

INNOVASSYNTH INVESTMENTS LIMITED

7th Annual Report 2013-2014

Board of Directors :

S. B. Ghia ... Chairman & Managing Director
 K. Ramasubramanian
 Dr. B. Sahu
 S. B. Chatterjee
 Mrs. Rashmi Uday Singh

Audit Committee :

K. Ramasubramanian ... Chairman
 Mrs. Rashmi Uday Singh ... Member
 S. B. Chatterjee ... Member

Company Secretary :

S. B. Chatterjee

Bankers :

H.D.F.C. Bank Ltd

Auditors :

M/s. N. M. Rajji & Co.

Registrar and Share Transfer Agents :

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

Registered Office :

Old Mumbai Pune Road, Khopoli-410203,
 Dist. Raigad, Maharashtra.
 Phone : 02192260100 Fax : 2192 263268
 E-mail : secretarial@innovassynthinvestments.in
 Website : http://www.innovassynthinvestments.in

Request to the Shareholders

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

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

Contents	Page No.
Notice	03
Annexure to the Notice	04-06
Directors' Report	07
Management Discussion and Analysis Report	08-09
Corporate Governance Report	10-14
Auditors' Report	15
Annexure to the Auditors' Report	16
Balance Sheet	17
Profit and Loss Account	18
Cash Flow	19
Notes forming part of the..... Financial Statements	20-22

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **7th ANNUAL GENERAL MEETING of the Members of INNOVASSYNTH INVESTMENTS LIMITED** will be held at Old Mumbai - Pune Road, Khopoli - 410203, Dist. Raigad, Maharashtra on Thursday, the 25th day of September, 2014 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the audited Balance Sheet as at and Profit & Loss Accounts for the year ended 31st March 2014 and the Reports of the Directors and Auditors thereon.
- To appoint a Director in place of Mr. S.B. Ghia, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Dr. B. Sahu, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors and fix their remuneration

SPECIAL BUSINESS

- To consider and if thought fit, to pass, with or without modification, the following resolution as a ordinary Resolution

RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, as amended from time to time, Mr. K. Ramasubramanian (holding DIN 01623890), Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, for a term of four consecutive years i.e. from the date of the 7th Annual General Meeting (2014) till the date of the 11th Annual General Meeting of the Company (2018) [both dates inclusive].

- To consider and if thought fit, to pass, with or without modification, the following resolution as a ordinary Resolution

RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, as amended from time to time, Mrs. Rashmi Uday Singh (holding DIN 00089445), Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years i.e. from the date of the 7th Annual General Meeting (2014) till the date of the 12th Annual General Meeting of the Company (2019) [both dates inclusive].

Date : 13th August, 2014

Regd. Office :

Old Mumbai, Pune Road,
Khopoli - 410203, Dist. Raigad, Maharashtra

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT :

As required under the Listing Agreement, the particulars of Directors, who are proposed to be appointed / reappointed are given below :

1. Name	Mr. S.B. Ghia
Age	66 years
Qualification	B.Sc. (Chemistry), MBA.
Expertise	Business Management

Directorship on the Board and Chairmanship / Membership in Committees :

Innovassynth Investments Limited-(Chairman And Managing Director), Futura Polyesters Limited(Chairman & Managing Director, Member of Investors Grievance Committee, Chairman of Transfer Sub-Committee, Common Seal Committee),Sonata Software Limited(Director, Member of Remuneration Committee and Audit Committee, Chairman of Investors Grievance Committee.) Alkyl Amines Chemicals Limited(Director, Member of Audit Sub Committee and Investors Grievance Committee, Chairman of Remuneration Committee),AVT Natural Products Ltd.(Director, Member of Audit Committee and Remuneration Committee), Innovassynth Technologies (I) Limited (Chairman & Chairman of Audit Committee.) FPL Property Developers Pvt. Ltd.(Director), Bhupati Investments & Finance Pvt. Ltd.(Member).

2. Name	Dr. B. Sahu
Age	63 Years
Qualification	M.A.,PMIR,Ph.D
Expertise	Business Administration

Directorship on the Board and Chairmanship / Membership in Committees :

Innovassynth Investments Ltd. (Director, Member Investors Grievance Committee)

NOTES :

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- Proxies should be lodged at the Company's Registered office atleast 48 hours before the commencement of the meeting.
- The Register of Members and the Share Transfer Books of the Company will remain closed from Friday 19th September, 2014 to Monday 25th September, 2014 (both days inclusive).

By the order of the Board
S.B. Chatterjee
(Director and Company Secretary)

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT MATERIAL FACTS AND REASONS CONCERNING THE BUSINESS AS MENTIONED IN NOTICE DATED 13th AUGUST, 2014 CONVENING 7TH ANNUAL GENERAL MEETING.

Item No. 5 & 6

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. K.Ramasubramanian and Mrs. Rashmi Uday Singh as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Companies Act, 2013 which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nomination Committee has recommended the appointment of Mr. K. Ramasubramanian as Independent Director from 29th May, 2014 to 29th September, 2018 and Mrs. Rashmi Uday Singh as Independent Director from 29th May, 2014 to 29th September, 2019.

Mr. K.Ramasubramanian and Mrs. Rashmi Uday Singh, the non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act, In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

A Brief Profile of the Independent Directors to be appointed is given below :

Mr. K. Ramasubramanian, is 73 years old and is a resident of India. He holds a Master's Degree in Science from University of Kerala, a Post Graduate Diploma in Management and Diploma in Computer Science. He joined Reserve Bank of India in 1967 as a probationary officer and served in various capacities, and retired as General Manager - Foreign Exchange Department of Reserve Bank of India in 2002.

Mrs. Rashmi Uday Singh is 59 years old and a qualified lawyer and Masters in Business Management. Mrs. Rashmi Uday Singh worked for 15 years with the Indian Revenue Service and resigned as Commissioner of Income Tax in 1990. She was on the board of Barista and advised it on its growth path for several years before voluntarily resigning. She is the Director of her own company. World Gourmand award winning author of 34 Books, TV host, Rashmi represents India in several international forums. She presides as jury chairperson of several international academies. She has won several national and international awards and most recently addressed Columbia Business School in NYC in the "Inspiring India" series with Montek Singh Aluwalia.

