

**Everlon
Synthetics
Ltd.**

**29th
Annual Report
(2017-18)**

Financial Year (2017- 2018)

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EVERLON SYNTHETICS LIMITED

CIN L17297MH1989PLC052747

BOARD OF DIRECTORS

SHRI JITENDRA K. VAKHARIA

(DIN 00047777)

MANAGING DIRECTOR

SMT VARSHA J. VAKHARIA

(DIN 00052361)

DIRECTOR

SHRI DINESH P. TURAKHIA

(DIN 00063927)

INDEPENDENT DIRECTOR

SHRI NITIN I PAREKH

(DIN 00087248)

INDEPENDENT DIRECTOR

KEY MANAGERIAL PERSONNEL

SHRI PRADEEP K. PAREEK

CHIEF FINANCIAL OFFICER

SHRI SANDEEP S. GUPTA

COMPANY SECRETARY

AUDITORS

M/s. K.S. MAHESHWARI & COMPANY

(Chartered Accountants)

203, Shripad Darshan, Ayre Road, Dombivali (East) – 421 201

BANKERS

Yes Bank Ltd.

Indian Overseas Bank

IDBI Bank

REGISTERED OFFICE

67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.

E-Mail: everlonsynthetics@gmail.com www.everlon.in

FACTORY

Plot No.265/7/1. Demni Road, Dadra, Silvassa

(Union Territory of Dadra & Nagar Haveli)

LISTED AT

The Bombay Stock Exchange, Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd..

Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E),

Mumbai – 400 072. Tel: 2851 5606/ 2851 5644 Fax: 2851 2885

E-mail: sharexindia@vsnl.com

NOTICE

Notice is hereby given that the Twenty-Ninth Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Friday 10th August, 2018, at Kilachand Conference Room, 2nd Floor, Indian Merchants Chambers, Churchgate, Mumbai - 400 020 at 10.30 a. m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company as at 31st March, 2018, the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Varsha J. Vakharia who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Audit Committee, M/s. K.S Maheshwari & Co., Chartered Accountants, Firm Registration No. 105846W who have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2018-19, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL BUSINESS

4. To consider Determination of fees for delivery of any document through a particular mode of delivery to a Member and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), whereby, a document may be served on any Member by the Company, by sending it to him/her by post or by registered post or by speed post or by courier or such electronic or other mode as may be prescribed, approval of the Members be and is hereby accorded to charge from the Members such fees in advance, equivalent to estimated actual expenses of delivery of documents, pursuant to any request made by any Member for delivery of such documents through a particular mode of service mentioned above, provided that such request along with requisite fees has been duly delivered by the Company at least 10 (Ten days) in advance of dispatch of document by the Company to the Members.

RESOLVED FURTHER THAT the Board of Directors and / or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.

**By order of the Board of Directors
For Everlon Synthetics Limited**

**Sd/-
J.K.Vakharia
Managing Director
(DIN00047777)**

Place:- Mumbai

Date:- 22nd May, 2018

NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. A Proxy shall not have the right to speak at the meeting and shall not be entitled to vote at the meeting except on a poll. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a shareholder.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Register of the Company will remain closed from Friday 3rd August, 2018 to Friday 10th August, 2018 (both days inclusive).
4. The Members are requested to:
 - i) Intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East) Mumbai – 400 072. Members holding shares in the electronic form are advised to inform change in address directly to their respective depository participants.
 - ii) Quote their Folio No. /Client ID No. in their correspondence with the Company/ Registrar and Share Transfer Agents.
 - iii) Send their queries at least 10 days in advance so that the required information can be made available at the meeting.
 - iv) Bring their copies of Annual Report and Attendance slip with them at the meeting.
 - v) Intimate Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of their folios, in case they are having more than one folio.

5 Green Initiative for Paperless Communications:-

The Ministry of Corporate Affairs ("MCA") has taken a 'Green Initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode. In accordance with recent circular bearing no.17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs (MCA), Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

- 6 As per the said MCA circular, the Company is attaching herewith E-Communication Registration Form /letter to Equity shareholders for providing advance opportunity to register their e-mail address with the Company or Depository Participant and changes therein from time to time.

This is an opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

Equity Shareholders holding shares in physical form can avail the said facility to enable the Company to send the notice/documents through electronic mode. They should download the form from the Company's website (www.everlon.in) and forward the same to Company's Registrar and transfer agents i.e. Sharex Dynamic (India) Pvt.Ltd., Unit: Everlon Synthetics Ltd., Unit-1, Luthra Ind.Premises, Safed Pool, Andheri-Kurla Road, Andheri (E), Mumbai. – 400 072. Tel: 2851 5506 / 2851 5644, Fax No: 2851 2855. The Shareholders holding shares in demat mode can register their e-mail address with their Depository Participant, in the event they have not done so earlier for receiving notices/documents through Electronic mode.

7. Instructions for the voting through electronic means

I In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e- voting") will be provided by National Securities Depository Limited (NSDL).

II The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting

who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Tuesday 7th August 2018 at 9.00 am and ends on Thursday 9th August 2018 at 5.00 pm. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2018, may cast their votes by e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participant(s)]

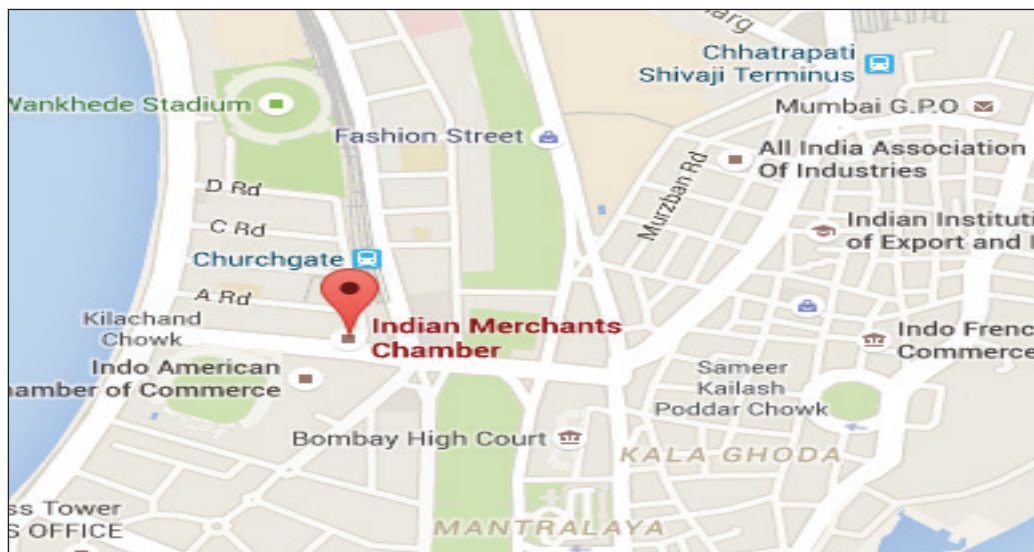
- (i) Open email and open PDF file viz ; "remote e-voting PDF with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com>.
- (iii) Click on Shareholder – Login.
- (iv) Put the user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Everlon Synthetics Ltd.,
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at e-mail ID shethmm_cs@yahoo.co.in with a copy to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy

- (i) Initial password is provided as below / at the bottom of the Attendance Slip for AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 2nd August, 2018.

- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 2nd August , 2018 , may obtain the login ID and password by sending a request at email ID evoting@nsdl.co.in or RTA email ID e-Voting @sharexindia.com and sharexindia@vsnl.com.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact at the following toll free no.: 1800-222-990.
- XI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot paper.
- XII. M.M. Sheth & Co. Company Secretary (FCS No.1455) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote-e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” / “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within 48 hours of the conclusion of the AGM, consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and the declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.everlon.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited

8. Map of the venue of AGM:



9. Details of Director seeking re-appointment at the forth coming Annual General Meeting.

| | |
|---|---|
| A. Name of Director | Mrs. Varsha J. Vakharia |
| B. Date of Birth | 25/08/1958 |
| C. Date of Appointment | 29/10/1999 |
| D. Qualification | M.A. |
| E. Expertise in specific areas | General Administration |
| F. Name of other Public Companies in which holds Directorship as on 31 st March 2018 | 1) Ind Renewable Energy Ltd. 2) Vakharia Financial Services Ltd. |
| G. Name of other Companies of which holds Committee Membership / Chairmanship As on 31 st March 2018 | NIL |
| H. No. of equity shares held As on 31 st March 2018 | 8,38,628 |
| I Inter-se Relations Among Directors | She is related to Jitendra K. Vakharia |
| J. Number of Board Meetings attended during the year. | She has attended Five board meetings. |

- 10.** The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item Nos.4, of the accompanying Notice is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ('the Act')

Item No.4

As per the provisions of Section 20 of the Companies Act, 2013, a Company may serve documents on its Members by post or by registered post or by speed post or by courier or such electronic or other mode by paying such fees as may be determined by the Members in the Annual General Meeting.

Accordingly, the approval of the Members is sought by way of a Ordinary Resolution as set out at Item No.4 of the Notice for charging from the Members such fees in advance, equivalent to estimated actual expenses of delivery of documents, pursuant to any request made by any Member for delivery of such documents through a particular mode of service mentioned above, provided that such request along with requisite fees has been duly received by the Company at least 10 (Ten) days in advance of dispatch of documents by the Company to the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interest, financially or otherwise, in the Resolution set out at Item No. 4.

The Board recommends the Resolution No.4 for approval of the Members.

**By order of the Board of Director
For Everlon Synthetics Limited**

Sd/-

**J. K. Vakharia
Managing Director
(DIN 00047777)**

Place:- Mumbai

Date :- May 22, 2018

EVERLON SYNTHETICS LIMITED
DIRECTOR'S REPORT

To,
The Members,
The Board of Directors present their 29th Annual Report together with Financial Statements for the year ended 31st March, 2018.

1. OPERATIONS AND FINANCIAL RESULTS

| | Year Ended 31/03/2018 (Rs. in Lakhs) | Year Ended 31/03/2017 (Rs. in Lakhs) |
|--|---|--|
| Sales | 3668.34 | 3922.71 |
| Other Income | 9.59 | 7.38 |
| Profit for the year before Depreciation, Exceptional Items & Tax | 51.12 | 39.41 |
| Less : Depreciation | 22.31 | 21.99 |
| Profit before Tax | 28.81 | 17.42 |
| Less : Provision for Tax | 6.00 | 3.50 |
| Profit after tax | 22.81 | 13.92 |
| Tax adjustments for earlier years | 0.07 | (0.40) |
| Profit for the year | 22.87 | 13.52 |
| Profit – (Loss) Brought forward from Previous Year | (54.84) | (68.36) |
| Profit/ (Loss) carried to Balance Sheet | (31.97) | (54.84) |

2. PERFORMANCE

Your Company has managed to achieve reasonable good performance during the year in spite of difficult market conditions.

The company has produced 3808.95 tons against 4137.81 tons during the previous year resulting in sales turnover of Re.3668.34 lakhs as against Re.3922.71 lakhs during the previous year.

3. DIVIDEND

Directors do not recommend any dividend due to the accumulated losses suffered by the company.

4. DIRECTORS & KEY MANAGERIAL PERSONNEL

A) Changes in Directors and Key Managerial Personnel

Mrs. Varsha Jitendra Vakharia (DIN: 00052361), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks reappointment pursuant to Section 152 of the Companies Act, 2013

B) Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, of individual Directors as well as the evaluation of the working of all Committees.

C) Declaration by an Independent Director(s)

All the Independent Directors have provided the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6) of Section 149.

5. AUDITORS :

The appointment of M/s. K.S. Maheshwari & Co., Chartered Accountants, Member, Statutory Auditors of the Company, is valid upto conclusion of ensuing Annual General Meeting. Being eligible, they offer themselves for re-appointment. Directors recommend their re-appointment as Statutory Auditors of the Company.

