

**Everlon
Synthetics
Ltd.**

**30th
Annual Report
(2018-19)**

Financial Year (2018- 2019)

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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 (RESIGNED ON 9TH AUGUST 2018)	CHIEF FINANCIAL OFFICER
SHRI VIVEK M. MANE (APPOINTED ON 12TH NOVEMBER 2018)	CHIEF FINANCIAL OFFICER
SHRI SANDEEP S. GUPTA (RESIGNED ON 2ND MAY 2019)	COMPANY SECRETARY
SHRI MANISH P. HEDA (APPOINTED ON 2ND MAY 2019)	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.

C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083.

Tel: 2851 5606/ 2851 5644 Fax: 2851 2885

E-mail: support@sharexindia.com

NOTICE

Notice is hereby given that the Thirty Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Friday 23rd August, 2019, at Kilachand Conference Room, 2nd Floor, Indian Merchants Chambers, Churchgate, Mumbai - 400 020 at 10.45 a. m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year Ended 31st March, 2019, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Varsha J. Vakharia (DIN 00052361) 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 2019-20, 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 and, if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), or re-enactment thereof for the time being in force), Shri Dinesh P. Turakhia (DIN 00063927), who was appointed as an Independent Director of the Company for 5 consecutive years from 25th Annual General Meeting (AGM) upto 31st March 2019 and being eligible be and is hereby re-appointed as an Independent Director of the Company to hold office for a second consecutive term commencing from 1st April 2019 up to 31st March 2024 and he shall not be liable to retire by rotation.

“RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

5. To consider and, if thought fit, to pass the following Resolution as a SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of section 196, 197 and 203 read with schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) or reenactment thereof for the time being in force), subject to such sanctions as may be necessary, approval of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Shri Jitendra K. Vakharia (DIN : 00047777) as Managing Director of the Company for a period of 3 years effective from October 1, 2019 upon the terms and conditions and payment of remuneration and other perquisites / benefits - as set out in the “Explanatory Statement attached herewith.”

“RESOLVED FURTHER THAT Shri Jitendra K. Vakharia, the Managing Director be in charge of general management of the company within the provisions of Articles of Association but subject to superintendence, control and direction of the Board of Directors”

“RESOLVED FURTHER THAT Shri Jitendra K. Vakharia will be a Key Managerial Personnel of the company as per the provisions of S.203(1) of the Companies Act 2013.

“RESOLVED FURTHER THAT Shri Jitendra K. Vakharia will be non rotational Director and shall not be liable to retire by rotation during his term as Managing Director.”

“**RESOLVED FURTHER THAT** the Managing Director shall be entitle reimbursement of all expense incurred for the purpose of business of the company and shall not be entitled to any sitting fees for attending meeting of the Board of Directors and Committee(s) thereof.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary such terms of re-appointment specified in Schedule V and other applicable Sections of the Companies Act, 2013 or any statutory modifications thereof as may be agreed to by the Board of Directors and Shri Jitendra K. Vakharia.”

“**RESOLVED FURTHER THAT** in case of loss or inadequate profit in any financial year during the tenure of Managing Director, he shall be paid above mentioned remuneration as minimum remuneration.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors.”

By order of the Board of Directors
For Everlon Synthetics Limited

Sd/-

J. K. Vakharia
Managing Director
(DIN00047777)

Place:- Mumbai

Date:- 25th May, 2019

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 Saturday 17th August, 2019 to Friday 23rd August, 2019 (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., C 101, 247 Park, L B S Marg, Vikhroli (West) Mumbai – 400 083. 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:-

Electronic copy of Annual Report is being sent to the members who have registered their e-mail ids with the Company/ Depository Participants. For members who have not registered their email id, physical copy of Annual Report is being sent in permitted mode.

6. Members who have not registered their email ids so far are requested to registered their email ids for receiving all communications from company in 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 20th August 2019 at 9.00 am and ends on Thursday 22nd August 2019 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 16th August 2019, 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:

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shethmm_cs@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- VI. 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 16th August , 2019.
 - VII. 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 16th August, 2019 , 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 support@sharexindia.com
 - VIII. 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.
 - IX. 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.

- X. 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.
- XI. 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.
- XII. 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.
- XIII. 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. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item Nos.4 and 5 , of the accompanying Notice is annexed hereto.

10. Annexure to notice

A. Details of Directors seeking re-appointment at the forth coming Annual General Meeting:

A. Name of Director & Designation	Mrs. Varsha J. Vakharia – Non-Executive Promoter Director
B. Age	60 years
C. Date of First Appointment	29/10/1999
D. Qualification	M.A.
E. Expertise in specific areas	General Administration & Finance
F. Name of other Public Companies in which she holds Directorship as on 31 st March 2019	1) Ind Renewable Energy Ltd.
G. Name of other Companies of which she holds Committee Membership / Chairmanship As on 31 st March 2019	NIL
H. No. of equity shares held As on 31 st March 2019	9,18,904
I. Inter-se Relations Among Directors	She is related toJitendra K. Vakharia
J. Number of Board Meetings attended during the year.	Four
K. Details of last Remuneration drawn	Sitting Fees Paid

**B. Details of Directors seeking Re-appointment at the forthcoming Annual General Meeting
(As per Regulation 36(3) of SEBI(LODR) Regulations 2015)**

A	Name of Director & Designation	Shri Jitendra K. Vakharia Managing Director	Shri Dinesh P. Turakhia Independent Director
B	Age	62 years	76 years
C	Date of First Appointment	19/12/1989	06/12/2002
D	Qualification	Inter Science.	D.E.E.
E	Expertise in specific areas	Experience of 30 years in Yarn business	Experience of 25 years in Yarn business
F	Name of other Public Companies in which he holds Directorship as on 31 st March 2019	Ind Renewable Energy Ltd.	Ind Renewable Energy Ltd.
G	Name of other Companies in which he holds Committee Membership / Chairmanship As on 31 st March 2019	Member of Audit Committee and Stakeholder Relation Committee of Ind Renewable Energy Ltd.	Chairman of Audit Committee, Nomination Remuneration Committee and Stakeholder Relation Committee of Ind Renewable Energy Ltd.
H	No of equity shares held as on 31 st March 2019	1137750	1300
I	Inter-se Relations Among Directors	He is related to Smt. Varsha J. Vakharia	NIL
J	Number of Board Meetings Attended during the year	Four	Four
K	Details of Last Remuneration drawn	Same as Remunerations proposed now in special Resolution	Sitting Fees Paid

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ('the Act')**Item No.4**

Shri Dinesh P. Turakhia (DIN: 00063927) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to **31/03/2019**.