GENERAL INFORMATION

- 1 Nature of Industry : Investment Company
- 2 Date or expected date of commencement of commercial production : Not Applicable
- 3 In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
- 4 Financial performance based on given indicators :

	Rs. In Lacs
Turnover	00.00
Profit before Tax	(17.47)
Profit after Tax	(17.47)
Reserves	(67.75)

- 5 Foreign investment or collaboration if any : Nil

The Company's Memorandum and Articles of association are open for inspection at the Company's Registered Office on any working day during the business hours.

Regd. Address :
Old Mumbai- Pune Road,
Khopoli-410203, Dist. Raigad, Maharashtra

By Order of the Board of Directors,

S.B. Chatterjee
(Director and Company Secretary)

Voting through Electronic Means :

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 7th Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services India Limited (CDSL) :

The instructions for e-voting are as under :

- a) Log on to e-voting website www.evotingindia.com
- b) Click on “Shareholders” tab
- c) Select the electronic voting sequence number (**EVSN No.**) available on above mentioned website along with INNOVASSYNTH INVESTMENTS LIMITED from the drop down menu and click on “SUBMIT”
- d) Now enter your User ID
 - i) For CDSL : 16 digit beneficiary ID
 - ii) For NSDL: 8 character DP ID followed by 8 digits Client ID
 - iii) Member holding shares in physical form should enter Folio Number registered with the Company.
- e) Next enter the image verification as displayed and click on login
- f) Shareholders holding shares in Demat form and had logged on the www.evotingindia.com and voted on the earlier voting of any company, shall use their existing password
- g) Shareholders using first time the electronic voting shall follow the given below steps:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as Physical shareholders)</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field</p> <p>In case, the folio number is less than 8 digits, enter the applicable number of ‘0’s(Zeros) before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is SAKSHI, with folio number 100 then enter SA00000100 in the PAN field.</p>
DoB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p><i>Members who have not registered their Dividend bank Details, kindly type number of shares held as on holding or cut off date i. e. 29th August 2014.</i></p>

- h) After entering these details appropriately, click on “SUBMIT” tab.
- i) Members holding shares in physical form will then reach directly the EVSN Selection Screen. However, members holding shares in demat form will now reach Password field. The new password has to be minimum eight character consisting of at least one upper case (A-Z), one lower case(a-z), one numeric value (0-9) and a special character (@#%&*. 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 the company opts for e-voting through CDSL platform. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
- j) Click on the relevant EVSN for INNOVASSYNTH INVESTMENTS Limited
- k) On the voting page, shareholders 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 the option NO implies that you dissent to the Resolution.

- l) Click on the Resolution File link, if you wish to view the entire resolution.
- m) After selecting the resolution you have decided to cast your 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.
- n) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- o) In case of Members receiving the physical copy of the Notice of AGM, (for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy) please follow all steps from Sr. No. (b) to (n) above, to cast vote.
- p) Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) shall follow following steps :
 - Log on to <https://www.evotingindia.co.in> 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, they have to create a compliance user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- q) The e-voting period begins on 20th September 2014 at 9.30 a.m. and ends on 22nd September 2014 at 6.30 p.m. During the period shareholders of the Company, holding shares either in physical form or in dematerialised form as 15th September 2014 (record Date) may cast their votes electronically. Once the vote on resolution is cast, the member shall not be allowed to change it subsequently.
- r) In case of any queries or issues regarding e-voting, members may refer the FAQ and e-voting manual available at <https://www.evotingindia.co.in>
- s) Ms. Preeti Sheth, Priti J. Sheth & Associates Practising Company Secretary has been appointed as the Scrutiniser to scrutinise the e-voting process in the fair and transparent manner.
- t) The scrutiniser shall within a period not exceeding three (3) days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses not in the employment of the Company and will make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
- u) The results on the resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of vote in favour of the resolutions.
- v) The results declared along with the scrutinizer's report(s) will be available on the website of the Company within two days of passing of the resolutions and will be communicated to Bombay Stock Exchange Limited where the shares of the Company are listed.

All the documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during the normal business hours (10.00 a.m to 5.00 p.m.) on all working days except Saturdays up to and including the date of the Annual General Meeting of the Company.

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DIRECTOR'S REPORT

To
The Members,

Your Directors submit the 7th Annual Report of the Company along with the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Accounts for the year ended 31st March, 2014.

1. **Financial Results** : The company has posted a net loss of Rs. 17,47,362 as against the net loss of Rs.10,76,850 during the last year and the same amount is carried forward to the Balance sheet. Except the holding of equity shares in Innovassynth Technologies (India) Limited referred below, the Company has not carried out any other business activity.
2. **Dividend** : Your Directors do not recommend any dividend for the period under review due to the losses suffered by the Company.
3. **Directors** : Mr. S.B. Ghia and Dr. B. Sahu are retiring by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.
4. **Audit Committee** : The Audit Committee has been in operation comprises of three Directors namely Mr. K. Ramasubramanian, who is Chairman of the Committee, Mr. S. B. Chatterjee & Mr. Anil Kumar Pandya as members of the committee.
5. **Fixed Deposits / Loans** : During the period under review, the Company had not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956.
6. **Energy Conservation, Technology absorption and Foreign Exchange** : Since the Company does not own any manufacturing / production facility, information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable. During the year under review, the company did not have any foreign exchange earnings and outgo.
7. **Directors Responsibility Statement** : Pursuant to requirement under Section 217(2AA) of the Companies Act, 1956 (the Act.) with respect to Directors. Responsibility Statement it is hereby confirmed :
 1. That in the preparation of annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;
 2. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of 31st March, 2014 and of the loss of the Company for the period.
 3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 4. That the directors had prepared the annual accounts on a going-concern basis, and
8. **Auditors** : M/s. N. M. Rajji & Co., Chartered Accountants, who retire at the ensuing Annual General Meeting, are eligible for reappointment.
9. **Corporate Governance** : As required under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, Corporate Governance and Management Discussion and Analysis Report annexed to this report, form part of this Annual Report
10. **Compliance Certificate** : A Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

Registered Address : Old Mumbai-Pune Road, Khopoli- 410 203,
Dist. Raigad, Maharashtra.