6. DEPOSITS :

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

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

The details required are given in the notes to the financial statements.

8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act 2013, Directors of your Company hereby state and confirm that :-

- a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards, have been followed and there are no material departures from the same.
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the Company as at March 31, 2018 and of the profit of the company for the year ended on that date.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. AUDITORS REPORT

Auditors notes are self-explanatory and do not call for any further comments. There are no qualifications in Auditors Report. There are no frauds reported by Auditors u/s.143(12) of the Companies Act 2013.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Act, are provided in **Annexure A** to this report.

11. DETAILS OF COMMITTEES OF THE BOARD

The Board has constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholders'

Relationship Committee. The Composition of aforesaid committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules made under and Listing / Regulations, are as follows:

A. Audit Committee:

The Audit Committee comprises of two Independent Directors namely Shri Dinesh P. Turakhia, Chairman and Shri Nitin I. Parekh and also Shri Jitendra K. Vakharia Managing Director as member. All recommendations made by the Audit Committee were accepted by the Board.

Details of establishment of vigil mechanism for directors and employees:

The Company has established vigil mechanism pursuant to Section 177(9) of the Companies Act, 2013 for Directors and Employees to report their concerns and has also taken steps to safeguard any person using this mechanism from victimization and in appropriate and exceptional cases, there is direct access to approach Mr. Dinesh P. Turakhia, Chairperson of the Audit Committee.

B. Nomination and remuneration committee:

The Board has constituted Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013. Mr. Dinesh P. Turakhia, Independent Director is the Chairman of the said Committee and Mr. Nitin I. Parekh, Independent Director and Mrs. Varsha J. Vakharia, Director are the members of the Committee. The Committee has framed a policy to determine the qualification and attributes for appointment and basis of determination of remuneration of all the Directors, Key Managerial Personnel and other employees.

C. Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee comprises of Mr. Dinesh P. Turakhia, Independent Director as the Chairman of the Committee and Mr. Jitendra K. Vakharia, Managing Director and Mrs. Varsha J. Vakharia, Director as the members of the Committee. The role of the Committee is to consider and resolve securities holders' complaints. The complaints are responded resolved within the time frame provided.

12. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

The Board has appointed M/s. A. M. Sheth & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2017-18, as required u/s.204 of the Companies Act, 2013 and the rules framed thereunder. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure B** to this Report, The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

13. MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors duly met 5 times during the financial year from 1st April, 2017 to 31st March 2018. The dates on which the meetings were held are as follows:- 29th May 2017, 4th July 2017, 14th August 2017, 5th December 2017 and 27th January 2018.

14. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure C** to this Report.

15. RISK MANAGEMENT PLAN

There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks facing business. There are no risks which threaten the existence of the company.

16. CORPORATE SOCIAL RESPONSIBILITY

Provisions of section 135 of the Companies Act, 2013 are not applicable to the company.

17. CORPORATE GOVERNANCE

The Company is adhering to good corporate governance practices in every sphere of its operations. The corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company as company's paid up capital is less than Rs.10 crores and net worth is less than Rs. 25 crores. Management Discussions and Analysis Report is attached herewith as **Annexure D**

18. CONTRACTS U/S. 188

All contract/arrangements / transactions entered by the company during the financial year with related parties were in ordinary course of business and on an arm's length basis. Form AOC2 giving details of contract is attached herewith as **Annexure E**.

19. INTERNAL FINANCIAL CONTROL

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business.

20 DIRECTORS REMUNERATION

Remuneration policy for Directors, Key Managerial Persons and other employees is attached herewith as **Annexure F**.

Particulars of Directors Remuneration as required u/s. 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are attached herewith as **Annexure G**.

21. CODE OF CONDUCT

Declaration by Managing Director under Para D of Schedule V of Listing Regulations 2015.

"I hereby declare that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct of Board of Directors and Senior Management."

22. CONSOLIDATION OF SHARE CAPITAL

The Company's Equity Share Capital has been consolidated from Rs.1/- per share to Rs.10/- per share as approved by the Members of the Company at the last Annual General Meeting of the Company held on 8th September, 2017. The trading of the Company's Equity Share in the new denomination of Rs.10/- commenced at BSE Ltd from 31/10/2017 with new ISIN No.

23. EQUITY SHARES IN UNCLAIMED SUSPENSE ACCOUNT UNDER REGULATION 39 AND SCHEULDE VI OF LISTING REGULATIONS

Details of Equity shares in Unclaimed Suspense Account under Regulations 39 and Schedule VI are as follows

| Description | No. of Records | No of Equity Shares of Rs.10/- each * |
|--|----------------|---------------------------------------|
| No. of shareholders and outstanding shares at the beginning of the year | 433 | 72,720 |
| No. of shareholder's request received for transfer of shares during the year | 1 | 300 |
| No. of shareholders to whom shares transferred During the year | 1 | 300 |
| No. of shareholders and outstanding shares at the end of the year | 432 | 72,420 |

The voting rights on the above shares shall remain frozen till the rightful owner of such shares claim the shares.

* In terms of special resolution passed by members at 28th AGM held on 8th Sept.2017, the equity share of Re 1/- per share has been consolidated to Rs.10/- per share.

24. GENERAL DISCLOSURES

No disclosure is required in respect of following matters:-

- Subsidiary Associate or Joint Venture Company.
- Material orders passed by the Regulators, or Courts or Tribunals.
- Equity shares with differential rights.
- Sweat equity shares.
- Employee Stock Options Scheme.

- (f) Particulars of Employees. (no employee is in receipt of remuneration of Rs. 1.02 crore p.a. or Rs. 8.50 lakhs per month.)
- (g) Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. (No cases filed).

25 ACKNOWLEDGEMENT

The Directors wish to place on record appreciation for the efforts put in by all the employees of the Company. They are thankful to Company's Bankers for the support extended to the company.

For and on behalf of the Board of Directors

**Sd/-
J.K. Vakharia
Managing Director
(DIN 00047777)**

**Sd/-
V. J. Vakharia
Director
(DIN 00052361)**

**Place:- Mumbai
Date:- 22nd May, 2018**

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) Companies (Accounts) Rules, 2014 are provided below.

(A) CONSERVATION OF ENERGY

- | | |
|---|--|
| (i) the steps taken or impact on conservation of energy | Energy conservation continues to receive priority attention at all levels. |
| (ii) the steps taken by the company for utilising alternate sources of energy | All efforts are made to conserve and optimise use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. |
| (iii) the capital investment on energy conservation equipment | No Capital has been earmarked separately for Energy Conservation equipment. |

(B) TECHNOLOGY ABSORPTION

NIL

(C). FOREIGN EXCHANGE EARNINGS AND OUT GO:

Foreign Exchange earned : NIL

Foreign Exchange outgo : NIL

Annexure B
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
Everlon Synthetics Limited,
Regent Chambers, 6th Floor,
208, Nariman Point,
Mumbai-400021.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2018 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)

(As the Company falls in ambit of criterion specified under Regulation 15 (2) of LODR, certain regulations are not applicable to the Company.)

- (vi) There are no specific laws applicable to the Company, as confirmed by the Company.

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

- (i) Secretarial Standards (SS.1 relating to meetings of Board of Directors & SS.2 relating to General Meetings) issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

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

All decisions at board meetings and Committee meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that during the audit period the Company has following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- Special Resolution for authorisation for making investments in excess of the limits specified u/s 186 of the Companies Act, 2013 upto a sum of Rs. 20 crores (Rupees Twenty crores only)
- Special Resolution for Reclassification of Shareholder from Promoter Group Category to Public Category constituting 4.55 % of the issued and paid up share capital of the Company
- Special Resolution for Consolidation of Share Capital of the Company by consolidating every 10 equity shares of Re. 1/- each to 1 equity share of Rs. 10/- each and consequential amendments to Memorandum of Association and Alteration of Articles of Association of the Company for the same.

**FOR A. M. SHETH & ASSOCIATES
(Company Secretaries)**

Sd/-
AMI SHETH
Prop.
ACS No. 24127
CP No. 13976

Place: Mumbai
Date: May 22, 2018

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

Annexure-A

The Members,
Everlon Synthetics Limited,
Regent Chambers, 6th Floor,
208, Nariman Point,
Mumbai-400021.

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR A. M. SHETH & ASSOCIATES
(Company Secretaries)

Sd/-
AMI SHETH
Prop.
ACS No. 24127
CP No. 13976

Place: Mumbai
Date: May 22, 2018

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

Annexure C**EXTRACT OF ANNUAL RETURN FORM MGT 9**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31.03.2018

I. REGISTRATION & OTHER DETAILS:

| | | |
|---|--|---|
| 1 | CIN | L17297MH1989PLC052747 |
| 2 | Registration Date | 26 th July, 1989 |
| 3 | Name of the Company | Everlon Synthetics Ltd. |
| 4 | Category/Sub-category of the Company | Company Limited by Shares |
| 5 | Address of the Registered office & contact details | 67, Regent Chambers, Nariman Point, Mumbai - 400021 Tel: 2204 9233, 2204 2788 Fax: (022) 2287 0540 |
| 6 | Whether listed company | Yes (Listed on BSE) |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai – 400 072. Tel: 2851 5606/ 2851 5644 Fax: 2851 2885 E-mail: sharexindia@vsnl.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

| Sr. No. | Name & Description of main products/ services | NIC Code of the Product / service | % to total turnover of the company |
|---------|---|-----------------------------------|------------------------------------|
| 1. | Polyester Texturised Yarn | ----- | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of Shares Held Associate | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|----------------------------|--------------------|
| 1. | N.A. | N.A. | N.A. | N.A. | N.A. |

IV. SHARE HOLDING PATTERN

(Equity Share Capital Break up as percentage of total Equity)

(1) Category - wise Share Holding

| Category of Shareholders | No of Shares held at the beginning of the year | | | | No of Shares held at the end of the year | | | | % Change during the year |
|--|--|------------|-----------------|-------------------|--|------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| a) Individual/HUF | 36257052 | Nil | 36257052 | 64.489 | 3470815 | Nil | 3470815 | 61.734 | -2.755 |
| b) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt.(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Bodies Corp. | 4370992 | Nil | 4370992 | 7.774 | 437100 | Nil | 437100 | 7.774 | Nil |
| e) Banks/FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any Other | | | | | | | | | |
| Sub-total (A) (1):- | 40628044 | 0 | 40628044 | 72.263 | 3907915 | 0 | 3907915 | 69.508 | -2.755 |
| (2) Foreign | | | | | | | | | |
| a) NRIs- Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Other - Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Banks / F1 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Any other | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (A) (2):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total shareholding of Promoter (A)=(A)(1) +(A) (2) | 40628044 | 0 | 40628044 | 72.263 | 3907915 | 0 | 3907915 | 69.508 | -2.755 |
| B. Public Shareholding | | | | | | | | | |
| a) Mutual Funds/Banks/FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt.(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Venture Capital funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Insurance Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) FII's | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| g) Foreign Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Other (specify) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (B)(1):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 953346 | 12000 | 965346 | 1.717 | 86819 | 1200 | 88019 | 1.566 | -0.151 |
| i) Indian | | | | | | | | | |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakh | 4338291 | 2155841 | 6494132 | 11.551 | 457577 | 213183 | 670760 | 11.930 | 0.379 |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 4151599 | 0 | 4151599 | 7.384 | 555814 | 0 | 555814 | 9.886 | 2.502 |

| Category of Shareholders | No of Shares held at the beginning of the year | | | | No of Shares held at the end of the year | | | | % Change during the year |
|--|--|----------------|-----------------|-------------------|--|---------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Others NRI | 3953529 | 0 | 3953529 | 7.032 | 395177 | 0 | 395177 | 7.029 | -0.003 |
| Clearing Members | 29750 | 0 | 29750 | 0.053 | 4555 | 0 | 4555 | 0.081 | 0.028 |
| Sub-total (B)(2) | 13426515 | 2167841 | 15594356 | 27.737 | 1499942 | 214383 | 1714325 | 30.492 | 2.755 |
| Total Public Shareholding | | | | | | | | | |
| (B)=(B)(1)+ (B)(2) | 13426515 | 2167841 | 15594356 | 27.737 | 1499942 | 214383 | 1714325 | 30.492 | 2.755 |
| C. Shares held by Custodian for GDRs & ADRs. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 54054559 | 2167841 | 56222400 | 100 | 5407857 | 214383 | 5622240* | 100 | 0 |