Shri Dinesh P. Turakhia has been associated with the Company since December 2002. Considering the expertise and experience of **Shri Dinesh P. Turakhia** and his valuable contributions to the Company, the Nomination and Remuneration Committee and the Board at their meetings held on **25th May 2019** have recommended the re-appointment of **Shri Dinesh P. Turakhia** as Independent Director for a second consecutive term from **1st April 2019 till 31st March 2024**.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background, experience and contributions made by him during his tenure, the continued association of Shri Dinesh P. Turakhia would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Shri Dinesh P. Turakhia as an Independent Director of the Company, not liable to retire by rotation, for a second consecutive term commencing from **1st April 2019 to 31st March 2024** on the Board of the Company.

Shri Dinesh P. Turakhia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from **Shri Dinesh P. Turakhia** stating that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, **Shri Dinesh P. Turakhia** fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Details of Shri **Dinesh P. Turakhia**, are provided in the "**Annexure**" to the Notice. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act. Copy of draft letter of appointment of **Shri Dinesh P. Turakhia** setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Shri Dinesh P. Turakhia is interested in this resolution with regard to his re-appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution as mentioned in Item No.4 of the Notice for approval of members.

Item No.5

The present term of Shri Jitendra K. Vakharia as Managing Director is expiring on 30th September 2019. The Board of Directors in their meeting held on 25th May 2019 have re-appointed Shri Jitendra K. Vakharia as "Managing Director" of the Company for a period of 3 years from 1st October, 2019 subject to approval by the share holders of the Company under Schedule V of the Companies Act, 2013.

The Board has also, subject to approval of share holders, fixed the remuneration / perquisites / benefits payable to aforesaid Shri Jitendra K. Vakharia, Managing Director from October 1, 2019 as under:

Salary : The Managing Director shall be paid monthly salary of Rs.50,000/- with yearly increments upto 10% to be decided by the Board of Directors.

Perquisites : The Managing Director shall be entitled to the following perquisites :

- (i) Company shall provide free of cost gas, water, electricity and furnishings at the residence of Managing Director.
- (ii) Medical Reimbursement for self and family subject to ceiling of one month's salary in a year.
- (iii) Leave Travel concession for self and family once in a year.
- (iv) Personal Accident Insurance of an amount the annual premium of which not exceed Rs.5000 p.a.
- (v) Provision of car for use on company's business (use of car for private purpose shall be billed by the Company).

- (vi) Telephone at residence, personal long distance calls shall be billed by the Company.
- (vii) Managing Director shall also be entitled to Provident Fund, Superannuation and Gratuity.
- (viii) Reimbursement of all expenses incurred for the business of the company.

Shri Jitendra K. Vakharia is a fit and proper person for the post of Managing Director. The terms and conditions of his reappointment are fair and reasonable. It would be in the interest of the Company to continue to avail services of Shri Jitendra K. Vakharia as Managing Director. In case of loss or inadequacy of profit in any financial year, the Managing Director be paid above remuneration as minimum remuneration.

The Nomination & Remuneration committee of the company at its meeting held on 25/05/2019 has approved reappointment and payment of remuneration to the Managing Director.

Information as required and applicable under Section II of Part II of Schedule V of the Companies Act 2013.

I. General Information

Company is in the business of manufacturing of Polyester Texturised Yarn For the year ended 31st March 2019, the company had total revenue of Rs.3965 lakh and loss of Rs. 39 lakh. The company does not have any foreign investment or collaboration.

II. Information about Appointee

Shri Jitendra K.. Vakharia has more than 30 years experience in Yarn Market. He is the Promoter Director of the Company and related to Smt. Varsha J. Vakharia, Director of the Company and holds 1137750 equity shares in the Company. The remuneration payable to him is very moderate and small compared to Industry norms.

III. The Textile Industry as a whole is passing through a challenging period.

The Board recommends the Special Resolution for approval of members.

Shri Jitendra K Vakharia, Managing Director is interested as the above appointment pertains to him. Smt. Varsha J. Vakharia being relative of Shri Jitendra K. Vakharia is deemed to be concerned or interested in the same.

By order of the Board of Directors
For Everlon Synthetics Limited

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

Place:- Mumbai
Date:- 25th May, 2019

EVERLON SYNTHETICS LIMITED
DIRECTOR'S REPORT

To,
The Members,

The Board of Directors present their 30th Annual Report together with Audited Financial Statements for the year ended 31st March, 2019.

1. OPERATIONS AND FINANCIAL RESULTS

	Year Ended 31/03/2019 (Rs. in Lakhs)	Year Ended 31/03/2018 (Rs. in Lakhs)
Sales	3961.97	3668.34
Other Income	3.73	9.59
Profit/(Loss) for the year before Depreciation, Exceptional Items & Tax	(14.41)	51.12
Less : Depreciation	24.91	22.31
Profit /(Loss) before Tax	(39.32)	28.81
Less : Provision for Tax	0.00	6.00
Profit /(Loss) after tax	(39.32)	22.81
Tax adjustments for earlier years	0.00	0.07
Profit/(Loss) for the year	(39.32)	22.87
Mat Credit	56.45	0.00
Profit – (Loss) Brought forward from Previous Year	(31.97)	(54.84)
Profit/ (Loss) carried to Balance Sheet	(14.84)	(31.97)

2. PERFORMANCE

The Loss is mainly due to higher raw materials prices which could not be passed on.

The company has produced 3642.30 tons against 3808.95 tons during the previous year resulting in sales turnover of Rs. 3961.97 Lakh as against Rs.3668.34 Lakh during the previous year.