On Behalf of Board,
S.B. GHIA - CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2013-14

Since Innovassynth Investments Limited has only one investment namely that of 2,38,50,070 shares in Innovassynth Technologies (India) Limited (ITIL) the Management Discussion And Analysis Report of ITIL has been attached below which may be treated as that of Innovassynth Investments Limited

INDUSTRY STRUCTURE AND DEVELOPMENTS :

The Company is R&D driven, technology-based Organization engaged in developing, scaling up and manufacturing of specialty chemicals and Pharmaceutical intermediates. Key focus business areas are customs synthesis, contract research & manufacturing of specialty chemicals, toll manufacture of chemicals and similar businesses. Hence, the company is engaged in several diverse activities which cannot be benchmarked to any industry.

The Company currently provides services for both contract R&D and custom manufacturing for product groups like protected nucleosides, modified phosphoramidites & amino acids, intermediates for active Pharma ingredients, specialty carbohydrate derivatives, metallocene compound etc. The Company's unique capability to supply wide range of protected nucleosides and amidites for therapeutic as well as diagnostic applications has made it one among the top few companies engaged in this activity in the world. The Company manufactures various products specifically as per the orders received from its customers. This year the company has also taken up toll manufacturing to supply bulk chemical intermediates for local customers with their partnership.

The Company also has a long term manufacturing contract since 2001 with BASF (formerly Ciba Specialty Chemicals), Switzerland for manufacture of a specialty product. This has been one of the major manufacturing activities of the Company since its inception.

The Company has developed hundreds of molecules for several of its internationally well known clients. Last eight years of hard work and presentation of company's technical capabilities have resulted in well known chemical and pharma MNCs accepting Company's status as a quality Research & Development company especially in several new areas.

OPPORTUNITIES AND THREATS

The Company has been recognized Internationally as one of the few companies in development and manufacture of nucleosides and amidites. This breakthrough opens up vast opportunities for the Company in this area. There are several Pharma MNCs worldwide which are actively engaged in developing new drugs based on DNA analysis, Stem cell research etc. The requirement for nucleosides and amidites of different types, for research, manufacture and diagnostic offer unlimited opportunities. The Company is already in the supply chain of some of the large R&D and Pharma companies who are using the Company's products for their research. Some of the drugs developed by them are in the advanced stage of Clinical trials and once these are successful, the Company hopes to get multi ton orders from these companies for its products.

Similarly, in custom synthesis and contract manufacture, the Company has established its name and has been working successfully with Ciba Speciality Chemicals (& Now with BASF) since 2001. In the last year, Company produced 409 metric ton of a speciality products for this customer and has received order for around 420 MT for the year 2014-15 for the same.

PERFORMANCE

The Company's turnover including service & other income for 2013-14 was Rs. 6739.64 Lacs as compared with Rs.5313.87Lacs during the previous year, i.e. an increase of 27 %. The year has resulted in a net Profit after tax of Rs.151.28 Lacs compared with Rs.(358.65 Lacs) during the last year. The order position of the Company is improving and it will result in higher turnover and net profit in the subsequent years.

OUTLOOK

The company has established very firmly in the area of gene- based medicines as reliable supplier of various key intermediates for various drugs which are in pipe line.

The company has emerged as a preferred supplier for regular amidites (DNA, RNA) as well as wide variety of modified amidites used for development of therapeutic applications. Also many drug discovery companies with exclusive therapeutic technologies (for example, siRNA, Antisense, MicroRNA, Aptamers, etc) have come to us to optimize their technology and scale up to multi kilo scale level for supplying them the intermediates on a regular basis. The company has been working consistently to upgrade its knowledge base by working on novel products and technologies. The intermediates we supply are going into development of new drugs for various diseases and many of these drug molecules are at different phase (phase 1, 2 & 3) of clinical trials. There will be a large growth potential once these drugs go to market within the next 3- 5 years.

The company is also into supplying many high value catalysts used for polymerization, etc. and also a number of high performance chemicals for specific applications.

With many new molecules developed for next generation technologies working with world leading companies, the company is suitably poised to take those products to larger scales and become their strategic partner and reliable supplier.

RISK & CONCERNS

As the Company is involved in research and development of new molecules and products there are possibilities of delay in its client's commercializing their development. Many of the clients who are carrying out clinical trials for drugs for which the Company has supplied the raw materials, are in advanced stage of trials. Once these trials are completed successfully and they commercialize the same, the Company will benefit by way of substantial orders. Further, development of new molecules and products involve considerable development costs which are to be amortized over a period of few years. There are possibilities that the client may not succeed in their development of their final products. In view of several new products being developed simultaneously, it would be difficult to assess the capacity utilization which depends on the product mix. The company, however, attaches priority to high contribution products to improve its profitability. The Company also depends for its growth on its vast skilled scientists and chemists whose continuance in service is a critical factor in spite of the high recurring and retention cost.

Keeping in view the available infrastructure the company is also in the process of negotiating with a few big Indian Pharma Companies for crams business. This is also likely to generate substantial business for helping the company going forward.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Audit Committee set up by the Board reviews periodically the internal audit reports submitted by the internal auditors. The Management periodically interacts with the internal and statutory auditors and implement the suggestions make by them from time to time. The Company has adequate internal control systems commensurate with its size and nature of operations.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Industrial relations remained cordial throughout year. The number of permanent employees on roll of the Company is around 157. Of this, there are 5 Doctorates (Ph.Ds) in Chemistry and about 90 Chemists engaged in work. The unionized workers are 67 in number.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013-2014

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

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

Our Company is committed to achieving high standards of corporate governance recognizing the fact that management is accountable to all stakeholders for good governance. Some of the essential elements of good governance are fairness, ethics, transparency, accountability and responsibility. Consistent with this commitment, our Company's practices and policies continue to meet the above attributes in all spheres of production, operations and services. World over corporate governance structures are dynamic, evolve over a period of time and keep changing in the light of new developments. Ours too is an ever-evolving process. We will make every effort in raising the standards of corporate governance and will constantly review systems and procedures in order to keep pace with the changing economic environment.