Note:

* The Company's Equity Share Capital has been consolidated from Rs.1/- per share to Rs.10/- per share and the same had been approved by the Members of the Company at the last Annual General Meeting of the Company held on 8th September, 2017.

ii) **Shareholding of Promoters:**

| Sl. No. | Shareholder's Names | Shareholding at beginning of the year | | | Shareholding at the end of the year | | | share holding during the year |
|---------|------------------------------|---------------------------------------|----------------------------------|--|-------------------------------------|----------------------------------|--|-------------------------------|
| | | No of Shares | % of total Shares of the Company | % of shares Pledged / encumbered to total shares | No of Shares | % of total Shares of the Company | % of shares Pledged / encumbered to total shares | |
| 1 | Everest Yarn Agency P.Ltd. | 300820 | 0.535 | Nil | 30082 * | 0.535 | Nil | 0 |
| 2 | Everlon Solar Energy P.Ltd. | 1488000 | 2.647 | Nil | 148800 * | 2.647 | Nil | 0 |
| 3 | Omkar Texolene Pvt.Ltd. | 300260 | 0.534 | Nil | 0 | 0.000 | 0 | -0.534 |
| 4 | Vakharia Synthetics Pvt.Ltd. | 2281912 | 4.059 | Nil | 228192 * | 4.059 | Nil | 0 |
| 5 | Jitendra K. Vakharia (HUF) | 12213188 | 21.723 | Nil | 1221320* | 21.723 | Nil | 0 |
| 6 | Tarun K. Vakharia (HUF) | 10165 | 0.018 | Nil | 1016 * | 0.018 | Nil | 0.000 |
| 7 | Jitendra K. Vakharia | 11356364 | 20.199 | Nil | 1137690 * | 20.236 | Nil | 0.037 |
| 8 | Varsha J. Vakharia | 7392769 | 13.149 | Nil | 838628 * | 14.916 | Nil | 1.767 |
| 9 | Kantilal V. Vakharia (HUF) | 324000 | 0.576 | Nil | 32400 * | 0.576 | Nil | 0 |
| 10 | Prachi J. Vakharia | 2352006 | 4.183 | Nil | 235201 * | 4.183 | Nil | 0 |
| 11 | Lina Dhiren Dadia | 2562960 | 4.559 | Nil | 0 | 0.000 | Nil | 0 |
| 12 | Neela T. Vakharia | 45600 | 0.081 | 0 | 0 | 0 | Nil | -0.081 |
| 13 | Tarun K. Vakharia | 0 | 0 | 0 | 4560 | 0.081 | 0 | 0 |
| 14 | Omkar Texlone LLP | 0 | 0 | 0 | 30026 ** | 0.534 | 0 | 0 |
| | Total | 40628044 | 72.263 | Nil | 3907915 | 69.508 | Nil | |

Note :

** Omkar Texolene Pvt.Ltd. has been converted into L.L.P. (Omkar Texolene L.L.P.)

* The Company's Equity Share Capital has been consolidated from Rs.1/- per share to Rs.10/- per share and the same had been approved by the Members of the Company at the last Annual General Meeting of the Company held on 8th September, 2017.

iii) Change in Promoters' Shareholding

| SI No. | Shareholder's Name | No of Shares at the beginning of the year As of 01/04/2017 | | Increase/Decrease in shareholding | | | No of Shares at the end of the year As of 31/03/2018 | |
|--------|--------------------------|---|-------------------|-----------------------------------|---------------|--------|---|-------------------|
| | | No. of Shares | % total of shares | Date | No. of Shares | Reason | No. of Shares | % total of shares |
| 1 | VARSHA JITENDRA VAKHARIA | 7392769 | 13.149 | 01/04/2017 | | | | |
| | | | | 07/04/2017 | 500 | Buy | 7393269 | 13.15 |
| | | | | 21/04/2017 | 2173 | Buy | 7395442 | 13.154 |
| | | | | 28/04/2017 | 2400 | Buy | 7397842 | 13.158 |
| | | | | 05/05/2017 | 825 | Buy | 7398667 | 13.16 |
| | | | | 12/05/2017 | 1600 | Buy | 7400267 | 13.162 |
| | | | | 19/05/2017 | 2540 | Buy | 7402807 | 13.167 |
| | | | | 23/06/2017 | 1103 | Buy | 7403910 | 13.169 |
| | | | | 30/06/2017 | 5 | Buy | 7403915 | 13.169 |
| | | | | 07/07/2017 | 450 | Buy | 7404365 | 13.170 |
| | | | | 14/07/2017 | 1070 | Buy | 7405435 | 13.17 |
| | | | | 21/07/2017 | 1610 | Buy | 7407045 | 13.175 |
| | | | | 04/08/2017 | 1080 | Buy | 7408125 | 13.176 |
| | | | | 08/11/2017 | 450 | Buy | 7408575 | 13.177 |
| | | | | 25/08/2017 | 1334 | Buy | 7409909 | 13.180 |
| | | | | 01/09/2017 | 4202 | Buy | 7414111 | 13.187 |
| | | | | 08/09/2017 | 8010 | Buy | 7422121 | 13.201 |
| | | | | 30/09/2017 | 9 | Buy | 7422130 | 13.201 |
| | | | | 06/10/2017 | 0 | * | 742213 | 13.201 |
| | | | | 03/11/2017 | 275 | Buy | 742488 | 13.206 |
| | | | | 11/10/2017 | 413 | Buy | 742901 | 13.214 |
| | | | | 17/11/2017 | 2533 | Buy | 745434 | 13.259 |
| | | | | 24/11/2017 | 14 | Buy | 745448 | 13.259 |
| | | | | 01/12/2017 | 20 | Buy | 745468 | 13.259 |
| | | | | 15/12/2017 | 520 | Buy | 745988 | 13.269 |
| | | | | 22/12/2017 | 1832 | Buy | 747820 | 13.301 |
| | | | | 29/12/2017 | 1464 | Buy | 749284 | 13.327 |
| | | | | 05/01/2018 | 500 | Buy | 749784 | 13.336 |
| | | | | 12/01/2018 | 53999 | Buy | 803783 | 14.296 |
| | | | | 19/01/2018 | 340 | Buy | 804123 | 14.303 |
| | | | | 09/02/2018 | 1897 | Buy | 806020 | 14.336 |
| | | | | 16/02/2018 | 880 | Buy | 806900 | 14.352 |
| | | | | 23/02/2018 | 31450 | Buy | 838350 | 14.911 |

| SI No. | Shareholder's Name | No of Shares at the beginning of the year As of 01/04/2017 | | Increase/Decrease in shareholding | | | No of Shares at the end of the year As of 31/03/2018 | |
|--------|----------------------------------|--|-------------------|-----------------------------------|---------------|--------|--|-------------------|
| | | No. of Shares | % total of shares | Date | No. of Shares | Reason | No. of Shares | % total of shares |
| | | | | 02/03/2018 | 70 | Buy | 838420 | 14.913 |
| | | | | 09/03/2018 | 30 | Buy | 838450 | 14.913 |
| | | | | 16/03/2018 | 80 | Buy | 838530 | 14.915 |
| | | | | 23/03/2018 | 98 | Buy | 838628 | 14.916 |
| | Closing Balance | | | 31/03/2018 | | | 838628 | 14.916 |
| 2 | JITENDRA K. VAKHARIA | 11356364 | 20.199 | 01/04/2017 | | | | |
| | | | | 28/07/2017 | 290 | Buy | 11356654 | 20.200 |
| | | | | 04/08/2017 | 200 | Buy | 11356854 | 20.200 |
| | | | | 01/09/2017 | 1960 | Buy | 11358814 | 20.203 |
| | | | | 15/09/2017 | 4324 | Buy | 11363138 | 20.211 |
| | | | | 22/09/2017 | 4300 | Buy | 11367438 | 20.219 |
| | | | | 30/09/2017 | 3212 | Buy | 11370650 | 20.224 |
| | | | | 06/10/2017 | 0 | * | 1137065 | 20.224 |
| | | | | 22/12/2017 | 625 | Buy | 1137690 | 20.236 |
| | Closing Balance | | | 31/03/2018 | | | 1137690 | 20.236 |
| 3 | Neela Tarun Vakharia | 45600 | 0.081 | 01/04/2017 | | | | |
| | | | | 30/06/2017 | -45600 | Sold | 0 | 0 |
| | Closing Balance | | | | | | 0 | 0 |
| 4 | Jitendra Kantilal Vakharia (HUF) | 12213188 | 21.723 | 01/04/2017 | | | | |
| | | | | 30/09/2017 | 12 | Buy | 12213200 | 21.723 |
| | | | | 06/10/2017 | 0 | * | 1221320 | 21.723 |
| | Closing Balance | | | 31/03/2018 | | | 1221320 | 21.723 |
| 5 | Prachi Jitendra Vakharia | 2352006 | 4.183 | 01/04/2017 | | | | |
| | | | | 30/09/2017 | 4 | Buy | 2352010 | 4.183 |
| | | | | 06/10/2017 | 0 | * | 235201 | 4.183 |
| | Closing Balance | | | 31/03/2018 | | | 235201 | 4.183 |
| 6 | Vakharia Synthetics Pvt. Ltd. | 2281912 | 4.059 | 01/04/2017 | | | | |
| | | | | 30/09/2017 | 8 | Buy | 2281920 | 4.059 |
| | | | | 06/10/2017 | 0 | * | 228192 | 4.059 |
| | Closing Balance | | | 31/03/2018 | | | 228192 | 4.059 |

EVERLON SYNTHETICS LIMITED

| SI No. | Shareholder's Name | No of Shares at the beginning of the year As of 01/04/2017 | | Increase/Decrease in shareholding | | | No of Shares at the end of the year As of 31/03/2018 | |
|--------|--------------------------------|--|-------------------|-----------------------------------|---------------|------------|--|-------------------|
| | | No. of Shares | % total of shares | Date | No. of Shares | Reason | No. of Shares | % total of shares |
| 7 | Everlon Solar Energy Pvt. Ltd. | 1488000 | 2.647 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 148800 | 2.647 |
| | Closing Balance | | | 31/03/2018 | | | 148800 | 2.647 |
| 8 | Kantilal V. Vakharia (HUF) | 324000 | 0.576 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 32400 | 0.576 |
| | Closing Balance | | | 31/03/2018 | | | 32400 | 0.576 |
| 9 | Everest Yarn Agency Pvt. Ltd. | 300820 | 0.535 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 30082 | 0.535 |
| | Closing Balance | | | 31/03/2018 | | | 30082 | 0.535 |
| 10 | Tarun K. Vakharia | 45600 | 0.081 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 4560 | 0.081 |
| | Closing Balance | | | 31/03/2018 | | | 4560 | 0.081 |
| 11 | Tarun K. Vakharia (HUF) | 10165 | 0.018 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 1016 | 0.018 |
| | Closing Balance | | | 31/03/2018 | | | 1016 | 0.018 |
| 12 | Omkar Texlone Pvt Ltd | 300260 | 0.534 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | | 30026 | 0.534 |
| | | | | 24/11/2017 | -30026 | Trf to LLP | 0 | 0 |
| | Closing Balance | | | 31/03/2018 | | | 0 | 0 |
| 13 | Omkar Texlone LLP | 0 | 0.000 | 01/04/2017 | | | | |
| | Closing Balance | | | 31/03/2018 | | ** | 30026 | 0.534 |

Note:

* The Company's Equity Share Capital has been consolidated from Rs.1/- per share to Rs.10/- per share and the same had been approved by the Members of the Company at the last Annual General Meeting of the Company held on 8th September, 2017.

