Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing costs directly attributable to the acquisition / construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charges on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same has been allocated to the respective fixed assets on completion of construction / erection of the capital project / fixed assets.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

### **Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

### **Depreciation**

All fixed assets, except capital work in progress and Plant & Machinery, are depreciated on a written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies’ Act, 1956. Depreciation on Plant & machinery is provided as per SLM method at the rates and in the manner prescribed in Schedule XIV of the Companies’ Act, 1956.

Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the month of such addition / deletion as the case may be.

### **Investments**

Long term investments are stated at cost. Current investments are stated at lower of cost and market price. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.



**NOTES "9" OF FIXED ASSETS**

Sr. No.	Name of the Assets	Rate (%)	GROSS BLOCK					DEPRECIATION				NET BLOCK	
			As on 01/04/2013	Addition	Capital Subcidy	Deduction	Total as on 31/03/2014	As on 01/04/2013	For the Year	Adjusted	Total as on 31/03/2014	As on 31/03/2014	As on 31/03/2013
1	Plant & Machiney	7.42%	0	177068137	13350000	0	163718137	0	5408865	0	5408865	158309272	0
2	Electric Installation	7.42%	0	15362374	0	0	15362374	0	503297	0	503297	14859077	0
3	Fire Safety System	7.42%	0	52095	0	0	52095	0	1737	0	1737	50358	0
4	Furniture & Fixtures	6.33%	0	99205	0	0	99205	0	2623	0	2623	96582	0
	<b>Total (A)</b>		<b>0</b>	<b>192581811</b>	<b>13350000</b>	<b>0</b>	<b>179231811</b>	<b>0</b>	<b>5916522</b>	<b>0</b>	<b>5916522</b>	<b>173315289</b>	<b>0</b>
	<b>Work-in-Progress</b>												
1	Plant & Machinery		34372622	0		34372622	0	0	0	0	0	0	34372622
	<b>Total (B)</b>		<b>34372622</b>	<b>0</b>		<b>34372622</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34372622</b>
	<b>Total (A+B)</b>		<b>34372622</b>	<b>192581811</b>	<b>13350000</b>	<b>34372622</b>	<b>179231811</b>	<b>0</b>	<b>5916522</b>	<b>0</b>	<b>5916522</b>	<b>173315289</b>	<b>34372622</b>
	<b>Total Previous Year:-</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34372622</b>	<b>0</b>