3. DIVIDEND

Directors do not recommend any dividend due to the 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

The present term of appointment of Shri Jitendra K. Vakharia (DIN 00047777) as Managing Director is valid upto 30th September 2019, Subject to approval of members at ensuing Annual General Meeting. The Board has reappointed him as Managing Director for a further period of 3 years from 1st October 2019.

Present terms of appointment Shri Dinesh P. Turakhia (DIN 00063927) as an Independent Director is valid upto 31st March 2019, Subject to approval of members at ensuing Annual General Meeting. The Board has reappointed him as Independent Director for a second consecutive term commencing from 1st April 2019 upto 31st March, 2024.

Mr. Pradeep K. Pareek Chief Financial Officer of the Company has resigned on 9th August 2018. The Board of Directors has appointed Mr. Vivek M. Mane on 12th November 2018 as Chief Financial Officer of the Company

Mr. Sandeep S. Gupta Company Secretary and Compliance Officer of the Company has resigned on 2nd May 2019. The Board of Directors has appointed Mr. Manish P. Heda on 2nd May 2019 as Company Secretary and Compliance Officer

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, 2019, 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, 2019 and of the loss 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 2018-19, 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, 2019 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 4 times during the financial year from 1st April, 2018 to 31st March 2019. The dates on which the meetings were held are as follows:-

22nd May 2018, 10th August 2018, 12th November 2018 and 8th February 2019.

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. EQUITY SHARES IN UNCLAIMED SUSPENSE ACCOUNT UNDER REGULATION 39 AND SCHEDULE 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
No. of shareholders and outstanding shares at the beginning of the year	432	72,420
No. of shareholder's request received for transfer of shares during the year	3	540
No. of shareholders to whom shares transferred During the year	3	540
No. of shareholders and outstanding shares at the end of the year	429	71,880

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

23. GENERAL DISCLOSURES

No disclosure is required in respect of following matters:-

- (a) Subsidiary Associate or Joint Venture Company.
- (b) Material orders passed by the Regulators, or Courts or Tribunals.
- (c) Equity shares with differential rights.
- (d) Sweat equity shares.
- (e) 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) Company has complied with the provisions relating to constitution of Internal complaints committee under Sexual Harassment of Women at work place (prevention , prohibition and Redressal) Act,2013 (No cases filed)
- (h) Maintenance of Cost Records not applicable.

24. ACKNOWLEDGMENT

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:- 25th May, 2019

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, 2019

[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-40021.

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, 2019(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, 2019 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 and 2018 (**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 and 2018 (**Not applicable to the Company during the Audit Period**); and

- (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 no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

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

Place: Mumbai

Date: 25th May, 2019

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: 25th May, 2019

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 31.03.2019

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: support@sharexindia.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)

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year 01-04-2018				No of Shares held at the end of the year 31-03-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
a) Individual/HUF	3470815	Nil	3470815	61.734	3551151	Nil	3551151	63.163	1.429
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.	437100	Nil	437100	7.774	438001	Nil	438001	7.791	0.017
e) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other									
Sub-total (A) (1):-	3907915	0	3907915	69.508	3989152	0	3989152	70.954	1.446
(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)	3907915	0	3907915	69.508	3989152	0	3989152	70.954	1.446
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.									
i) Indian	86819	1200	88019	1.566	82622	1080	83702	1.489	-0.077
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	457577	213183	670760	11.930	403410	201773	605183	10.764	(1.166)

ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	555814	0	555814	9.886	334487	0	334487	5.949	-3.937
c) Others NRI	395177	0	395177	7.029	607356	0	607356	10.803	3.774
Clearing Members	4555	0	4555	0.081	2360	0	2360	0.042	-0.039
Sub-total (B)(2)	1499942	214383	1714325	30.492	1430235	202853	1633088	29.047	-1.445
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1499942	214383	1714325	30.492	1430235	202853	1633088	29.047	-1.445
C. Shares held by Custodian for GDRs & ADRs.	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5407857	214383	5622240	100	5419387	202853	5622240	100	0

ii) Shareholding of Promoters:

Sl. No.	Shareholder's Names	No of Shares held at the beginning of the year 01-04-2018			No of Shares held at the end of the year 31-03-2019			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	
1	Everest Yarn Agency P.Ltd.	30082	0.535	0	179383	3.198	0	2.663
2	Everlon Solar Energy P.Ltd.	148800	2.647	0	0	0.000	0	-2.647
3	Vakharia Synthetics Pvt.Ltd.	228192	4.059	0	228192	4.059	0	0
4	Jitendra K. Vakharia (HUF)	1221320	21.723	0	1221320	21.723	0	0
5	Tarun K. Vakharia (HUF)	1016	0.018	0	1016	0.018	0	0
6	Jitendra K. Vakharia	1137690	20.236	0	1137690	20.237	0	0.001
7	Varsha J. Vakharia	838628	14.916	0	918904	16.344	0	1.428
8	Kantilal V. Vakharia (HUF)	32400	0.576	0	32400	0.576	0	0
9	Prachi J. Vakharia	235201	4.183	0	235201	4.183	0	0
10	Tarun K. Vakharia	4560	0.081	0	4560	0.081	0	0
11	Omkar Texlone LLP	30026	0.534	0	30026	0.534	0	0
	Total	3907915	69.508	0	3988692	70.953	0	1.445

iii) Change in Promoters' Shareholding

Sl No.	Shareholder's Name	No of Shares at the beginning of the year As of 01/04/2018		Increase/Decrease in shareholding			No of Shares at the end of the year As of 31/03/2019	
		No. of Shares	% total of shares	Date	No. of Shares	Reason	No. of Shares	% total of shares
1	VARSHA JITENDRA VAKHARIA	838628	14.916	01-04-2018				
				04-06-2018	310	Buy	838938	14.922
				20/04/2018	240	Buy	839178	14.926
				27/04/2018	300	Buy	839478	14.931
				05-04-2018	120	Buy	839598	14.934
				06-08-2018	780	Buy	840378	14.947
				15/06/2018	311	Buy	840689	14.953
				22/06/2018	610	Buy	841299	14.964
				29/06/2018	1043	Buy	842342	14.982