** Omkar Texolene Pvt.Ltd. has been converted into L.L.P. (Omkar Texolene L.L.P.)

| iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) | | | | | | | | |
|---|---------------------------------------|---|-----------------------------------|------------|-------------------------------|-------|---------------|----------------------------------|
| Sr. No. | Name | No of Shares at the beginning (01/04/2016) / end of the year (31/03/2017) | % of Total Shares of the company. | Date | Increase / Decrease in shares | Reson | No. of Shares | % of total Shares of the company |
| 1 | ABIRAMI ARUNACHALAM | 1200000 | 2.134 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | | * | 120000 | 2.134 |
| | Closing Balance | | | 31/03/2018 | | | 120000 | 2.134 |
| 2 | EVERLON SYNTHETICS LTD. SUSPENSE A/C. | 727200 | 1.293 | 01/04/2017 | | | | |
| | | | | 01/09/2017 | -3000 | Sold | 724200 | 1.288 |
| | | | | 06/10/2017 | 0 | * | 72420 | 1.288 |
| | Closing Balance | | | 31/03/2018 | | | 72420 | 1.288 |
| 3 | ALPESH A GANDHI | 308501 | 0.549 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 30850 | 0.549 |
| | | | | 19/01/2018 | -28522 | Sold | 2328 | 0.041 |
| | | | | 23/03/2018 | -2328 | Sold | 0 | 0 |
| | Closing Balance | | | 31/03/2018 | | | 0 | 0 |
| 4 | MUJEEBUR RAHMAN HABEEB | 2572087 | 4.575 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 257208 | 4.575 |
| | Closing Balance | | | 31/03/2018 | | | 257208 | 4.575 |
| 5 | SANGEETHA S | 332820 | 0.592 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 33282 | 0.592 |
| | Closing Balance | | | 31/03/2018 | | | 33282 | 0.592 |
| 6 | KEYUR MAHESH SHAH | 533981 | 0.95 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 53398 | 0.95 |
| | Closing Balance | | | 31/03/2018 | | | 53398 | 0.95 |

EVERLON SYNTHETICS LIMITED

| | | | | | | | | |
|----|------------------------------|--------|-------|------------|--------|------|--------|-------|
| 7 | AMI DHIREN DADIA | 800886 | 1.424 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 80088 | 1.424 |
| | | | | 12/01/2018 | -80088 | Sold | 0 | |
| | Closing Balance | | | 31/03/2018 | | | 0 | 0 |
| 8 | LALIT CHANDRAKANT SHAH (HUF) | 653273 | 1.162 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | 0 | * | 65327 | 1.162 |
| | Closing Balance | | | 31/03/2018 | | | 65327 | 1.162 |
| 9 | LALIT CHANDRAKANT SHAH | 565791 | 1.006 | 01/04/2017 | | | | |
| | | | | 26/05/2017 | 4625 | Buy | 570416 | 1.015 |
| | | | | 02/06/2017 | 635 | Buy | 571051 | 1.016 |
| | | | | 04/08/2017 | 225 | Buy | 571276 | 1.016 |
| | | | | 11/08/2017 | 4315 | Buy | 575591 | 1.024 |
| | | | | 18/08/2017 | 1380 | Buy | 576971 | 1.026 |
| | | | | 25/08/2017 | 825 | Buy | 577796 | 1.028 |
| | | | | 30/09/2017 | -545 | Sold | 577251 | 1.027 |
| | | | | 06/10/2017 | 0 | * | 57725 | 1.027 |
| | | | | 08/12/2017 | 660 | Buy | 58385 | 1.038 |
| | | | | 26/01/2018 | 31508 | Buy | 89893 | 1.599 |
| | | | | 02/02/2018 | 600 | Buy | 90493 | 1.61 |
| | | | | 16/02/2018 | -31450 | Sold | 59043 | 1.05 |
| | Closing Balance | | | 31/03/2018 | | | 59043 | 1.05 |
| 10 | PRAGNA ANIL SANGHAVI | | | 01/12/2017 | 54000 | Buy | 54000 | 0.96 |
| | Closing Balance | | | 31/03/2018 | | | 54000 | 0.96 |
| 11 | ANKITA VISHAL SHAH | 210593 | 0.375 | 01/04/2017 | | | | |
| | | | | 21/04/2017 | 38 | Buy | 210631 | 0.375 |
| | | | | 28/04/2017 | 957 | Buy | 211588 | 0.376 |
| | | | | 05/05/2017 | 121 | Buy | 211709 | 0.377 |
| | | | | 12/05/2017 | 15 | Buy | 211724 | 0.377 |
| | | | | 19/05/2017 | 318 | Buy | 212042 | 0.377 |
| | | | | 26/05/2017 | 28 | Buy | 212070 | 0.377 |
| | | | | 16/06/2017 | 91 | Buy | 212161 | 0.377 |
| | | | | 23/06/2017 | 38 | Buy | 212199 | 0.377 |
| | | | | 30/06/2017 | -9000 | Sold | 203199 | 0.361 |

| | | | | | | | | |
|----|----------------------------------|---------|-------|------------|---------|------|--------|-------|
| | | | | 07/07/2017 | -11577 | Sold | 191622 | 0.341 |
| | | | | 21/07/2017 | 264 | Buy | 191886 | 0.341 |
| | | | | 28/07/2017 | 36 | Buy | 191922 | 0.341 |
| | | | | 08/09/2017 | -300 | Sold | 191622 | 0.341 |
| | | | | 06/10/2017 | 0 | * | 19162 | 0.341 |
| | Closing Balance | | | 31/03/2018 | | | 19162 | 0.341 |
| | | | | | | | | |
| 12 | LEENA DHIREN DADIA | 2562960 | 4.559 | 01/04/2017 | | | | |
| | | | | 06/10/2017 | -256296 | * | 256296 | 4.559 |
| | | | | 05/01/2018 | -225000 | Sold | 31296 | 0.557 |
| | | | | 12/01/2018 | -31296 | Sold | 0 | 0 |
| | Closing Balance | | | 31/03/2018 | | | 0 | 0 |
| | | | | | | | | |
| 13 | DHRUVESH ANIL SANGHVI | | | 12/01/2018 | 54000 | Buy | | |
| | Closing Balance | | | 31/03/2018 | | | 54000 | 0.96 |
| | | | | | | | | |
| 14 | DOSHI NILESH MAHENDRABHAI HUF | | | 12/01/2018 | 27000 | Buy | | |
| | Closing Balance | | | 31/03/2018 | | | 27000 | 0.48 |

Note:

* The Company's Equity Share Capital has been consolidated from Rs.1/- per share to Rs.10/- per share and the same had been approved by the Members of the Company at the last Annual General Meeting of the Company held on 8th September, 2017.

v) Shareholding of Directors and Key Managerial Personnel:

| Sl No. | Shareholder's Name | No of Shares at the beginning end of the year | | | Share holding at the end of the year | | | |
|--------|--------------------|---|-------------------|------------|---|--------|---------------|-------------------|
| | | (31-03 2017) | 31-03-2018) | | Year 31-03-2018 | | | |
| | | | % total of shares | Date | Increasing / Decreasing in shareholding | Reason | No. of Shares | % total of shares |
| 1 | DINESH P. TURAKHIA | 13000 | 0.023 | 01/04/2017 | | | | |
| | Closing Balance | | | 31/03/2018 | | | 1300* | 0.023 |
| 2 | PRADEEP K PAREEK | 45400 | 0.081 | 01/04/2017 | | | | |
| | Closing Balance | | | 31/03/2018 | | | 4540* | 0.081 |
| 3 | NITIN I. PAREKH | 0 | 0 | 01/04/2017 | | | | |
| | Closing Balance | | | 31/03/2018 | | | 0 | 0 |
| 4 | SANDEEP S. GUPTA | 0 | 0 | 01/04/2017 | | | | |
| | Closing Balance | | | 31/03/2018 | | | 0 | 0 |

Note:

* The Company's Equity Share Capital has been consolidated from Rs.1/- per share to Rs.10/- per share and the same had been approved by the Members of the Company at the last Annual General Meeting of the Company held on 8th September, 2017. [29]

V. INDEBTEDNESS: (Rs. in Lakhs)

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

| Particulars Secured Loans | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| 1) Principal Amount | 281.09 | 22.50 | 0 | 303.59 |
| 2) Interest due but not paid | 0 | 0 | 0 | |
| 3) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total of (1+2+3) | 281.09 | 22.50 | 0 | 303.59 |
| Change in Indebtedness during the financial year | | | | |
| + Addition | 4197.05 | 28.50 | 0 | 4225.55 |
| - Reduction | 4011.76 | 51.00 | 0 | 4062.76 |
| Net change | 185.29 | -22.50 | 0 | 162.79 |
| Indebtedness at the end of the financial year - 31.03.2018 | | | | |
| 1) Principal Amount | 466.38 | 0 | 0 | 466.38 |
| 2) Interest due but not paid | 0 | 0 | 0 | 0 |
| 3) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total of (1+2+3) | 466.38 | 0 | 0 | 466.38 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager: (Rs. In Lakhs)

| Sl. No. | Particulars of Remuneration | Name of MD/ WTD/ Manager | Total Amount |
|-----------|---|--------------------------------|-----------------|
| | | Jitendra K. Vakharia | |
| 1. | Gross salary | 600000 | 600000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | |
| | (b) Value of perquisites 17() Income-tax Act, 1961 | Nil | Nil |
| | (c) Profits in lieu of salary Under section 17(3) of Income-tax Act, 1961 | Nil | Nil |
| 2 | Stock Option | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil |
| 4. | Commission as % of profit - others, specify | Nil | Nil |
| 5. | Others, please specify Total (A) Ceiling as per the Act | 600000 | 600000 |

B. Remuneration of other directors:

I. Independent Directors:-

| Particulars of Remuneration | Name of Directors | | Total Amount |
|--|--------------------|-----------------|--------------|
| | Dinesh P. Turakhia | Nitin I. Parikh | |
| Fee for attending board committee meetings | 7000 | 5500 | 12500 |
| Commission | 0 | 0 | 0 |
| Others | 0 | 0 | 0 |
| Total (1) | 7000 | 5500 | 12500 |

II. Other Non-Executive Directors:-

| Other Non-Executive Directors | Name of Non-Executive Directors | Total Amount |
|--|---------------------------------|--------------|
| | Varsha J Vakharia | |
| Fee for attending board committee meetings | 7000 | 7000 |
| Commission | 0 | 0 |
| Others | 0 | 0 |
| Total (2) | 7000 | 7000 |
| Total B = (1+2) | | 19500 |

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD

| Sr. No | Particulars of Remuneration | Name of KMP | | Total Amount |
|--------|---|-----------------------|------------------------------------|---------------|
| | | Pradeep K. Pareek CFO | Sandeep S. Gupta Company Secretary | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act | 3,11,158 | 4,40,000 | 751158 |
| | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission - As % of Profit - Others, specify | 0 | 0 | 0 |
| 5 | Others, please specify Provident Fund & other Funds | 0 | 0 | 0 |
| | Performance Bonus | 0 | 0 | 0 |
| | Total (C) | 311158 | 440000 | 751158 |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty Punishment Compounding fees imposed | Authority (RD/ NCLT/Court) | Appeal made if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|-----------------------------------|
| A. COMPANY | | | | | |
| Penalty Punishment Compounding | | | None | | |
| B. DIRECTORS | | | | | |
| Penalty Punishment Compounding | | | None | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty Punishment Compounding | | | None | | |

For and on behalf of the Board of Directors

Sd/-
JITENDRA K. VAKHARIA
 Managing Director
 (DIN 00047777)

Sd/-
V. J. Vakharia
 Director
 (DIN 00052361)

Place:- Mumbai
 Date:- 22nd May, 2018

ANNEXURE - D
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Outlook:-

With the growth in the Indian economy, the Textile industry is also expected to grow further due to implementation of GST and increased Exports.