2. Board of Directors :

(a) Composition of Board :

The Board of Directors comprises of 5 Directors of which 2 are Executive and 3 are non-executive Directors. Directors includes Chairman & Managing Director.

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

(b) Number of Board Meetings :

Five Board Meetings were held during the year on **31/05/2013, 07/06/2013, 14/08/2013, 24/12/2013 and 14/02/2014**

Details of Directors of the Company as on the date of this report

Name of the Director	Category of Director	No. of Directorship in other Boards	No. of membership of other Board Committees	No. of chairmanship of other Board Committees	No. of Board Meetings attended during year ended 31.03.2014	Attendance in last AGM
Mr. S. B. Ghia	E	6	7	5	5	Present
Dr. B. Sahu	NE	NIL	NIL	NIL	4	Present
Mr. K. Ramasubramanian	NEI	2	2	NIL	3	Present
Mr. S. B. Chatterjee	E	NIL	NIL	NIL	5	Present
Mr. Anil Kumar Pandya *	NEI	NIL	NIL	NIL	3	Absent

*Resigned on 29th May, 2014, E- Executive, NE- Non- Executive, NEI : Non Executive Independent.

c) Details of Directors seeking Re-appointment as required under clause 49 IV(G)(i) of the Listing

Agreement entered into with the Stock Exchange : As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/ reappointed are given in the Notes to the Notice of the same.

d) Code of Conduct : The Board has laid down a code of conduct for all Board members and senior management of the Company which is posted on the website of the Company. All Board members and senior management personnel have affirmed compliance with the code on an annual basis. A declaration to this effect signed by the Chairman forms part of this Annual Report.

3. Committees of the Board.

3.1 Audit Committee : The Audit Committee constituted in accordance with the Listing Agreement comprises of Mr. K. Ramasubramanian, who is Chairman of the Committee, Mr. S. B. Chatterjee and Mr. Anil Kumar Pandya.

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

b) Composition and Category : The Company has complied with the requirements of Clause 49 (II) (A) as regards the composition of the Audit Committee. It comprises of 3 directors. One member is executive director and two are non-executive independent directors. All members are financially literate and one member has accounting and related financial management expertise. Mr. S.B. Chatterjee, Company Secretary acts as the Secretary of the Committee.

c) Number and attendance at each Audit Committee Meetings : During the financial year 2013-2014, **Five** Audit Committee Meetings were held; the dates of the meetings were **31/05/2013, 07/06/2013, 14/08/2013 and 24/12/2013 and 14/02/2014** . The attendance of members at the meetings was as follows :

Name of Member	No. of meetings attended
Mr. S. B. Chatterjee	5
Mr. K. Ramasubramanian	3
Mr. Anil Kumar Pandya	3

3.2 Remuneration Committee :

- a) **Terms of Reference** : To periodically review in accordance with law the remuneration packages of executive whole-time directors and recommends suitable revision to the Board.
- b) **Composition and Category** : The Company has no employee /paid executive hence no remuneration committee meetings were held.

Remuneration of Non-executive Directors as per Accounts for the financial year ended 31st March 2014

Name of Directors	Relationship with other Directors	Sitting fees of Board / Committee Directors Meetings (Gross amount) (Rs.)
Mr. K. Ramasubramanian	-----	15,000
Mr. Anil Kumar Pandya	-----	15,000

3.3. Shareholders Information & Investors Grievance Committee :

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

The Shareholders/Investors Grievance Committee comprises three (3) members, Mr. K. Ramasubramanian, Chairman of the Committee and Dr. B. Sahu is member of Committee, Mr. S. B. Chatterjee, Company Secretary of the Company functions as the Secretary of the Committee.

During the financial year ended 31st March, 2014, meetings of the Shareholders/Investors Grievance Committee were held on **15/05/2013, 14/08/2013, 1/10/2013 & 13/02/2014.**

Attendance at Shareholders/Investors Grievance Committee Meetings :

Name of the Member	No. of Meetings attended
Mr. K. Ramasubramanian	4
Dr. B. Sahu	4
Mr. S. B. Ghia	4

The status of the complaints received from investors is as follows : **Shareholders'/Investors' Complaints**

Particulars of Complaints	No. of complaints
Complaints pending as on April 1, 2013	Nil
Complaints received during 2013 - 2014	Nil
Complaints identified and reported under Clause 41 of the Listing Agreement	Nil
Complaints disposed off during the year ended 31st March, 2014	Nil

The Board has designated Mr. S. B. Chatterjee, Company Secretary, as the "Compliance Officer". Satellite Corporate Services Private Limited is our Registrar and Share Transfer Agents.

4. General Body Meetings :

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

Fin. Year	Date	Location of the meeting	Time	Postal Ballot
Annual General Meetings				
2010-2011	21 st Sept, 2011	M.C. Ghia Hall, Bhogilal Hargovindas Bldg, 4 th Floor, 18/20, K. Dubash MArg, Mumbai 400 001	3.00 p.m.	
2011-2012	28 th Sept, 2012	WAlchand Hirachand Hall, 4 th Floor, Indian merchants Chamber Bldg, trust, IMC Marg, Mumbai 400 020	3.00 p.m.	
2012-2013	30 th Sept, 2013	M.C. Ghia Hall, Bhogilal Hargovindas Bldg, 4 th Floor, 18/20, K. Dubash MArg, Mumbai 400 001	4.30 p.m.	Yes, Postal Ballot was conducted for passing resolution of Change of Address.
2013-2014	25 th Sept, 2014	Old Mumbai-Pune Road, Khopoli- 410203, Dist. Raigad, Maharashtra, India	11.00 a.m.	No, Postal Ballot to be conducted this year.
Extra-ordinary General Meetings				
2011-2012	5 th May, 2011	M.C. Ghia Hall, Bhogilal Hargovindas Bldg, 4 th Floor, 18/20, K.	3.00p.m.	