EVERLON SYNTHETICS LIMITED

				06/07/2018	400	Buy	842742	14.989
				13/07/2018	330	Buy	843072	15.00
				20/07/2018	728	Buy	843800	15.008
				27/07/2018	570	Buy	844370	15.018
				08-03-2018	810	Buy	845180	15.033
				24/08/2018	269	Buy	845449	15.038
				31/03/2018	1260	Buy	846709	15.060
				07/09/2018	534	Buy	847243	15.069
				14/09/2018	300	Buy	847543	15.075
				28/09/2018	2365	Buy	849908	15.117
				05/10/2018	1655	Buy	851563	15.146
				12-10-2018	2500	Buy	854063	15.191
				19/10/2018	2713	Buy	856776	15.239
				02/11/2018	300	Buy	857076	15.244
				23/11/2018	301	Buy	857377	15.25
				07/12/2018	395	Buy	857772	15.257
				14/12/2018	120	Buy	857892	15.259
				21/12/2018	45013	Buy	902905	16.06
				28/12/2018	200	Buy	903105	16.063
				31/12/2018	180	Buy	903285	16.066
				04/01/2019	1	Buy	903286	16.066
				01-11-2019	458	Buy	903744	16.074
				18/01/2019	3110	Buy	906854	16.13
				25/01/2019	1377	Buy	908231	16.154
				01/02/2019	1050	Buy	909281	16.173
				15/02/2019	500	Buy	909781	16.182
				22/02/2019	1285	Buy	911066	16.205
				01/03/2019	1350	Buy	912416	16.229
				08/03/2019	1047	Buy	913463	16.247
				15/03/2019	1005	Buy	914468	16.265
				22/03/2019	3665	Buy	918133	16.33
				29/03/2019	771	Buy	918904	16.344
				31-03-2019			918904	16.344
2	JITENDRA K. VAKHARIA	1137690	20.236	01-04-2018				
				06/07/2018	60	Buy	1137750	20.237
				31-03-2019			1137750	20.237
3	Everest Yarn Agency Pvt. Ltd.	30082	0.535	01-04-2018				
				22/03/2019	149701	Buy	179783	3.198
	Closing Balance			31/03/2019			179783	3.198
4	Everlon Solar Energy Pvt. Ltd.	148800	2.647	01-04-2018				
	Closing Balance			15/03/2019	148800	Sold	0	0
	Closing Balance			31/03/2019			0	0

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

SI No.	Name	No of Shares at the beginning (01/04/2018)	% of Total Shares of the company	Date	Increase / Decrease in shares	Reson	No. of Shares	% of total Shares of the company
1	ABIRAMI ARUNACHALAM	120000	2.134	01-04-2018				
				02/11/2018	40000	Buy	160000	2.846
	Closing Balance			31-03-2019			160000	2.846
2	EVERLON SYNTHETICS LTD. - Unclaimed	72420	1.288	01-04-2018				
				27/04/2018	-120	Sold	72300	1.286
				15/02/2019	-120	Sold	72180	1.284
				01/03/2019	-300	Sold	71880	1.278
	Closing Balance			31-03-2019			71880	1.278
3	SURESH LEKHRAJ PURUSWANEY	0	0	01-04-2018				
				02/11/2018	30000	Buy	30000	0.534
	Closing Balance			31/03/2019			30000	0.534
4	MUJEEBUR RAHMAN HABEEB	257208	4.575	01-04-2018				
	Closing Balance			31-03-2019			257208	4.575
5	SANGEETHA S	33282	0.592	01-04-2018				
	Closing Balance			31-03-2019			33282	0.592
6	KEYUR MAHESH SHAH	53398	0.95	01-04-2018				
	Closing Balance			31-03-2019			53398	0.95
7	PUSHPA DANGAYACH	0	0	01-04-2018				
				21/12/2018	33500	Buy	33500	0.596
	Closing Balance			31-03-2019			53398	0.95
8	LALIT CHANDRAKANT SHAH (HUF)	65327	1.162	01-04-2018				
	Closing Balance			31-03-2019			65327	1.162
9	LALIT CHANDRAKANT SHAH	59043	1.05	01-04-2018				
				02/11/2018	516	Buy	59559	1.059

EVERLON SYNTHETICS LIMITED

				09/11/2018	730	Buy	60289	1.072
				16/11/2018	3915	Buy	64204	1.142
				14/12/2018	-25	Buy	64179	1.142
				08/02/2019	57	Buy	64236	1.143
				15/02/2019	2000	Buy	66236	1.178
				15/03/2019	-1020	Sold	65216	1.16
	Closing Balance			31/03/2019			65216	1.16
10	PRAGNA ANIL SANGHAVI	54000	0.96	01-12-2018				
				15/06/2018	-1001	Sold	52999	0.943
				29/06/2018	1001	Buy	54000	0.96
				11-02-2018	-39600	Sold	14400	0.256
	Closing Balance			14/12/2018	-14400	Sold	0	0
11	SURENDRA SHIVABHAI PATEL	9360	0.166	01/04/2018				
				02/11/2018	17000	Buy	26360	0.469
				21/12/2018	3500	Buy	29860	0.531
	Closing Balance			31/03/2019			29860	0.531
12	DHRUVESH ANIL SANGHVI	54000	0.96	01/04/2018				
				02/11/2018	-10000	Sold	44000	0.783
	Closing Balance			14/12/2018	-44000	Sold	0	0
13	DOSHI NILESH MAHENDRABHAI HUF	27000	0.48	01/04/2018				
				20/07/2018	-2564	Sold	24436	0.435
				27/07/2018	2564	Buy	27000	0.48
				02/11/2018	-8100	Sold	18900	0.336
	Closing Balance			14/12/2018	-18900	Sold	0	0

v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Name	No of Shares at the beginning (01/04/2018)	% of Total Shares of the company	Date	Increase / Decrease in shares	Reson	No. of Shares	% of total Shares of the company
Year ending 31-03-2019								
1	DINESH P. TURAKHIA	1300	0.023	01-04-2018				
	Closing Balance			31-03-2019			1300	0.023
2	PRADEEP K PAREEK	4540	0.081	01-04-2018				
	(Resigned w.e.f. 09.08.2018)							
	Closing Balance			31-03-2019			4540	0.081
3	VIVEK M. MANE	60	0.001	01-04-2018				
	Closing Balance			31/03/2019			60	0.001
4	NITIN I. PAREKH	0	0	01-04-2018				
	Closing Balance			31-03-2019			0	0
5	SANDEEP S. GUPTA	0	0	01-04-2018				
	Closing Balance			31-03-2019			0	0