B. Opportunities:-

With the implementation of GST, the Textile industry is expected to move from an unorganized to organized sector. However, it may take some time for the sector to be fully converted to an organized sector. Thereafter, the industry is expected to grow substantially.

C. Segment:-

The Company has only one reporting segment, namely Textiles.

D. Risk and Concerns:-

Heavy Competition and high raw material prices are a risk to the Textile industry.

E. Internal Control Systems:-

The management reviews the control systems and procedures periodically to upgrade them. Presently the Internal Control System are commensurate to the size and operations of the company.

F. Performance:-

During the year , the sales were Rs 3668.34 lakhs (net of GST) as compared to Rs.3922.71 lakhs of the previous year (FY 2016-2017) .

G. Industrial Relations:-

Harmonious industrial relations continue to prevail during the year. Total numbers of employees as on 31st March 2018 were 33.

Cautionary Statement:-

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

Annexure E

FORM NO. AOC -2

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

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

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

Not Applicable as all transactions are on Arm's Length basis

2. Details of contracts or arrangements or transactions at Arm's length basis.

| SL. No. | Particulars | Details |
|---------|---|---|
| a) | Name (s) of the related party & nature of relationship | Teekay International Partnership Firm in which Directors are Interested |
| b) | Nature of contracts/arrangements/transaction | Lease Rent |
| c) | Duration of the contracts/arrangements/transaction | 11 months |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs.25,000/- p.m. |
| e) | Date of approval by the Board | 5 th December, 2017 |
| f) | Amount paid if any | Rs.3,00,000/- |

For and on behalf of the Board of Directors

Sd/-
JITENDRA K. VAKHARIA
 Managing Director
 (DIN 00047777)

Sd/-
V. J. Vakharia
 Director
 (DIN 00052361)

Place:- Mumbai
 Date:- 22nd May, 2018

ANNEXURE - F
Remuneration Policy

A. Remuneration Policy for Executive Directors

- a) The remuneration paid to the Executive Directors of the Company is approved by the Board of Directors on the recommendations of the HR & Remuneration Committee.
- b) Remuneration of the Chairman and Managing Director and Executive Directors consist of a fixed component and commission based on the net profits of each financial year. The commission amount is linked to the Net profit of each year. The increase in fixed salary is recommended by the HR Committee based on the general industry practice .

B. Remuneration Policy for Non-Executive Directors

Non-Executive Directors of a Company's Board of Directors add substantial value to the Company through their contribution to the Management of the Company. In addition they also play an appropriate control role. For best utilizing the Non - Executive Directors, the Company has constituted certain Committees of the Board.

Remuneration payable:

| Sr. No. | Particulars | Remuneration | Remarks |
|---------|----------------------------------|---|--|
| 1 | Sitting Fees: For Board Meetings | As may be decided by Board from time to time. | a) As per the limits prescribed by the Companies Act. b) Approval – Board |
| 2 | For Committee Meetings | At present, company does not pay any sitting fees for attending committee meetings. | a. As per the limits prescribed by the Companies Act. b. Approval – Board (An Independent Director shall not be entitled to any stock option.) |

C. Remuneration Policy for Senior Managers

1. The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario, remuneration package prevailing in the industry and remuneration package of the managerial talent of other comparable industries.
2. The remuneration to senior management employees comprises of two broad terms – Fixed Remuneration and Variable remuneration in the form of performance incentive.
3. Annual increase in fixed remuneration is reviewed and then approved by the HR and Remuneration Committee.

Annexure – G

(A) REMUNERATION OF DIRECTORS / KEY MANAGERIAL (KMP)

The information required pursuant to Section 197 read with Rule 5 The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the Company and Directors is furnished hereunder:-

| S.I NO. | Name | Designation | Remuneration Paid Rs. F.Y.2017-18 | Director Sitings Fees Paid Rs F.Y.2017-18 |
|---------|--------------------------|-------------------------|-----------------------------------|---|
| 1 | Shri Jitendra K.Vakharia | Managing Director | 6,00,000/- | ---- |
| 2 | Smt Varsha J.Vakharia | Director | --- | 7,000/- |
| 3 | Shri Dinesh P.Turakhia | Independent Director | --- | 7,000/- |
| 4 | Shri Nitin I. Parekh | Independent Director | --- | 5,500/- |
| 5 | Shri Sandeep S. Gupta | Company Secretary | 4,40,000/- | ---- |
| 6 | Shri Pradeep K.Pareek | Chief Financial Officer | 3,11,158/- | ---- |

(B) PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL REMUNERATION

(i) The information required pursuant to Section 197 read with Rule 5(1) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished hereunder:-

| Name | Designation | Ratio of Remuneration of each Director or KMP to median remuneration of employees | % increase in remuneration during F.Y.2017-18 | Comparison of the remuneration of each KMPS against the performance of the company |
|----------------------|-------------------------|---|---|--|
| Jitendra K. Vakharia | Managing Director | 1.86 times | 11% | Compared to F.Y 2016-17 |
| Pradeep K. Pareek | Chief Financial Officer | 0.96 times | 34% | Revenue decreased by 6% and EBIDTA |
| Sandeep S. Gupta | Company Secretary | 1.37 times | 22% | Increased by 13.28% |

(ii) **The median remuneration of employees increased by 11.84% in F.Y. 2017-18.**

(iii) The number of permanent employees on the rolls of the Company as on 31st March 2018 is 33 nos.

(iv) The average increase in remuneration paid to employees is 21.25% for F.Y. 2017-18 as compared to F.Y. 2016-17, the revenue in F.Y. 2017-18 decreased by 6% & EBITDA increased by 13.28%.

(v) The total remuneration of KMPs increased by 19.35% while the revenue in FY 2017-18 decreased by 6% and EBITDA increased by 13.28%.

(vi) **It is hereby affirmed that the remuneration paid during FY2017-18 is as per the remuneration policy of the Company.**

Information under Rule 5 (2) and 5 (3) of the companies (Appointment and remunerations of managerial personnel) Rule 2014.

There are no employees drawings remunerations as stated in the aforesaid Rules 5 (2) and 5 (3).

INDEPENDENT AUDITORS' REPORT

**To the Members,
EVERLON SYNTHETICS LIMITED**

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Everlon Synthetics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income cash flows and Statement of Changes in Equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in its terms of sub-section (11) of section 143 of Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order.

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

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.;
- d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
- e) on the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- f) with respect to the adequacy of the internal Financial Controls over Financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure "B".
- g) With respect to the other matters included in the auditor's report in accordance with Rule II of the Companies (Audit and Auditors) Rule 2014 as amended and to best of our information and according to the explanation given to us.
 - 1) The Company does not have any pending litigations which would impact its financial position.
 - 2) The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For K.S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)**

**Sd/-
K.S MAHESHWARI
PARTNER
M NO.39715**

**Place: Mumbai.
Dated: 22nd May 2018**

EVERLON SYNTHETICS LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH 2018

Annexure “A” to the Independent Auditors’ Report

The Annexure ‘A’ referred to in paragraph 1 under “Report on Other Regulatory Requirements” section of our report of even date

(i) In Respect of its Fixed Assets:

- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.

(ii) In Respect of its inventory:

According to the information and explanations given to us, Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year..

- (iii) According to information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited to Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to the information and explanations given to us, the company has not accepted any deposits during the year.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of 148 of the Companies Act, 2013.
- (vii) According to the information and explanation given to us, in respect of statutory dues;
 - a. The company is generally regular in depositing undisputed statutory dues including provident fund employees' state insurance, income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable.
 - b. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of exercise, value added tax, cess and any other statutory dues in arrears as at March 31, 2018 for period of more than six months from the date they became payable.
- (viii) The company has not defaulted in repayment of loans or borrowing from any financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised any money by way of further public offer by Right Issue to the shareholder and Term loans during the year.
- (x) We have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
- (xi) The Company is not a Nidhi Company hence clause is not applicable during the year.
- (xii) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act..
- (xiii) According to the information given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For K.S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)**

**Sd/-
K.S MAHESHWARI
PARTNER
M NO.39715**

**Place: Mumbai.
Dated: 22nd May 2018**

EVERLON SYNTHETICS LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EVERLON SYNTHETICS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Everlon Synthetics Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financing Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements, for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financing Reporting

Because of the inherent limitations of internal financial controls over financing reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subjected to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate .

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K.S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)**

**Sd/-
K.S MAHESHWARI
PARTNER
M NO.39715**

**Place: Mumbai.
Dated: 22nd May 2018**

EVERLON SYNTHETICS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2018

| PARTICULARS | Note No. | (Rupees) | | |
|---|----------|-----------------------------------|-----------------------------------|----------------------------------|
| | | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| I. ASSETS | | | | |
| 1. Non-Current assets | | | | |
| a) Property, Plant and Equipment | 1 | 34873340 | 35858645 | 37997333 |
| b) Capital Work-In-Progress | | - | - | - |
| c) Goodwill | | - | - | - |
| d) Other Intangible Assets | | - | - | - |
| e) Financial Assets | | - | - | - |
| (i) Investments | 2 | - | - | 302500 |
| (ii) Loans | 3 | 195744 | 195744 | 800365 |
| (iii) Other Financial Assets | | - | - | - |
| f) Income Tax Assets (net) | 4 | - | - | - |
| g) Other Non-Current Assets | 5 | 1134782 | 1702170 | 2269558 |
| Total Non-Current Assets | | 36203866 | 37756559 | 41369756 |
| 2. Current Assets | | | | |
| a) Inventories | 6 | 47441041 | 28236648 | 31177589 |
| b) Financial Assets | | - | - | - |
| (i) Investments | | - | - | - |
| (ii) Trade Receivables | 7 | 31740693 | 17609541 | 23881140 |
| (iii) Cash and cash equivalents | 8 | 674162 | 930322 | 482117 |
| (iv) Bank balances other than (iii) above | 9 | 575500 | 1261250 | 3775000 |
| (v) Loans | 10 | 189927 | 213045 | 246632 |
| (vi) Other Financial Assets | | - | - | - |
| c) Other Current Assets | 11 | 6125194 | 11977835 | 13575767 |
| Total Current Assets | | 86746517 | 60228641 | 73138245 |
| TOTAL ASSETS | | 122950383 | 97985200 | 114508001 |
| II. EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| a) Equity Share Capital | 12 | 56241000 | 56241000 | 56241000 |
| b) Other Equity | 13 | 4587958 | 2300140 | 947740 |
| Total Equity | | 60828958 | 58541140 | 57188740 |
| LIABILITIES | | | | |
| 1. Non-Current Liabilities | | | | |
| a) Financial Liabilities | | | | |
| (i) Borrowings | 14 | - | 2250000 | 10719969 |
| b) Provisions | 15 | 2703615 | 2456627 | 1968772 |
| c) Deferred tax liabilities | | - | - | - |
| | | 2703615 | 4706627 | 12688741 |
| 2. Current Liabilities | | | | |
| a) Financial Liabilities | | | | |
| (i) Short Term Borrowings | 16 | 46638261 | 28109104 | 37321368 |
| (ii) Trade Payables | 17 | 9891020 | 5963217 | 6308035 |
| (iii) Other financial Liabilities | | - | - | - |
| b) Other Current liabilities | 18 | 2447453 | 315112 | 651117 |
| c) Provisions | 19 | 441076 | 350000 | 350000 |
| | | 59417810 | 34737433 | 44630520 |
| TOTAL EQUITY & LIABILITIES | | 122950383 | 97985200 | 114508001 |