5. Disclosures :

Disclosure on Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have material conflict with the interest of the Company at large : Details are provided in Note No. 11 forming part of the Balance sheet complying with the provisions of Accounting Standard 18 as issued by the Institute of Chartered Accountants of India.
Details of non-compliance by the Company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any Statutory Authorities on any matter related to capital markets during the last 3 years : None in last 3 years.
Disclosure of Risk Management : The company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.
Disclosure of Accounting Standards : The Company has followed the Accounting Standards prescribed by the Companies (Accounting Standard) Rules 2006 referred to in sub-section (3C) of Section 211 of the Companies Act, in the preparation of the financial statements.
The Company has complied with the mandatory requirements of Clause 49 of Listing Agreement except the following : <ol style="list-style-type: none"> 1. Number of Independent Directors in the Board was less by one number in view of the resignation of Mr. S. Sami, Director w.e.f. 14.08.2012 who was also a Audit Committee Member. We could not get the replacement immediately. However, we have appointed Mrs Rashmi Uday Singh w.e.f. 29.05.2014 as Board Member and as Audit Committee Member. 2. In the Audit Committee meetings only one independent Director was present instead of two since the other Independent Director was out of station on those days. 3. The gap between two Audit Committee meetings held on 14.08.2013 and 24.12.2013 was more by 10 days than the prescribed gap in view of the non availability of Independent Directors.

6. CEO / CFO Certification : Certificate from Mr. S. B. Ghia, Chairman & Managing Director in terms of Clause 49 (V) of the Listing Agreement with the Stock Exchanges for the financial year ended 31st March, 2014 was placed before the Board of Directors of the Company in its meeting held on 29th May, 2014.

7. Means of Communication :

Quarterly Results	The results of the Company are published in newspapers as per the Listing Agreement as well as on Company's website
Any website, where displayed	www.innovassynthinvestments.in
Whether it also displays official news releases	No
The presentations made to Institutional Investors or to the analysts	No presentations were made to institutional investors or to the analysts during the year under review
Newspapers in which results are normally published in	Free Press Journal / Navshakti
Whether MD&A is a part of Annual Report or not	Management Discussion and Analysis Report forms part of this Annual Report

8. General Shareholder Information :

AGM : Date, Time and Venue	25 th September, 2014; 11.00a.m. at Old Mumbai-Pune Road, Khopoli 410203, Dist. Raigad, Maharashtra
Financial Calendar Year ending 31st March 2014	1. First Quarterly Result : April 2013 to June 2013
	2. Second Quarterly Result : July 2013 to September 2013
	3. Third Quarterly Result : October 2013 to December 2013
	4. Last Quarterly Result : January 2014 to March 2014
Date of Book Closure	19 th September, 2014 to 25 th September, 2014
Dividend payment date	N. A.
Listing on Stock Exchange	Bombay Stock Exchange
Stock Code (Physical and Demat)	533315

**Monthly Highest & Lowest Closing quotations of the Equity shares for the year 2013-2014.
Bombay Stock Exchange Limited**

Year	Month	High		low		
		Rate(Rs.)	Date	Rate(Rs.)	Date	
2013	April	3.50	17/04/2013	2.75	1/4/2013	
	May	3.40	7/5/2013	2.22	29/05/2013	
	June	2.44	4/6/2013	2.03	28/06/2013	
	July	2.45	26/07/2013	2.03	1/7/2013	
	August	2.60	14/08/2013	2.35	30/08/2013	
	September	2.50	30/09/2013	1.92	25/09/2013	
	October	3.92	23/10/2013	2.33	1/10/2013	
	November	3.68	5/11/2013	3.14	29/11/2013	
	December	3.08	5/12/2013	2.80	23/12/2013	
	2014	January	3.13	16/01/2014	2.58	7/1/2014
		February	3.86	28/02/2014	2.85	3/2/2014
		March	3.69	7/3/2014	2.64	26/03/2014

SENSEX information for the period April 2013 to March 2014

Year	Month	SENSEX				
		Open	High	Low	Close	
2013	April	18,890.81	19,622.68	18,144.22	19,504.18	
	May	19,459.33	20,443.62	19,451.26	19,760.30	
	June	19,859.22	19,860.19	18,467.16	19,395.81	
	July	19,352.48	20,351.06	19,126.82	19,345.70	
	August	19,443.29	19,569.20	17,448.71	18,619.72	
	September	18,691.83	20,739.69	18,166.17	19,379.77	
	October	19,452.05	21,205.44	19,264.72	21,164.52	
	November	21,158.81	21,321.53	20,137.67	20,791.93	
	December	20,771.27	21,483.74	20,568.70	21,170.68	
	2014	January	21,222.19	21,409.66	20,343.78	20,513.85
		February	20,479.03	21,140.51	19,963.12	21,120.12
		March	21,079.27	22,467.21	20,920.98	22,386.27

Registrar and Transfer Agents : Satellite Corporate Services Pvt. Ltd., B-302, Sony Apartments, Opp St. Jude.s High School, Off. Andheri-Kurla Road, Jarimari, Mumbai - 400 0721. Phone : 28520461, 28520462 Fax : 285118091 E-mail : service@satellitecorporate.com

Share Transfer System : Transfer of shares held in physical mode is processed by M/s Satellite Corporate Services Pvt. Ltd. and approved by the Company Secretary and Director pursuant to the powers delegated to them by the Board of Directors of the Company. The total numbers of share transfers during the year were 6573 with an average interval of 30 days between approvals.

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014

Shareholding of nominal Value of Rs.	Shareholding		Share Amount		
	No. of Shareholders	%of Shareholders to total	No. of Shares	Nominal value of shares	% of shares amount to total
Upto -- 2,500	30473	85.33	19,88,448	198,84,480	8.19
2,501 -- 5,000	2784	7.8	10,87,215	108,72,150	4.48
5,001 - 10,000	1132	3.17	8,55,294	85,52,940	3.52
10,001 - 20,000	584	1.64	8,25,331	82,53,310	3.4
20,001 - 30,000	252	0.71	6,11,464	61,14,640	2.52
30,001 - 40,000	84	0.24	2,97,473	29,74,730	1.23
40,001 - 50,000	111	0.31	5,14,605	51,46,050	2.12
50,001 - 1,00,000	126	0.35	9,52,976	95,29,760	3.93
1,00,001 and above	164	0.46	171,45,229	1714,52,290	70.62
Total	35710	100.00	242,78,035	2427,80,350	100.00

Shareholding pattern as on 31st March, 2014

	Category	No. of shares held	Percentage of shareholding
1	Promoter holding (including persons acting in concert)	78,63,113	32.39
2	Institutional Investors/Mutual Funds/Banks/FIIs	14,01,077	5.77
3	Others : Indian Public	1,08,91,889	44.86
	Private Corporate Bodies	25,67,325	10.57
	NRIs / OCBs	15,49,964	6.38
	Foreign Bank	3361	0.01
	GRAND TOTAL	2,427,8,035	100

Dematerialization of shares and liquidity : 90.72% of the value of the paid-up Share Capital comprising of 2,20,25,435 no of shares have been dematerialized as on 31st March, 2014.