V. INDEBTEDNESS:

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

(Rs. In Lakhs)

Particulars Secured Loans	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
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
Change in Indebtedness during the financial year				
+ Addition	4636.80	36.44	0	4672.94
- Reduction	4490.07	10.44	0	4500.51
Net change	146.73	26.00	0	172.73
Indebtedness at the end of the financial year - 31.03.2019				
1) Principal Amount	319.65	26.00	0	345.65
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)	319.65	26.00	0	345.65

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/	Total
		WTD/Manager	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	Total Amount		Total Amount
	Dinesh P. Turakhia	Nitin I. Parikh	
Fee for attending board committee meetings	6000	6000	12000
Commission	0	0	0
Others	0	0	0
Total (1)	6000	6000	12000

II. Other Non-Executive Directors:-

Particulars of Remuneration	Name of Non-Executive Directors	Total Amount
	Varsha J Vakharia	
Fee for attending board committee meetings	6000	12000
Commission	0	0
Others	0	0
Total (2)	6000	12000
Total B = (1+2)		18000

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 Upto 9th August 2018	Vivek M. Mane CFO Appointed on 12th November 2018	Sandeep S. Gupta Company Secretary	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	1,09,516	3,31,319	4,80,000	920835
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - As % of Profit - Others, specify				
5	Others, please specify Provident Fund & other Funds				
	Performance Bonus	0	0	0	0
	Total (C)	109516	331319	480000	920835

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/-
Varsha J. Vakharia
Director
(DIN 00052361)

Place: Mumbai
Date: 25th May, 2019

ANNEXURE - D

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Outlook:-

The Company is engaged in the manufacturing of Polyester Texturised Yarn and having an installed capacity of 4560 tons per year. India is manufacturing about 35.00 lacs per year of Polyester POY yarn which has to be texturised. The Company contributes about 0.0012 % of the total capacity of the country.

B. Opportunities:-

Against the installed capacity of 4560 tons per year, the Company had produced 3642 tons i.e. about 80 % of its Capacity. The Company is taking all the necessary steps to utilize the maximum capacity of the production. Barring unforeseen situations, the Company does not see any major threats to its growth by utilizing the available capacity.

The Company also does not foresee any technological obsolesce of its products.

C. Segment:-

The Company has only one reporting segment, namely Textiles.

D. Risk and Concerns:-

The high raw material prices , and the excess capacity are a matter of concern to the Company.

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..

G. Industrial Relations:-

Harmonious industrial relations continue to prevail during the year. Total numbers of employees as on 31st March 2019 were 32

H. Details of Key Financial Ratios and Significant Changes :

Ratios	FY.2018-19	FY.2017-18
i) Debtors Turnover	18.74	11.56
ii) Inventory Turnover	16.42	13.13
iii) Interest Coverage Ratio	-0.27	1.90
iv) Current Ratio	1.74	1.46
v) Debt Equity Ratio	0.61	0.83
vi) Operating Profit Margin	1.00	1.01
vii) Net Profit Margin	-0.99	0.62
viii) Return on Net Worth	-0.07	0.04

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.

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	12th November, 2018
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/-
Varsha J. Vakharia
Director
(DIN 00052361)

Place: Mumbai
Date: 25th May, 2019

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. NO.	Name	Designation	Remuneration Paid Rs. F.Y.2018-19	Director Sitings Fees Paid Rs. F.Y.2018-19
1	Shri Jitendra K.Vakharia	Managing Director	6,00,000/-	----
2	Smt Varsha J.Vakharia	Director	---	6,000/-
3	Shri Dinesh P.Turakhia	Independent Director	---	6,000/-
4	Shri Nitin I. Parekh	Independent Director	---	6,000/-
5	Shri Sandeep S. Gupta	Company Secretary	4,80,000/-	----
6	Shri Pradeep K.Pareek Upto 9 th August 2018	Chief Financial Officer	1,09,516/-	----
7.	Shri Vivek M. Mane From 12 th Nov. 2018	Chief Financial Officer	3,31,319/-	-----

(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.2018-19	Comparison of the remuneration of each KMPs against the performance of the company
Jitendra K. Vakharia	Managing Director	1.88 times	---	Compared to F.Y 2017-18 Revenue increased by 7.82%
Pradeep K. Pareek Upto 9th August 2018	Chief Financial Officer	0.34 times	---	
Sandeep S. Gupta	Company Secretary	1.51 times	9%	
Vivek M. Mane From 12 th Nov.2018	Chief Financial Officer	1.04 times	4%	

- (ii) The median remuneration of employees decreased by 1.03% in F.Y. 2018-19.
- (iii) The number of permanent employees on the rolls of the Company as on 31st March 2019 is 32 nos.
- (iv) The average increase in remuneration paid to employees is 7% for F.Y. 2018-19 as compared to F.Y. 2017-18, the revenue in F.Y. 2018-19 increased by 7.82%
- (v) The total remuneration of KMPs increased by 3.04% while the revenue in FY 2018-19 increased by 7.82%
- (vi) It is hereby affirmed that the remuneration paid during FY2018-19 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 Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Everlon Synthetics Ltd. ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion, and we do not provide a separate opinion on these matters.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 standalone 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, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 11 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: 25th May, 2019

EVERLON SYNTHETICS LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH 2019

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, 2019 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: 25th May, 2019

EVERLON SYNTHETICS LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH 2019

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, 2019 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, 2019, 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: 25th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(Rupees)