The accompanying notes are an integral part of the financial statements

1 to 27

As per our report of even date for K .S. MAHESHWARI & CO. CHARTERED ACCOUNTANTS (FIRM REGN NO.105846W)

For and on behalf of the Board of Directors

Sd/-
K. S. MAHESHWARI
(PARTNER)
M.No.39715

Sd/-
S.S.GUPTA
Company Secretary

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Place : Mumbai
Date : 22nd May, 2018

Sd/-
P.K.PAREEK
Chief Financial Officer

Sd/-
V. J. VAKHARIA
Director
(DIN 00052361)

EVERLON SYNTHETICS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

| PARTICULARS | Note No. | Year Ended 31 March 2018 | Year Ended 31 March 2017 |
|--|----------|-----------------------------|-----------------------------|
| I. Revenue from Operations | 20 | 366834220 | 392271477 |
| II. Other Income | 21 | 959199 | 737746 |
| III. Total Revenue (I+II) | | 367793419 | 393009223 |
| IV. Expenses | | | |
| Cost of Material Consumed | 22 | 335400343 | 342250368 |
| Purchase of stock-in-Trade | | - | - |
| Changes in inventories of finished goods- work-in-progress and stock-in-trade | 23 | (9876329) | 4319639 |
| Employee benefits expenses | 24 | 6281543 | 6664309 |
| Finance Costs | 25 | 3191218 | 3531018 |
| Depreciation & amortisation expenses | 1 | 2231029 | 2199303 |
| Other Expenses | 26 | 27684528 | 32302576 |
| Total Expenses | | 364912332 | 391267213 |
| V. Profit before exceptional items and tax (III-IV) | | 2881087 | 1742010 |
| VI. Exceptional Items | | - | - |
| VII. Profit before tax (V-VI) | | 2881087 | 1742010 |
| VIII. Tax Expense : | | | |
| (1) Current Tax | | (600000) | (350000) |
| (2) Deferred Tax | | - | - |
| (3) Tax adjustments for earlier years | | 6731 | (39610) |
| IX. Profit / (Loss) for the year | | 2287818 | 1352400 |
| X. Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit & loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit & loss | | - | - |
| Other Comprehensive Income for the year (net of tax) | | - | - |
| XI Total Comprehensive Income for the year (net of tax) (IX+X) | | 2287818 | 1352400 |
| XII Earning per equity share of face value of Rs.10/- each | | | |
| (Previous year Rs.1/- each) | | | |
| 1) Basic | | 0.41 | 0.02 |
| 2) Diluted | | 0.41 | 0.02 |

The accompanying notes are an integral part of the financial statements

1 to 27

As per our report of even date for K.S. MAHESHWARI & CO. CHARTERED ACCOUNTANTS (FIRM REGN NO.105846W)

For and on behalf of the Board of Directors

Sd/-
K. S. MAHESHWARI
(PARTNER)
M.No.39715

Sd/-
S.S.GUPTA
Company Secretary

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Place : Mumbai
Date : 22nd May, 2018

Sd/-
P.K.PAREEK
Chief Financial Officer

Sd/-
V. J. VAKHARIA
Director
(DIN 00052361)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2018

| | (Rupees) | |
|---|-------------------|-------------------|
| | 2017-2018 | 2016-2017 |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit/(loss) before Tax and Extraordinary items | 2881087 | 1742010 |
| Adjustment for : | | |
| Depreciation | 2231029 | 2199303 |
| Dividend Received | (142836) | (110410) |
| Interest Received | (91345) | (236750) |
| Other Non-operating Income | (116128) | 0 |
| Interest Paid | 3191218 | 3394672 |
| (Excess) /Short provision for income tax provided | (6731) | 39610 |
| (Profit)/Loss on Sale of Shares+++ | (608890) | (98019) |
| Operating profit before working capital charges | <u>7337404</u> | <u>6930416</u> |
| Adjustment for : | | |
| Trade and Other Receivables | (7688005) | 8449560 |
| Inventories | (19204393) | 2940941 |
| Trade Payable | 5927798 | 305879 |
| NET CASH USED FROM OPERATING ACTIVITIES | <u>(13627196)</u> | <u>18626796</u> |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of Fixed Assets | (1245724) | (60615) |
| Dividend Received | 142836 | 110410 |
| Interest Received | 91345 | 236750 |
| Profit/ (Loss) on Sale of Shares | 608890 | 98019 |
| NET CASH USED FROM INVESTING ACTIVITIES | <u>(402653)</u> | <u>384564</u> |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceeds from Secured Loans | 18529157 | (9212264) |
| Proceeds from Unsecured Loans | (2250000) | (8469969) |
| Interest Paid | (3191218) | (3394672) |
| NET CASH FROM INVESTING ACTIVITIES | <u>13087939</u> | <u>(21076905)</u> |
| Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C) | <u>(941910)</u> | <u>(2065545)</u> |
| CASH & CASH EQUIVALENTS :- | | |
| Opening Balance in the begning of the year | 2191572 | 4257117 |
| Closing Balance at the end of the year | 1249662 | 2191572 |
| NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS | <u>(941910)</u> | <u>(2065545)</u> |

As per our report of even date
for K. S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO.105846W)

For and on behalf of the Board of Directors

Sd/-
K. S. MAHESHWARI
(PARTNER)
M.No.39715

Sd/-
S.S.GUPTA
Company Secretary

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Place : Mumbai
Date : 22nd May, 2018

Sd/-
P.K.PAREEK
Chief Financial Officer

Sd/-
V. J. VAKHARIA
Director
(DIN 00052361)

EVERLON SYNTHETICS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(A) Equity share capital

| Particulars | No.of Shares | Rupees |
|--|----------------|-----------------|
| Balances as at 1st April 2016 | 56222400 | 56222400 |
| Changes during the year | - | - |
| Balances as at 31st March 2017 | 56222400 | 56222400 |
| Changes during the year | - | - |
| Balances as at 31st March 2018 | 5622240 | 56222400 |

(B) Other equity

| Particulars | Reserves & Surplus | Securities Premium | Total Equity |
|--|--------------------|--------------------|----------------|
| | Retained Earnings | | |
| Balances as at 1st April 2017 | (5484367) | 7784507 | 2300140 |
| Profit for the year | 2287818 | - | 2287818 |
| Other Comprehensive Income/ (Loss) | - | - | - |
| Total Comprehensive Income for the year | (3196549) | 7784507 | 4587958 |
| Transfer from retained earnings | - | - | - |
| Dividends (including dividend distribution tax) | - | - | - |
| Balances as at 31st March 2018 | (3196549) | 7784507 | 4587958 |

| Particulars | Reserves & Surplus | Securities Premium | Total Equity |
|--|--------------------|--------------------|----------------|
| | Retained Earnings | | |
| Balances as at 1st April 2016 | (6836767) | 7784507 | 947740 |
| Profit for the year | 1352400 | - | 1352400 |
| Other Comprehensive Income/ (Loss) | - | - | - |
| Total Comprehensive Income for the year | (5484367) | 7784507 | 2300140 |
| Transfer from retained earnings | - | - | - |
| Dividends (including dividend distribution tax) | - | - | - |
| Balances as at 31st March 2017 | (5484367) | 7784507 | 2300140 |

The accompanying notes are an integral part of the financial statements

As per our report of even date
for K .S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO.105846W)

For and on behalf of the Board of Directors

Sd/-
K. S. MAHESHWARI
(PARTNER)
M.No.39715

Sd/-
S.S.GUPTA
Company Secretary

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Place : Mumbai
Date : 22nd May, 2018

Sd/-
P.K.PAREEK
Chief Financial Officer

Sd/-
V. J. VAKHARIA
Director
(DIN 00052361)

NOTE 1 - Property, Plant and Machinery and Other Intangible Assets

| PARTICULARS | GROSS CARRYING VALUE | | | DEPRECIATION / AMORTISATION | | | | NET CARRYING VALUE | | |
|-----------------------------|----------------------|----------------|--------------------------|-----------------------------|------------------|-------------|----------------|---------------------------|-----------------|-----------------|
| | As at 01/04/17 | Additions | Deductions / Adjustments | As at 31/03/18 | As at 01/04/2017 | Adjustments | For the year | Deductions / Written Back | As at 31/03/18 | As at 31/03/17 |
| Tangible Assets | | | | | | | | | | |
| Land at Dadra | 2078580 | - | - | 2078580 | - | - | - | - | - | 2078580 |
| Factory Building | 15409711 | 757803 | - | 16167514 | 11761518 | - | 406388 | - | 12167906 | 3999608 |
| Plant & Machinery | 42631974 | 124000 | - | 42755974 | 12980196 | - | 1624727 | - | 14604923 | 28151051 |
| Computer | 581887 | - | - | 581887 | 555761 | - | 16501 | - | 572262 | 9623 |
| Furniture & Fixtures | 603863 | 363921 | - | 967784 | 518404 | - | 69253 | - | 587657 | 380127 |
| Vehicles | 1384016 | - | - | 1384016 | 1015505 | - | 114160 | - | 1129665 | 254351 |
| Total Tangible Assets (a) | 62690031 | 1245724 | - | 63935755 | 26831384 | - | 2231029 | - | 29062413 | 34873340 |
| Total Intangible Assets (b) | - | - | - | - | - | - | - | - | - | - |
| Total (a+b) | 62690031 | 1245724 | - | 63935755 | 26831384 | - | 2231029 | - | 29062413 | 34873340 |
| Previous Period | 62629416 | 60615 | - | 62690031 | 24632081 | - | 2199303 | - | 26831384 | 35858645 |

NOTE 1 - Property, Plant and Machinery and Other Intangible Assets

| PARTICULARS | GROSS CARRYING VALUE | | | DEPRECIATION / AMORTISATION | | | | NET CARRYING VALUE | | |
|-----------------------------|----------------------|--------------|--------------------------|-----------------------------|------------------|-------------|----------------|---------------------------|-----------------|-----------------|
| | As at 01/04/16 | Additions | Deductions / Adjustments | As at 31/03/17 | As at 01/04/2016 | Adjustments | For the year | Deductions / Written Back | As at 31/03/17 | As at 31/03/16 |
| Tangible Assets | | | | | | | | | | |
| Land at Dadra | 2078580 | - | - | 2078580 | - | - | - | - | - | 2078580 |
| Factory Building | 15409711 | - | - | 15409711 | 11378559 | - | 382959 | - | 11761518 | 3648193 |
| Plant & Machinery | 42631974 | - | - | 42631974 | 11360181 | - | 1620015 | - | 12980196 | 29651776 |
| Computer | 595662 | 22325 | - | 581887 | 549246 | - | 6515 | - | 555761 | 26126 |
| Furniture & Fixtures | 565573 | 38290 | - | 603863 | 494124 | - | 24280 | - | 518404 | 85459 |
| Vehicles | 1384016 | - | - | 1384016 | 849971 | - | 165534 | - | 1015505 | 368511 |
| Total Tangible Assets (a) | 62629416 | 60615 | - | 62690031 | 24632081 | - | 2199303 | - | 26831384 | 35858645 |
| Total Intangible Assets (b) | - | - | - | - | - | - | - | - | - | - |
| Total (a+b) | 62629416 | 60615 | - | 62690031 | 24632081 | - | 2199303 | - | 26831384 | 35858645 |
| Previous Period | 67201495 | - | 4572079 | 62629416 | 29251387 | (2391611) | 2337474 | 4565269 | 24632081 | 37997333 |