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity : Nil

Address for Correspondence : Innovassynth Investments Limited,
Mumbai- Pune Road, Khopoli- 410 203, Dist. Raigad, Maharashtra, INDIA

Declaration-Code of Conduct : All Board members & senior management personnel have, for the Year ended 31st March, 2014, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the clause 49 of the Listing Agreement entered with the Stock Exchanges.

Place : Mumbai Date : 13th August, 2014

For Innovassynth Investments Limited
S. B. Ghia - Chairman & Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of **INNOVASSYNTH INVESTMENTS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by **INNOVASSYNTH INVESTMENTS LIMITED** ('the company') for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and Management, subject to the following :

1. *The number of independent directors is less than half of the strength of Board of directors even though the Chairman of the Board is an executive director.*
2. *A minimum of two independent directors were not present in the meetings of audit committee.*
3. *The time gap between meetings of the Board and the Audit Committee held on 14th August 2013 and 24th December 2013 is longer than four months.*
4. *Since the Company's website is non-operative, we are unable to comment regarding the posting of information as stipulated in Clause 49 of the Listing Agreement on its website.*
5. *The company has delayed in submitting the quarterly compliance report to the stock exchange for the quarter ended 30th September 2013.*

we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For N. M. RAIJI & CO.
Chartered Accountants
Firm Regn. No.108296W

CA. Y.N.THAKKAR
Partner
Membership No.33329

Place : Mumbai, Dated : 13.08.2014

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF INNOVASSYNTH INVESTMENTS LIMITED****Report on the Financial Statements :**

We have audited the accompanying financial statements of **INNOVASSYNTH INVESTMENTS LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March 2014, the statement of Profit and Loss and 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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 of 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 misstatements 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 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 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:

- i. in the case of the Balance Sheet, of the State of affairs of the Company as at 31st March 2014;
- ii. in the case of Statement of Profit and Loss, of the Loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the Cash Flow 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"),as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, and on the basis of such checks of the books /and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
2. As required by section 227 (3) of the Act, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules,2006 as sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

CA. Y. N. Thakkar
Partner
Membership No : 33329

Place : Mumbai
Date : 29/05/2014

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of INNOVASSYNTH INVESTMENTS LIMITED ('the Company') for the year ended March 31, 2014. We report that :

The Clause No.4 (i), 4 (ii), 4 (iv), 4(viii), 4(xi), 4(xii), 4(xv), 4(xix), 4(xx) of the Order is not applicable to the Company

- i. During the year, the Company has not granted any loans secured or Unsecured to Companies, Firms or other parties covered in the register maintained under section 301 of the Act hence sub-clause (b),(c) and (d) of clause 4(iii) of the Order are not applicable.
The Company has not taken any loans secured or Unsecured from Companies, Firms or other parties covered in the register maintained under section 301 of the Act hence sub-clause (e),(f) and (g) of clause 4(iii) of the Order are not applicable.
- ii. There are no particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained in pursuance of section 301. Accordingly, sub-clause (b) of clause 4(v) is not applicable.
- iii. The Company has not accepted any deposits from the public.
- iv. The Company has an internal audit system commensurate with the size and nature of its business.
- v. (a)According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed applicable statutory dues and, cess *except Income Tax deducted at source wherein certain delays were observed*. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
(b)According to the records made available to us and the information and explanations given by the management, there are no dues of income tax, wealth tax, cess that have not been deposited on account of any dispute.
- vi. The Company has accumulated losses at the end of the financial year and its accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has incurred cash losses in the financial year and in the year immediately preceding such financial year.
- vii. The Company is not a chit/ nidhi/mutual benefit fund/society.
- viii. The Company has maintained the proper records for dealing in shares and timely entries therein have been made therein. The shares are held by the company in its own name.
- ix. The term loans were applied for the purpose for which the loans were obtained.
- x. Funds raised on short term basis have not been used for long term investment.
- xi. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xii. According to the information and explanations given to us, no fraud on or by the Company, has been noticed or reported during the course of our audit.

For N. M. RAIJI & CO.,
Chartered Accountants
Firm Registration No.: 108296W

CA. Y. N. THAKKAR
Partner
Membership No: 33329

Place: Mumbai
Date: 29/05/2014

Balance Sheet as at 31 March, 2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
A	EQUITY AND LIABILITIES			
	Shareholders' funds			
	Share capital	1	242,780,350	242,780,350
	Reserves and surplus	2	(6,775,497)	(5,028,135)
	Money received against share warrants			
	Share application money pending allotment		-	-
	Non-current liabilities			
	Long-term borrowings		-	-
	Deferred tax liabilities (net)		-	-
	Other long-term liabilities		-	-
	Long-term provisions		-	-
	Current liabilities			
	Short-term borrowings	3	3,000,000	1,000,000
	Trade payables	4	48,433	89,999
	Other current liabilities	5	97,555	87,974
	Short-term provisions		-	-
	TOTAL		239,150,842	238,930,188
B	ASSETS			
	Non-current assets			
	Fixed assets			
	(i) Tangible assets		-	-
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	Non-current investments	6	238,500,700	238,500,700
	Deferred tax assets (net)		-	-
	Long-term loans and advances		-	-
	Other non-current assets		-	-
	Current assets			
	Current investments		-	-
	Inventories		-	-
	Trade receivables		-	-
	Cash and cash equivalents	7	648,372	104,488
	Short-term loans and advances	8	1,770	325,000
	Other current assets		-	-
	TOTAL		239,150,842	238,930,188
	See accompanying notes forming part of the financial statements	1 – 14		