PARTICULARS	Note No.	As at 31st March 2019	As at 31st March 2018
I ASSETS			
1. Non-Current assets			
a) Property, Plant and Equipment	1	33387296	34873340
b) Capital Work-In-Progress		-	-
c) Goodwill		-	-
d) Other Intangible Assets		-	-
e) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans	2	195744	195744
(iii) Other Financial Assets		-	-
f) Income Tax Assets (net)		-	-
g) Other Non-Current Assets	3	567394	1134782
Total Non-Current Assets		<u>34150434</u>	<u>36203866</u>
2. Current Assets			
a) Inventories	4	42760635	47441041
b) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables	5	21141472	31740693
(iii) Cash and cash equivalents	6	501412	674162
(iv) Bank balances other than (iii) above	7	548500	575500
(v) Loans	8	276908	189927
(vi) Other Financial Assets		-	-
c) Other Current Assets	9	7249954	6125194
Total Current Assets		<u>72478881</u>	<u>86746517</u>
TOTAL ASSETS		<u>106629315</u>	<u>122950383</u>
II EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	10	56241000	56241000
b) Other Equity	11	6300968	4587958
Total Equity		<u>62541968</u>	<u>60828958</u>
LIABILITIES			
1. Non-Current Liabilities			
a) Financial Liabilities			
(i) Borrowings		-	-
b) Provisions	12	2371786	2703615
c) Deferred tax liabilities		-	-
		<u>2371786</u>	<u>2703615</u>
2. Current Liabilities			
a) Financial Liabilities			
(i) Short Term Borrowings	13	34564697	46638261
(ii) Trade Payables	14	4361639	9891020
(iii) Other financial Liabilities		-	-
b) Other Current liabilities	15	2789225	2447453
c) Provisions	16	-	441076
		<u>41715561</u>	<u>59417810</u>
TOTAL EQUITY & LIABILITIES		<u>106629315</u>	<u>122950383</u>

The accompanying notes are an integral part of the financial statements

1 to 24

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/-
MANISH P.HEDA
Company Secretary

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

Place : Mumbai
Date : 25th May, 2019

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rupees)

PARTICULARS	Note No.	As at	
		31st March 2019	31st March 2018
I. Revenue from Operations	17	396197568	366834220
II. Other Income	18	372996	959199
III. Total Revenue (I+II)		396570564	367793419
IV. Expenses			
Cost of Material Consumed	19	355426575	335400343
Purchase of stock-in-Trade		-	-
Changes in inventories of finished goods- work-in-progress and stock-in-trade	20	478327	(9876329)
Employee benefits expenses	21	7173196	6281543
Finance Costs	22	3084415	3191218
Depreciation & amortisation expenses	1	2491284	2231029
Other Expenses	23	31849291	27684528
Total Expenses		400503088	364912332
V. Profit before exceptional items and tax (III-IV)		(3932524)	2881087
VI. Exceptional Items		-	-
VII. Profit before tax (V-VI)		(3932524)	2881087
VIII. Tax Expense :			
(1) Current Tax		-	(600000)
(2) Deferred Tax		-	-
(3) Tax adjustments for earlier years		-	6731
IX. Profit / (Loss) for the year		(3932524)	2287818
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))		(3932524)	2287818
XII. Earning per equity share of face value of Rs.10/- each (Previous year Rs.1/- each)			
1) Basic		(0.70)	0.41
2) Diluted		(0.70)	0.41
The accompanying notes are an integral part of the financial statements	1 to 24		

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/-
MANISH P.HEDA
Company Secretary

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

Place : Mumbai
Date : 25th May, 2019

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2019

	2018-2019	2017-2018
(Rupees)		
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit/(loss) before Tax and Extraordinary items	(3932524)	2881087
Adjustment for :		
Depreciation	2491284	2231029
Dividend Received	(142476)	(142836)
Interest Received	(96475)	(91345)
Other Non-operating Income	(134045)	(116128)
Interest Paid	3084415	3191218
(Excess) /Short provision for income tax provided	0	(6731)
(Profit)/Loss on Sale of Assets	(6961)	0
(Profit)/Loss on Sale of Shares	244489	(608890)
Operating profit before working capital charges	1507707	7337404
Adjustment for :		
Trade and Other Receivables	4309335	(7688005)
Inventories	4680406	(19320521)
Trade Payable	4240401	5927798
NET CASH USED FROM OPERATING ACTIVITIES	14737849	(13743324)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(1246751)	(1245724)
Sale of Fixed Assets	1331663	0
Dividend Received	142476	142836
Interest Received	96475	91345
Other Non operating Income	134045	116128
Profit/ (Loss) on Sale of Shares	(244489)	608890
Profit/ (Loss) on Sale of Assets	6961	0
NET CASH USED FROM INVESTING ACTIVITIES	220380	(286525)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Secured Loans	(12073564)	18529157
Proceeds from Unsecured Loans	0	(2250000)
Interest Paid	(3084415)	(3191218)
NET CASH FROM INVESTING ACTIVITIES	(15157979)	13087939
Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(199750)	(941910)
CASH & CASH EQUIVALENTS :-		
Opening Balance in the begning of the year	1249662	2191572
Closing Balance at the end of the year	1049912	1249662
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(199750)	(941910)

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/-
MANISH P.HEDA
Company Secretary

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

Place : Mumbai
Date : 25th May, 2019

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

(A) Equity share capital

(Rupees)

Particulars	No. of Shares	Rupees
Balances as at 31st March 2018	5622240	56222400
Changes during the year	-	-
Balances as at 31st March 2019	5622240	56222400

(B) Other equity

Particulars	Reserves & Surplus	Securities Premium	Total Equity
	Retained Earnings		
Balances as at 1st April 2018	(3196549)	7784507	4587958
MAT Credit	5645534	-	5645534
Loss for the year	(3932524)	-	(3932524)
Other Comprehensive Income/ (Loss)	-	-	-
Total Comprehensive Income for the year	(1483539)	7784507	6300968
Transfer from retained earnings	-	-	-
Dividends (including dividend distribution tax)	-	-	-
Balances as at 31st March 2019	(1483539)	7784507	6300968