NOTE 2 - Investments

| Particulars | (Rupees) | | |
|--|--------------------------------------|--------------------------------------|-------------------------------------|
| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Investment (Unquoted Shares) (Janata Sahakari Bank Ltd) | - | - | 302500 |
| TOTAL | - | - | 302500 |

NOTE 3 - Loans

| Particulars | | | |
|-------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Security Deposits | 195744 | 195744 | 570579 |
| Loans & Advances to related parties | - | - | - |
| Other Loans & Advances | - | - | 229786 |
| TOTAL | 195744 | 195744 | 800365 |

NOTE 4 - Income Tax Assets (Net)

| Particulars | | | |
|---|--------------------------------------|--------------------------------------|-------------------------------------|
| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Taxes Paid in Advance (Net of Provision)) | - | - | - |
| TOTAL | - | - | - |

NOTE 5 - Other non-current assets

| Particulars | | | |
|--------------|--------------------------------------|--------------------------------------|-------------------------------------|
| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Others | 1134782 | 1702170 | 2269558 |
| TOTAL | 1134782 | 1702170 | 2269558 |

NOTE 6 - Inventories

| Particulars | | | |
|-------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Raw Material | 9714794 | 1743574 | 7426009 |
| Stock in Process (Work in Progress) | 2989817 | 4071919 | 4117662 |
| Stock of Finished Goods | 11354157 | 395726 | 4669622 |
| Stock of Stores & Spares | 1493190 | 2247998 | 1604174 |
| Stock in Trade (Equity Shares) | 21889083 | 19777431 | 13360122 |
| TOTAL | 47441041 | 28236648 | 31177589 |

NOTE 7 - Trade Receivables

| Particulars | (Rupees) | | |
|---------------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Unsecured considered good | 31740693 | 17609541 | 23881140 |
| TOTAL | 31740693 | 17609541 | 23881140 |

NOTE 8 - Cash and cash equivalents

| Particulars | As at | As at | As at |
|--------------------------------|-----------------------------|-----------------------------|----------------------------|
| | 31 st March 2018 | 31 st March 2017 | 1 st April 2016 |
| Balances with Banks | | | |
| i) In Current Accounts | 353499 | 279793 | 268128 |
| ii) In Unpaid Dividend Account | - | - | - |
| Cheques and drafts on hand | - | - | - |
| Cash-on-hand | 320663 | 650529 | 213989 |
| Others | - | - | - |
| TOTAL | 674162 | 930322 | 482117 |

NOTE 9 - Other Bank Balances

| Particulars | As at | As at | As at |
|------------------------|-----------------------------|-----------------------------|----------------------------|
| | 31 st March 2018 | 31 st March 2017 | 1 st April 2016 |
| Balances with Banks | | | |
| iii) In Fixed Deposits | 575500 | 1261250 | 3775000 |
| TOTAL | 575500 | 1261250 | 3775000 |

NOTE 10 - Loans

| Particulars | As at | As at | As at |
|-------------------------------------|-----------------------------|-----------------------------|----------------------------|
| | 31 st March 2018 | 31 st March 2017 | 1 st April 2016 |
| Unsecured considered good | | | |
| Loans & Advances to related parties | - | - | - |
| Others | | | |
| Staff & Prepaid Expenses | 189927 | 213045 | 246632 |
| TOTAL | 189927 | 213045 | 246632 |

NOTE 11 - Other Current Assets

| Particulars | As at | As at | As at |
|---------------------------|-----------------------------|-----------------------------|----------------------------|
| | 31 st March 2018 | 31 st March 2017 | 1 st April 2016 |
| Unsecured considered good | | | |
| Vat Refundable | 2277508 | 3246998 | 4394252 |
| Interest Accrued on FDR | 58724 | 27669 | 433148 |
| Trade Payable (Advances) | 3501997 | 8561839 | 8614024 |

EVERLON SYNTHETICS LIMITED

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| Prepaid Expenses | 98961 | 99110 | 134343 |
| Others | 188004 | 42219 | - |
| TOTAL | 6125194 | 11977835 | 13575767 |

NOTE – 12 SHARE CAPITAL

| | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|---|--------------------------------------|--------------------------------------|-------------------------------------|
| AUTHORISED | | | |
| 10000000 Equity Shares of Rs.10/- each (Previous year 100000000 Equity Shares of Rs.1/- each) | 100000000 | 100000000 | 100000000 |
| | 100000000 | 100000000 | 100000000 |
| ISSUED, SUBSCRIBED AND PAID UP | | | |
| 5622240 Equity Shares of Rs.10/- each (Previous Year 56222400 shares of Rs.1/- each fully paid up) | 56222400 | 56222400 | 56222400 |
| Add: Paid up value of shares Forfeited 3120 Equity Shares of Rs.10/- each (Previous Year 31200 shares of Rs1/-each) | 18600 | 18600 | 18600 |
| TOTAL : | 56241000 | 56241000 | 56241000 |

a) Rights and Restrictions of the Equity Shares holders

Following are the rights attached 5622240 equity shares;

(I) Rights to receive dividend as may be approved by the Board / Annual General Meeting.

(II) Rights to attend the Annual General Meeting of the Company and right to vote.

Apart from the above, the Equity shares rank pari passu and are subject to the rights, preference and restrictions under the Companies Act.

b) There are Nil number of shares (Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or subsidiary or associates of the holding company or the ultimate holding company in aggregate.

c) Shares in the company held by each shareholders holding more than 5% shares.

| Name of the Shareholder | 31 st March 2018 | | 31 st March 2017 | | 1 st April 2016 | |
|---------------------------|-----------------------------|-------|-----------------------------|-------|----------------------------|-------|
| | No of Shares | % | No of Shares | % | No of Shares | % |
| Jitendra K. Vakharia- HUF | 1221320 | 21.72 | 12213188 | 21.72 | 12213188 | 21.72 |
| Jitendra K. Vakharia | 1137690 | 20.23 | 11356364 | 20.20 | 11341120 | 20.17 |
| Varsha J. Vakharia | 838628 | 14.91 | 7392769 | 13.15 | 6034136 | 10.73 |

d) There are Nil number of shares (Previous year Nil) reserved for issue under option and contracts/ commitment for the sale of shares/disinvestment including the terms and amounts.

e) For the period of five years immediately preceding the date as at which the balance sheet is prepared.

| Particulars | No of Shares |
|---|--------------|
| Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash | NIL |
| Aggregate number and class of shares allotted as fully paid up by way of bonus shares | NIL |
| Aggregate number and class of shares brought back | NIL |

f) There no securities (Previous year Nil) convertible into Equity/Preferential Shares.

g) There are no calls unpaid (Previous year Nil) including calls unpaid by Directors & officers on balance sheet date.

h) Reconciliation of Number of Shares outstanding at the beginning and at the end of the year

| | 31/03/2018 | 31/03/2017 | 31/03/2016 |
|---|------------|------------|------------|
| (a) Shares outstanding at the beginning of the year | 56222400 | 56222400 | 56222400 |
| (b) Rights Shares issued during the year | ---- | ---- | ---- |
| (c) Shares brought back during the year | ---- | ---- | ---- |
| (d) Shares outstanding at the end of the year | 5622240 | 56222400 | 56222400 |

NOTE 13 - Other Equity

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|----------------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| Securities Premium Reserve | 7784507 | 7784507 | 7784507 |
| Retained Earnings | (3196549) | (5484367) | (6836767) |
| TOTAL | 4587958 | 2300140 | 947740 |

NOTE 14 - Borrowings

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| Loan & Advances from related parties | | | |
| I) Loan received from Companies | - | - | 1469969 |
| ii) Loan received from Directors | - | 2250000 | 9250000 |
| TOTAL | - | 2250000 | 10719969 |

NOTE 15 - Provisions- Non current

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|--|--------------------------------------|--------------------------------------|-------------------------------------|
| Provisions for employees benefits (Gratuity) | 2703615 | 2456627 | 1968772 |
| TOTAL | 2703615 | 2456627 | 1968772 |

NOTE 16 - Short Term Borrowings

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|--|--------------------------------------|--------------------------------------|-------------------------------------|
| Secured Repayable on demand from Banks | | | |
| Overdraft from Bank (Secured) | 46638261 | 28109104 | 37321368 |
| (Secured by way of hypothecation of Stock,Book Debts & further secured by mortgage of factory land & bldg situated at Survey No.265/7/1 of Village Dadra in the Union Territory of Dadra,Nagar & Haveli) | | | |
| TOTAL | 46638261 | 28109104 | 37321368 |

NOTE 17 - Trade Payables

| (Rupees) | | | |
|---|--------------------------------------|--------------------------------------|-------------------------------------|
| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
| Due to Micro,Small & Medium Enterprises | - | - | - |
| Others | 9891020 | 5963217 | 6308035 |
| TOTAL | 9891020 | 5963217 | 6308035 |

NOTE 18 - Other Current Liabilities

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|---------------------|--------------------------------------|--------------------------------------|-------------------------------------|
| Other Liabilities | 1977899 | 255386 | 453848 |
| Statutory Liability | 469554 | 59726 | 197269 |
| TOTAL | 2447453 | 315112 | 651117 |

NOTE 19- Provisions-Current

| Particulars | As at 31 st March 2018 | As at 31 st March 2017 | As at 1 st April 2016 |
|--|--------------------------------------|--------------------------------------|-------------------------------------|
| . | - | - | |
| Provision for Tax (Net of Advance Tax) | 441076 | 350000 | 350000 |
| TOTAL | 441076 | 350000 | 350000 |

NOTE 20 - Revenue from operations

(Rupees)

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|------------------------|--------------------------|--------------------------|
| Sale of Products | 366834220 | 391343410 |
| Other Operating Income | - | 928067 |
| TOTAL | 366834220 | 392271477 |

NOTE 21 - Other Income

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|-----------------------------|--------------------------|--------------------------|
| Interest Income | 91345 | 236750 |
| Dividend Income | 142836 | 110410 |
| Gain on sale of Investments | 608890 | 390586 |
| Misc Income | 116128 | - |
| TOTAL | 959199 | 737746 |

NOTE 22 - Cost of Materials Consumed

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|---|--------------------------|--------------------------|
| Raw Materials Consumed | | |
| Opening Stock | 1743574 | 7426009 |
| Add : Purchases | 323426054 | 315885851 |
| | 325169628 | 323311860 |
| Less: Closing Stock | 9714794 | 1743574 |
| | 315454834 | 321568286 |
| Packing and Other Materials Consumed | | |
| Opening Stock | 1994202 | 1199453 |
| Add: Purchases | 19174521 | 21476831 |
| | 21168723 | 22676284 |
| Less: Closing Stock | 1223214 | 1994202 |
| | 19945509 | 20682082 |
| TOTAL | 335400343 | 342250368 |

NOTE 23 - Changes in inventories of Finished Goods,

Work-In-Progress & Stock in Trade

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|----------------------|----------------------------------|--------------------------|
| Opening Stock: | | |
| Finished Goods | 395726 | 4669622 |
| Work-in-process | 4071919 | 4117662 |
| | 4467645 | 8787284 |
| Less: Closing Stock: | | |
| Finished Goods | 11354157 | 395726 |
| Work-in-process | 2989817 | 4071919 |
| | 14343974 | 4467645 |
| TOTAL | (9876329) | 4319639 |

NOTE 24 - Employee Benefit Expenses

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|--------------------------------|----------------------------------|--------------------------|
| Salaries,Wages & Bonus | 5977029 | 5864305 |
| Contribution to Provident Fund | 304514 | 800004 |
| TOTAL | 6281543 | 6664309 |

NOTE 25 - Finance Cost

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|-------------------------------------|----------------------------------|--------------------------|
| Bank Interest on Overdraft Facility | 3040019 | 2555159 |
| Interest Paid | 43699 | 839513 |
| Bank Charges | 107500 | 136346 |
| TOTAL | 3191218 | 3531018 |

NOTE 26 - Other Expenses

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|--|--------------------------|--------------------------|
| Repairs & Maintenance | | |
| -Plant & Machinery | 1199365 | 1596725 |
| -Others | 578405 | 368530 |
| Manufacturing Expenses | 3494712 | 3198730 |
| Auditor Remuneration | 75000 | 75000 |
| Bank charges & commission | 9640 | 12179 |
| Commission Paid on Sale | 74981 | 376328 |
| Director Remuneration | 600000 | 540000 |
| Director Sitting Fees | 19500 | 8000 |
| Insurance | 134866 | 48031 |
| Legal & Professional Fees | 505000 | 647050 |
| Power & Fuel | 17987034 | 22621059 |
| Postage, Telephone & Telegram Expenses | 222808 | 215786 |
| Printing & Stationery | 89437 | 88676 |
| Rent Paid | 300000 | 300000 |
| Loss on Sale of Shares | - | 305293 |
| Conveyance & Travelling Expenses | 122195 | 167816 |
| Vehicle Expenses | 237528 | 189434 |
| Miscellaneous Expenses | 2034057 | 1543939 |
| TOTAL | 27684528 | 32302576 |

NOTE : 27**Notes Forming Part of the Financial Statements****1. Corporate Information**

Everlon Synthetics Ltd., (Company) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchanges in India. The registered office of the company is located at 67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.