As per our report annexed
For **N.M. RAIJI & CO.**,
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 29/05/2014

For and on behalf of the Board of Directors

Mr. S. B. Ghia Chairman and Managing Director
Dr. B. Sahu Director
S.B. Chatterjee Company Secretary

Mumbai, 29/05/2014

Statement of Profit and 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
I	Revenue from Operations		-	-
II	Other income		-	-
III	Total Revenue		-	-
IV	Expenses			
	Cost of materials consumed		-	-
	Purchases of stock-in-trade		-	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
	Employee benefits expense		-	-
	Finance costs		156	-
	Depreciation and amortisation expense		-	-
	Other Expenses	9	1,747,206	1,076,850
	Total expenses		1,747,362	1,076,850
V	Profit / (Loss) before exceptional and extraordinary items and tax		(1,747,362)	(1,076,850)
VI	Exceptional items		-	-
VII	Profit / (Loss) before extraordinary items and tax		(1,747,362)	(1,076,850)
VIII	Extraordinary items		-	-
IX	Profit / (Loss) before tax		(1,747,362)	(1,076,850)
X	Tax Expense:			
	(a) Current tax		-	-
	(b) Deferred tax		-	-
XI	Profit / (Loss) from continuing operations		(1,747,362)	(1,076,850)
XII	Profit / (Loss) from discontinuing operations (before tax)		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit / (Loss) from discontinuing operations		-	-
XV	Profit / (Loss) for the year after tax		(1,747,362)	(1,076,850)
XVI	Earnings per share (on face value of ₹10/- each):	12		
	(a) Basic		(0.07)	(0.04)
	(b) Diluted		(0.07)	(0.04)
	See accompanying notes forming part of the financial statements	1 – 14		
As per our report annexed For N.M. RAIJI & CO., Chartered Accountants CA. Y. N. THAKKAR Partner Mumbai, 29/05/2014		For and on behalf of the Board of Directors Mr. S. B. Ghia Chairman and Managing Director Dr. B. Sahu Director S.B. Chatterjee Company Secretary Mumbai, 29/05/2014		

CASH FLOW STATEMENT FOR THE YEAR 01.04.2013 TO 31.03.2014

Particulars		For the year ended 31 March, 2014	For the year ended 31 March, 2013
(A) CASH FLOW FROM OPERATIONS			
(Loss) before tax and extra-ordinary item		(1,747,362)	(1,076,850)
Adjustment for			
Operating Loss before working capital changes		(1,747,362)	(1,076,850)
Adjustment for			
Prepaid Expenses		(1,770)	-
Trade & Other Payables		(31,985)	96,105
Cash Generated from Operations		(1,781,116)	(980,745)
		-	-
NET CASH FROM OPERATING ACTIVITIES	(A)	(1,781,116)	(980,745)
(B) CASH FLOW FROM INVESTING ACTIVITIES:			
Advance (Given)/ Repaid		325,000	(325,000)
NET CASH USED IN INVESTING ACTIVITIES	(B)	325,000	(325,000)
(C) CASH FLOW FROM FINANCING ACTIVITIES			
Issue of equity Shares		-	-
Proceeds from Short Term borrowing		2,000,000	1,000,000
NET CASH FROM FINANCING ACTIVITIES	(C)	2,000,000	1,000,000
Net increase in cash and cash activities (A + B + C)		543,884	(305,745)
Cash and cash equivalents at the commencement of the year (Opening Balance)		104,488	410,233
Cash and cash equivalents at the end of the year (Closing Balance)		648,372	104,488
NET INCREASE / (DECREASE) AS DISCLOSED ABOVE		543,884	(305,745)
Notes :			
1. Cash and cash equivalents include all items under Note 7 forming part of financial statement.			
2. Cash and Cash equivalents includes Rs.86,134 (previous year Rs.86162) which is earmarked for fractional payment.			
3. All figures in brackets are outflows.			
As per our report annexed For N.M. RAIJI & CO., Chartered Accountants CA. Y. N. THAKKAR Partner Mumbai, 29/05/2014		For and on behalf of the Board of Directors Mr. S. B. Ghia Chairman and Managing Director Dr. B. Sahu Director S.B. Chatterjee Company Secretary Mumbai, 29/05/2014	

Notes forming part of the financial statements**Note 1 Share capital**

1 (a)	Particulars	As at 31st March 2014	As at 31st March 2013
	(a) Authorised		
	25,00,000 (25,00,000) Equity shares of ₹ Rs.10/- each with voting rights	250,000,000	250,000,000
	(b) Issued		
	24,278,035 (24,278,035) Equity shares of ₹ Rs.10/- each with voting rights	242,780,350	242,780,350
	(c) Subscribed and fully paid up		
	24,278,035 (24,278,035) Equity shares of ₹ Rs.10/- each with voting rights	242,780,350	242,780,350
	Total	242,780,350	242,780,350

1 (b) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2014 and March 31, 2013 is set out below:				
Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Number of shares	Number of shares	Number of shares
Number of shares at the beginning	24,278,035	242,780,350	24,278,035	242,780,350
Add: Shares issued on preferential basis	0	0	0	0
Number of shares at the end	24,278,035	242,780,350	24,278,035	242,780,350

1 (c) Rights of Shareholders

In the event of liquidation by the company, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the company, after distribution to those it was secured.