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
Balances as at 31st March 2019	(3196549)	7784507	4587958

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/-
MANISH P.HEDA
Company Secretary

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

Place : Mumbai
Date : 25th May, 2019

Sd/-
VIVEK M.MANE
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 01/04/18	Additions	Deductions Adjustments	As at 31/03/19	As at 01/04/2018	Adjustments	For the year	Deductions Written Back	As at 31/03/19	As at 31/03/18
Tangible Assets										
Land at Dadra	2078580	-	-	2078580	-	-	-	-	-	2078580
Factory Building	16167514	-	-	16167514	12167906	-	379963	-	12547869	3999608
Plant & Machinery	42755974	-	-	42755974	14604923	-	1624727	-	16229650	28151051
Computer	581887	-	-	581887	572262	-	6078	-	578340	9623
Furniture & Fixtures	967784	47744	-	1015528	587657	-	104595	-	692252	380127
Vehicles	1384016	1199007	1331663	1251360	1129665	-	375921	1090152	415434	254351
Total Tangible Assets (a)	63935755	1246751	1331663	63850843	29062413	-	2491284	1090152	30463545	34873340
Total Intangible Assets (b)	-	-	-	-	-	-	-	-	-	-
Total (a+b)	63935755	1246751	1331663	63850843	29062413	-	2491284	1090152	30463545	34873340
Previous Period	62690031	1245724	-	63935755	26831384	-	2231029	-	29062413	34873340
										35858645

NOTE 2 - Loans

Particulars	(Rupees)	
	As at 31st March 2019	As at 31st March 2018
Security Deposits	195744	195744
Loans & Advances to related parties	-	-
Other Loans & Advances	-	-
TOTAL	195744	195744

NOTE 3 - Other non-current assets

Particulars	(Rupees)	
	As at 31st March 2019	As at 31st March 2018
Others	567394	1134782
TOTAL	567394	1134782

NOTE 4 - Inventories

Particulars	(Rupees)	
	As at 31st March 2019	As at 31st March 2018
Raw Material	6331907	9714794
Stock in Process (Work in Progress)	2875421	2989817
Stock of Finished Goods	10990226	11354157
Stock of Stores & Spares	1447812	1493190
Stock in Trade (Equity Shares)	21115269	21889083
TOTAL	42760635	47441041

NOTE 5 - Trade Receivables

Particulars	(Rupees)	
	As at 31st March 2019	As at 31st March 2018
Unsecured considered good	21141472	31740693
TOTAL	21141472	31740693

NOTE 6 - Cash and cash equivalents

Particulars	(Rupees)	
	As at 31st March 2019	As at 31st March 2018
Balances with Banks		
i) In Current Accounts	46778	353499
ii) In Unpaid Dividend Account	-	-
Cheques and drafts on hand	-	-
Cash-on-hand	454634	320663
Others	-	-
TOTAL	501412	674162

NOTE 7 - Other Bank Balances

	(Rupees)	
Particulars	As at 31st March 2019	As at 31st March 2018
Balances with Banks		
iii) In Fixed Deposits	548500	575500
TOTAL	548500	575500

NOTE 8 - Loans

	As at 31st March 2019	As at 31st March 2018
Unsecured considered good		
Loans & Advances to related parties	-	-
Others	-	-
Staff & Prepaid Expenses	276908	189927
TOTAL	276908	189927

NOTE 9 - Other Current Assets

	As at 31st March 2019	As at 31st March 2018
Unsecured considered good		
Vat Refundable	1112810	2277508
Interest Accrued on FDR	84286	58724
Trade Payable (Advances)	0	3501997
Prepaid Expenses	90890	98961
MAT Credit	5645533	0
Others	316435	188004
TOTAL	7249954	6125194

NOTE - 10 SHARE CAPITAL

	Current Year Ended 31 March 2019	Previous Year Ended 31 March 2018
AUTHORISED		
1,00,00,000 Equity Shares of Rs.10/- each	100000000	100000000
	100000000	100000000
ISSUED		
56,22,240 Equity Shares of Rs.10/- each	56222400	56222400
	56222400	56222400
SUBSCRIBED AND PAID UP		
56,22,240 Equity Shares of Rs.10/- each fully paid up	56222400	56222400
Add: Paid up value of Shares	18600	18600
Forfeited 3120 Equity Shares of Rs.10/-each (Previous year Forfeited 31200 Shares of Rs.1/-each)		
TOTAL	56241000	56241000

a) Rights and Restrictions of the Equity Shares holders

Following are the rights attached to 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	31st March, 2019		31st March, 2018	
	No of Shares	%	No of Shares	%
Jitendra K.Vakharia -HUF	1221320	21.72	1221320	21.72
Jitendra K.Vakharia	1137750	20.24	1137690	20.23
Varsha J.Vakharia	918904	16.34	838628	14.91

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.

Name of the Shareholder	Number 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 are no securities (Previous year Nil) convertible into Equity/Preferential Shares.

g) There are no calls unpaid (Previous year Nil) including calls unpaid by Directors and Officers as on balance sheet date.

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

Particulars	Current Year	Previous Year
(a) Shares outstanding at the beginning of the year	5622240	5622240
(b) Right Shares issued during the year	--	--
(c) Shares brought back during the year	--	--
(b) Shares outstanding at the end of the year	5622240	5622240

NOTE 11 - Other Equity

	(Rupees)	
Particulars	As at 31st March 2019	As at 31st March 2018
Securities Premium Reserve	7784507	7784507
Retained Earnings	(1483539)	(3196549)
TOTAL	6300968	4587958

NOTE 12 - Provisions - Non current

	As at 31st March 2019	As at 31st March 2018
Provisions for employees benefits (Gratuity)	2371786	2703615
TOTAL	2371786	2703615

NOTE 13 - Short Term Borrowings

	As at 31st March 2019	As at 31st March 2018
Secured Repayable on demand from Banks		
Overdraft from Bank (Secured)	31964697	46638261
(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)		
Loan from related parties (Unsecured)	2600000	0
TOTAL	34564697	46638261