The Company is principally engaged in the business of Polyester Yarn.

The financial statements were authorised for issue in accordance with a resolution for the board of directors on May 22, 2018.

2. Significant Accounting Policies**2.1 Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards (Ind AS) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2018 are the first the Company has prepared in accordance with Ind AS.

These financial statements are prepared on accrual basis under the historical cost convention.

2.2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from sale of goods is recognized upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with dispatch of goods to customer. Sales include excise duty but exclude Sales Tax/ VAT/GST. It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.

Dividend

Revenue is recognized when the Company's right to receive the payment is established, which generally when shareholders approve the dividend.

Other Income

Other income is accounted for on accrual basis except where the receipt income is uncertain.

2.3 Property Plant & Equipment

Freehold land is stated at cost and not depreciated. Buildings, plant and machinery, vehicles, furniture and office equipments are stated at cost less accumulated depreciation.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss.

Depreciation

Depreciation on Fixed Assets other than Land & Plant and Machinery is provided as per written down value based on useful life of Assets as per part 'C' of Schedule II of companies Act, 2013.

In case of Plant and Machinery, Company has provided Depreciation on Straight Line method based on useful life of Assets as per part 'C' of Schedule II of the Companies Act, 2013.

No Depreciation has been provided on assets sold / discarded during the year.

Impairment of Assets.

If internal / external indications suggest that an asset of the company may be impaired, the recoverable amount of asset/ cash generating unit is determined on the Balance Sheet date and it is less than its carrying amount of the asset / cash generating unit is reduced to the said recoverable amount. The recoverable amount is measured as the higher of net selling price and value in use of such assets / cash generating unit, which is determined by the present value of the estimated future Cash Flows.

2.4 Valuation of Inventories

- | | | |
|----|---------------------------|--|
| 1) | Raw Materials, Consumable | At Cost and other expenditure incurred inclusive of excise duty to bring the inventories to its present location and conditions. Cost is determined on FIFO basis. |
| 2. | Work-in-progress | At Cost of material and labour together with relevant factory overheads. |
| 3. | Finished Goods | At Cost of material and labour together with relevant factory overheads (inclusive of excise duty) or net realizable value whichever is lower |
| 4. | Stock –in Trade (Shares) | Valued at cost. |

2.5 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial assets and liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities (other than financial assets and liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial asset or financial liability.

2.6 Financial Assets.

Classification and Measurement

All the financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial asset (other than financial assets carried at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement of a financial assets depends on its classification i.e. financial assets carried at amortised cost or fair value (either through other comprehensive income or through profit or loss). Such classification is determined on the basis of Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees and security deposits etc. which are classified as financial assets carried at amortised cost.

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired . Interest income from these financial assets is recognised using the effective interest rate method.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company provides for lifetime expected credit losses recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

2.7 Employee Benefits

Provision for gratuity is made in accounts assuming that all the employee retire at the end of the year.

The Company has carried out actuarial valuation of Retirement Benefits during the year.

2.8 Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961, The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

The Company has not recognised “Deferred Tax Assets” as required by Accounting Standard 22. Accounting for Taxes on Income” issued by Institute of Chartered Accountants of India as Company is not certain that sufficient taxable income will be available against which such “Deferred Tax Assets” can be realised.

Current tax for the year

Current tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.10 Contingent Liability

Contingent liabilities are not provided for in the accounts and are disclosed separately in Notes on Accounts.

2.11 Segment Report

During the year, the Company has only one reportable segment, i.e. Textiles. (manufacturers of Polyester Texturised Yarn.) Hence separate segment report as required under accounting standard 17 is not presented.

2.12 Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short –term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company’s cash management.

2.13 Cash Dividend To Equity Holders

The Company recognises a liability to make cash distribution to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the law, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3. Significant Accounting Judgements, Estimates And Assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect reported amounts of revenue, expenses, assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reported period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

Sales returns

Revenue from sale of goods is recognised when significant risks and rewards of ownership are transferred to customers, which coincides with dispatch of goods to customers. However, the Company needs to accept goods returned from its customers towards expiry, breakages and damages. Accordingly, the Company has made provision based on the historical sales return.

Impairment of financial assets

The Company recognises loss allowances on financial assets using expected credit loss model which is equal to the 12 months expected credit losses or full time expected credit losses.

Income Taxes

Significant judgements are involved in estimating budgeted profits for the calculation of advance tax and deferred tax, and determining provision for income taxes and uncertain tax positions.

3.1 Related Party Disclosures (As identified by the Management)

- i) Related Party Relationships
- (a) Where control exists
- 1) Everest Yarn Agency Pvt. Ltd.
- 2) Teekay International
- (b) 100% Subsidiary NIL
- (c) Key Management Personnel Mr. Jitendra K. Vakharia
Mrs. Varsha J. Vakharia
- (d) Relative of Key Management Personnel NIL
- (e) Other related Parties NIL
- ii) Transactions with Related Parties

| Type of Parties | Description of of the nature of the transaction | Volume of Trans. 2017-18 | 2017-18 Outstanding | | Volume of Trans. 2016-17 | 2016-17 Outstanding | |
|--------------------------|---|--------------------------|---------------------|---------|--------------------------|---------------------|---------|
| | | | Receivable | Payable | | Receivable | Payable |
| Where Control Exists | 1) Loans | ----- | ----- | ----- | 1469969 | ----- | ----- |
| | 2) Rent Paid | 300000 | ----- | ----- | 300000 | ----- | 2250000 |
| Key Managerial Personnel | 1) Director's Remuneration and Sitting Fees | 619500 | ----- | ----- | 548000 | ----- | ----- |
| | 2) Loans | 10367948 | ----- | ----- | 12359132 | ----- | ----- |

3.2 Earnings per share

| | Year Ended March 2018 | Year Ended March 2017 |
|--|-----------------------|-----------------------|
| Profit / (Loss) attributable to the equity shareholders (Rupees) | 2287818 | 1352400 |
| Number of Equity Shares Outstanding during the year | 5622240 | 5622240 |
| Nominal value of Equity Shares (Rupees per Share) | 10 | 1 |
| Basic/diluted earnings per share on face value of Rs.10/- Each. (Previous Year Re.1/-) | 0.41 | 0.02 |

3.3 Auditors Remuneration

| | Year Ended March 2018 | Year Ended March 2017 |
|--------------------|-----------------------|-----------------------|
| Audit Fees | 75000 | 75000 |
| Taxation Matters | - | - |
| Certification Work | 15000 | 15000 |
| | 90000 | 90000 |

- 3.4 a) The amount shown in Trade Payable, and Discount Receivables from Sundry Creditors under various heads are subject to confirmations.
b) The amount shown under Trade receivable under various heads are subject to confirmation.
- 3.5 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the same value as stated in the Balance Sheet if realised in the ordinary course of business.
- 3.6 There are no Micro, Small and Medium Enterprises, as defined in Micro, Small, Medium Enterprises Development Act to whom the Company owes on account of principal amount together with interest and accordingly no additional disclosures have been made.
- 3.7 Previous year's figures have been regrouped, rearranged or recast wherever considered necessary, so as to make them comparable with current year figures.

As per our report of even date
for K .S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO.105846W)

Sd/-
K. S. MAHESHWARI
(PARTNER)
M.No.39715

Place : Mumbai
Date : 22nd May, 2018

For and on behalf of the Board of Directors

Sd/-
S.S.GUPTA
Company Secretary

Sd/-
P.K.PAREEK
Chief Financial Officer

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Sd/-
V. J. VAKHARIA
Director
(DIN 00052361)

EVERLON SYNTHETICS LTD.

REGISTERED OFFICE ; 67, REGENT CHAMBERS,
208, NARIMAN POINT, MUMBAI – 400 021.
Phone : 2204 9233, 2204 2788 E-mail: everlon@rediffmail.com
CIN L17297MH1989PLC052747

ATTENDANCE SLIP

29TH ANNUAL GENERAL MEETING

| | |
|---|--|
| DP ID – Client ID/Folio No. | |
| Name & Address of sole Member | |
| Name of Joint Holder(s), if any (In Block Letters) | |
| No of shares held | |

I certify that I am a member / proxy of the Company,

I hereby record my presence at 29th Annual General Meeting of the Company to be held on Friday, 10th August 2018 at 10.30 a.m. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chambers, Churchgate, Mumbai – 400 020.

Member's/Proxy's Signature

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Form No. MGT-11

Proxy form

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

| | | | |
|-----------------------|--|-------|--|
| CIN | L17297MH1989PLC052747 | | |
| Name of the company | EVERLON SYNTHETICS LTD. | | |
| Registered office | 67, Regent Chambers, 208 Nariman Point, Mumbai - 400 021 | | |
| Tel: | 2204 9233, 2204 2788 Fax : (022) 2287 0540 | | |
| Email: | everlonsynthetics@gmail.com Website:- www.everlon.in | | |
| Name of the member(s) | | | |
| Registered address | | | |
| E-mail Id | | | |
| Folio No/ Client Id | | DP ID | |

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

| | | | |
|-----------|--|-----------|--|
| Name | | | |
| Address | | | |
| E-mail Id | | Signature | |

OR FAILING HIM

| | | | |
|-----------|--|-----------|--|
| Name | | | |
| Address | | | |
| E-mail Id | | Signature | |

OR FAILING HIM

| | | | |
|-----------|--|-----------|--|
| Name | | | |
| Address | | | |
| E-mail Id | | Signature | |

as my / our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 29th Annual General Meeting to be held on Friday, 10th August, 2018 at 10.30 A.M. at Kilachand Conference Room, 2nd Floor, IMC, Indian Merchants Chambers, Churchgate, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.: RESOLUTIONS

| | For | Against |
|---|-----|---------|
| Ordinary Business | | |
| 1. Adoption of Audited Financial Statements for the year ended 31 st March 2018 | | |
| 2. Re-appointment of Mrs. Varsha Jitendra Vakharia (DIN: 00052361) as a Director, who retires by rotation. | | |
| 3. Appointment of M/s. K S Maheshwari & Co., Chartered Accountants as Statutory Auditors for Financial Year 2018-19 & fix their remuneration. | | |
| Special Business | | |
| 4. Ordinary Resolution for determination of fees for delivery of any documents through a particular mode of delivery to a member. | | |



Signed this..... day of..... 2018

Signature of Shareholder:

Signature of Proxy holder(s):

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

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