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act, 1956, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

1 (d) Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Bhupati Investments & Finance Private Limited	3,166,116	13.04	3,166,116	13.04
Bloomingdale Investments & Finance Private Limited	2,412,414	9.94	2,412,414	9.94
Matsyagandha Investment & Finance Private Limited	2,234,643	9.20	2,234,643	9.20

Notes forming part of the financial statements**Note 2 Reserves and surplus**

Particulars	As at 31 March, 2014	As at 31 March, 2013
Capital reserve	220,350	220,350
Surplus / (Deficit)		
Opening balance	(5,248,485)	(4,171,635)
Add:(Loss) for the year transferred from Statement of Profit & Loss	(1,747,362)	(1,076,850)
Closing balance	(6,995,847)	(5,248,485)
Total	(6,775,497)	(5,028,135)
Note 3 Short-term borrowings		
Matsyagandha Investments Finance Private Limited	3000000	1000000
Total	3,000,000	1,000,000

Note 4 Trade Payables

Others	48,433	89,999
Total	48,433	89,999

Note 5 Other current liabilities

Other payables : Withholding Taxes	11,421	1,812
Dues to Fractional Shareholders	86,134	86,162
Total	97,555	87,974

Note 6 Non-current investments (Non- Trade, Unquoted)

Investment in equity instruments 2,38,50,070 (2,38,50,070) Equity Shares of Rs.10/- each of Innovassynth Technologies (India) Limited fully paid up	238,500,700	238,500,700
Total	238,500,700	238,500,700
Aggregate cost of unquoted investments	238,500,700	238,500,700

Note 7 Cash and cash equivalents

Cash on hand	3,786	840
Balances with banks		
In Fractional Payment Account	86,134	86,162
In current account	558,452	17,486
Total	648,372	104,488

Note 8 Short-term Loans and Advances : Loans and advances to related parties

Futura Polyesters Limited	-	325,000
Prepaid Expenses	1,770	-
Total	1,770	325,000.00

Note 9 Other expenses

Postage charges	567,689	149,840
Printing and Stationary	413,260	240,113
Custodial & Listing Fees	252,451	259,485
Registrar and share Transfer agent fees	189,765	185,090
Repairs and Manintenance	1,400	-
Legal and Professional Fees'	130,257	-
Payments to auditors : As Auditor	15,000	15,000
Other services	14,000	14,000
Reimbursement of Service Tax & Expenses	3,585	3,891
Other expenses	159,799	209,431
Total	1,747,206	1,076,850

NOTE 10 : NOTES FORMING PART OF THE FINANCIAL STATEMENTS**1 SIGNIFICANT ACCOUNTING POLICIES**

A. These financial statements have been prepared in accordance with generally accepted accounting principles in India under historical cost convention on accrual basis. These financial statements have been prepared to comply in all materials aspects with accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provision of the Companies Act, 1956.

B. Revenue Recognition : Dividend on Investments is accounted when the right to receive payment is established.

C. Investments : Investments being long-term are stated at cost less diminution, other than temporary, in the value of investments if any.

D. Taxes on Income

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

(b) Deferred Tax Provision : Deferred Tax is recognised on timing differences between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted on the Balance Sheet date. Deferred Tax Assets are recognized and carried forward against which deferred tax assets can be realised.

Notes forming part of the financial statements**Note 11: Related Parties Disclosures****Details of related parties:**

Description of relationship	Names of related parties
Key Management Personnel (KMP)	MR.S.B GHIA
Company in which KMP / Relatives of KMP can exercise significant influence	(A) BHUPATI INVESTMENTS & FINANCE PRIVATE LIMITED (B) CHIKA PRIVATE LIMITED (C) FUTURA POLYESTERS LIMITED
Transactions with related parties :	
Company has received back Loan from Futura Polyesters Limited Rs. 3,25,000 (Previous year paid ₹Rs. 3,25,000) and closing balance is ₹ Nil (RS. 3,25,000).	

Note 12: Earnings Per Share

	As at 31st March, 2014	As at 31st March, 2013
(a) Weighted Average Number of Shares Outstanding during the year		
i) For Basic Earnings Per Share	24,278,035	24,278,035
ii) For Diluted Earnings Per Share	24,278,035	24,278,035
(b) Net Profit/(Loss) after Tax available for Equity Shareholders (in ₹)	-1,747,362	-1,076,850
(c) Earnings Per Share ₹) Face value of ₹10/-		
i) Basic	(0.07)	(0.04)
ii) Diluted	(0.07)	(0.04)

Note 13 : General instruction for preparation of Balance sheet and Statement of Profit and Loss as per revised schedule VI are given to the extent they are applicable to the Company.

Note 14 : Figures of Previous Year have been regrouped wherever necessary.

As per our report annexed
For **N.M. RAIJI & CO.,**
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 29/05/2014

For and on behalf of the Board of Directors
Mr. S. B. Ghia Chairman and Managing Director
Dr. B. Sahu Director
S.B. Chatterjee Company Secretary

Mumbai, 29/05/2014

PROXY FORM

INNOVASSYNTH INVESTMENTS LIMITED

Registered Office : Old Mumbai-Pune Road, Dist. Raigad, Khopoli - 410203, Maharashtra

I/We _____ of _____ Member/Members of Innovassynth Investments Limited, holding shares in Folio No./ Client ID _____ hereby appoint _____ of _____ or failing him/her _____ of _____ or failing him/her _____ of _____ as my/our Proxy to attend and vote for me/us and on my/our behalf at the 7th Annual General Meeting of the Company to be held on Thursday, the 25th day of September, 2014 and at any adjournment thereof in respect of such resolutions as mentioned below :

Sr. No.	Resolution	Optional	
		For	Against
	Ordinary Business		
1	To receive, consider and adopt the audited Balance Sheet as at and Profit & Loss Accounts for the year ended 31st March, 2014 and the Reports of the Directors and Auditors thereon		
2	To appoint Mr. S.B. Ghia , Director who retires by rotation in the ensuing Annual General Meeting		
3	To appoint Dr. B. Sahu, Director who retires by rotation in the ensuing Annual General Meeting		
4	To appoint Auditors and fix their remuneration		
	Special Business		
5	To appoint Mr. K. Ramasubramanian as an Independent Director of the Company		
6	To appoint Mrs.. Rashmi Uday Singh as an Independent Director of the Company		

Signed this _____ day of September, 2014

Signature _____

NOTE :

1. The proxy form must be deposited at the registered office of the company at Old Mumbai - Pune Road, Khopoli - 410203, Dist. Raigad, Maharashtra not less than forty-eight hours before the commencement of the meeting.
2. It is optional to put the 'X' in the appropriate column against the resolutions indicated in the Box. If you leave blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Affix Revenue Stamp

COURIER / SPEED POST

To :

If undelivered please return to :
INNOVASSYNTH INVESTMENTS LIMITED,
Old Mumbai - Pune Road, Khopoli - 410203,
Dist. Raigad, Maharashtra.