NOTE 14 - Trade Payables

	As at 31st March 2019	As at 31st March 2018
Due to Micro,Small & Medium Enterprises	-	-
Others	4361639	9891020
TOTAL	4361639	9891020

NOTE 15 - Other Current Liabilities

	As at 31st March 2019	As at 31st March 2018
Other Liabilities	2383460	1977899
Statutory Liability	405765	469554
TOTAL	2789225	2447453

NOTE 16- Provisions-Current

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Tax (Net of Advance Tax)	-	441076
TOTAL	-	441076

NOTE 17 - Revenue from operations

Particulars	As at 31st March 2019	As at 31st March 2018
Sale of Products	396197568	366834220
Other Operating Income	-	-
TOTAL	396197568	366834220

NOTE 18 - Other Income

Particulars	As at 31st March 2019	As at 31st March 2018
Interest Income	96475	91345
Dividend Income	142476	142836
Gain on sale of Investments	-	608890
Misc Income	134045	116128
TOTAL	372996	959199

NOTE 19 - Cost of Materials Consumed

Particulars	As at 31st March 2019	As at 31st March 2018
Raw Materials Consumed		
Opening Stock	9714794	1743574
Add : Purchases	332329489	323426054
	342044283	325169628
Less: Closing Stock	6331907	9714794
	335712376	315454834
Packing and Other Materials Consumed		
Opening Stock	1223214	1994202
Add: Purchases	19647054	19174521
	20870268	21168723
Less: Closing Stock	1156069	1223214
	19714199	19945509
TOTAL	355426575	335400343

**NOTE 20 - Changes in inventories of Finished Goods,
Work-In-Progress & Stock in Trade**

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2019
Opening Stock:		
Finished Goods	11354157	395726
Work-in-process	2989817	4071919
	<u>14343974</u>	<u>4467645</u>
Less: Closing Stock:		
Finished Goods	10990226	11354157
Work-in-process	2875421	2989817
	<u>13865647</u>	<u>14343974</u>
TOTAL	<u>478327</u>	<u>(9876329)</u>

NOTE 21 - Employee Benefit Expenses

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2019
Salaries,Wages & Bonus	6753858	5730041
Gratuity Paid	86881	246988
Contribution to Provident Fund	332457	304514
TOTAL	<u>7173196</u>	<u>6281543</u>

NOTE 22 - Finance Cost

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2019
Bank Interest on Overdraft Facility	2886871	3040019
Bank Commission / Interest Paid	90044	43699
Bank Loan Renewal Charges	107500	107500
TOTAL	<u>3084415</u>	<u>3191218</u>

NOTE 23 - Other Expenses

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2019
Repairs & Maintenance		
-Plant & Machinery	1722235	1199365
-Others	551138	578405
Manufacturing Expenses	3635623	3494712
Auditor Remuneration	75000	75000
Bank charges & commission	10318	9640

Commission Paid on Sale	11076	74981
Director Remuneration	600000	600000
Director Sitting Fees	18000	19500
Insurance	129228	134866
Legal & Professional Fees	477006	505000
Loss on Sale of Shares	244489	-
Power & Fuel	21314770	17987034
Postage, Telephone & Telegram Expenses	235314	222808
Printing & Stationery	74488	89437
Rent Paid	300000	300000
Conveyance & Travelling Expenses	270283	122195
Vehicle Expenses	116999	237528
Miscellaneous Expenses	2063324	2034057
TOTAL	31849291	27684528

NOTE : 24**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).

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. 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) Teekay International
 - (b) 100% Subsidiary NIL
 - (c) Key Management Personnel Mr. Jitendra K. Vakharia
Mrs. Varsha J. Vakharia
Mr. Sandeep S. Gupta
Mr. Vivek M. Mane
 - (d) Relative of Key Management Personnel NIL
 - (e) Other related Parties NIL
- ii) Transactions with Related Parties (Rupees)

Type of Parties	Description of of the nature of the transaction	Volume of Trans. 2018-19	2018-19		Volume of Trans. 2017-18	2017-18	
			Outstanding			Outstanding	
			Receivable	Payable		Receivable	Payable
Where Control Exists	1) Loans	----	----	----	----	----	----
	2) Rent Paid	300000	----	----	300000	----	----
Key Managerial Personnel	1) Director’s Remuneration and Sitting Fees and KMP Remuneration	1538835	----	----	1370658	----	----
	2) Loans	4688042	----	2600000	10367948	----	----

3.2 Earnings per share	Year Ended 31.03.2019	Year Ended 31.03.2019
Profit / (Loss) attributable to the equity shareholders (Rupees)	(3932524)	2287818
Number of Equity Shares Outstanding during the year	5622240	5622240
Nominal value of Equity Shares (Rupees per Share)	10	10
Basic/diluted earnings per share on face value of Rs.10/- Each. (Previous Year Rs.10/-)	(0.70)	0.41

3.3 Auditors Remuneration	Year Ended 31.03.2019	Year Ended 31.03.2019
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 The Company has called for complete information from all vendors regarding their status as small-scale/micro industrial undertaking. Company is yet to receive information from vendor. 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)**

For and on behalf of the Board of Directors

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

Sd/-
MANISH P.HEDA
Company Secretary

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

Place : Mumbai
Date : 25th May, 2019

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

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30th ANNUAL REPORT

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 30th Annual General Meeting to be held on Friday, 23rd August, 2019 at 10.45 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.	Items	For	Against
	Ordinary Business		
1.	Adoption of Audited Financial Statements for the year ended 31st March 2019		
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 2019-20 & fix their remuneration.		
	Special Business		
4.	Special Resolution for reappointment of Shri Dinesh P.Turakhia (DIN: 00063927), as an Independent Director of the Company.		
5.	Special Resolution for reappointment of Shri Jitendra K. Vakharia (DIN: 00047777), as a Managing Director of the Company.		



Signed this..... day of..... 2019

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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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

30TH 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 30th Annual General Meeting of the Company to be held on Friday, 23rd August 2019 at 10.45 a.m. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chambers, Churchgate, Mumbai – 400 020.

Member's/Proxy's Signature

