

**EVERLON
FINANCIALS
LIMITED**

**33RD
Annual Report
(2021-2022)**

EVERLON FINANCIALS LIMITED
(Formerly Known As Everlon Synthetics Limited)

Financial Year
(2021-2022)

C O N T E N T S

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EVERLON FINANCIALS LIMITED
CIN L65100MH1989PLC052747

BOARD OF DIRECTORS

SHRI. JITENDRA K. VAKHARIA	(DIN 00047777)	MANAGING DIRECTOR
SMT. VARSHA J. VAKHARIA	(DIN 00052361)	NON EXECUTIVE DIRECTOR
SHRI. NITIN I. PAREKH	(DIN 00087248)	INDEPENDENT DIRECTOR
SHRI. KIRON B. SHENOY	(DIN 08582581)	INDEPENDENT DIRECTOR
SHRI. NEERAJ R. SHARMA	(DIN 00071579)	ADDITIONAL DIRECTOR (Appointed w.e.f 26/08/2022)

KEY MANAGERIAL PERSONNEL

SHRI. VIVEK M. MANE	CHIEF FINANCIAL OFFICER
SHRI. KIRAN A. SAWANT	COMPANY SECRETARY

AUDITORS

M/s. B.L. DASHARDA & ASSOCIATES

(Chartered Accountants)
 301, Vastubh Apartment, Near Hanuman Temple, Datta Pada,
 Cross Road No. 1, Borivali (East) Mumbai-400066

BANKERS

HDFC Bank Ltd.
 Indian Overseas Bank
 Yes Bank Ltd.

REGISTERED OFFICE

67, Regent Chambers,
 208, Nariman Point,
 Mumbai – 400 021.
 E-Mail: everlonsynthetics@gmail.com
 Website:- www.everlon.in

LISTED AT

BSE Limited, Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime (India) Pvt. Ltd.
 C 101, 247 Park
 L B S Marg, Vikhroli (West),
 Mumbai – 400 083.
 Tel: 022-49186270
 Fax: 022-49186060
 E-mail: support@sharexindia.com/ rnt.helpdesk@linkintime.co.in

NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Shareholders of **EVERLON FINANCIALS LIMITED** (CIN: L65100MH1989PLC052747) will be held on Thursday, September, 29, 2022 at 11.30 a. m IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) 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, 2022, 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.

SPECIAL BUSINESS

3. **RE-APPOINTMENT OF MR. JITENDRA K. VAKHARIA (DIN: 00047777) AS MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF THREE YEARS WITH EFFECT FROM OCTOBER 01, 2022.**

To consider and to pass, the following resolution as an **ORDINARY RESOLUTION:-**

“RESOLVED THAT pursuant to provisions of sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and Rules made thereunder read with Schedule V to the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the Authorities in granting such approvals, permissions and sanctions, the consent of the members of the Company, be and is hereby accorded for re-appointment of Mr. Jitendra Kantilal Vakharia (DIN:- 00047777) as the Managing Director of the Company *without* any remuneration for a period of Three years with effect from October 01 , 2022

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 entitled for reimbursement of all expenses 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 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.”

4. INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY FROM Rs. 10 CRORES TO Rs. 25 CRORES AND CONSEQUENT ALTERATION IN CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider and to pass, the following resolution as an **ORDINARY RESOLUTION** :-

“**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and reenactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from the present Rs. 10,00,00,000/- (Rupees Ten Crores) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten) each to Rs. 25,00,00,000/- (Rupees Twenty Five Crores) consisting of 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores) divided into 2,50,00,000 (Two Crores Fifty Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each capable of being increase or reduced in accordance with the Company’s regulation and legislative provisions for the time being in force in that behalf and also with the power to increase and reduce the said capital of the company and to divide the said shares in the capital for the time being into several classes and to attach thereto respectively the said preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the company for the time being and to vary, modify or abrogate such rights, privileges or conditions in such manner as may be permitted by laws or provided by the Articles of Association for the time being of the Company.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company be and is hereby severally authorized to do all such act(s), deed(s) and things including all forms, documents filing with Registrar of Companies as may be necessary and incidental to give effect to the aforesaid Resolution.”

5. REGULARIZATION OF ADDITIONAL DIRECTOR, MR. NEERAJ SHARMA (DIN:- 00071579) AS DIRECTOR OF THE COMPANY

To consider and to pass, the following resolution as an **ORDINARY RESOLUTION** :-

“**RESOLVED THAT** Mr. Neeraj Sharma (DIN:- 00071579), who was appointed as an Additional Director in terms of Section 161(1) of the Companies Act, 2013 (the “Act”) by the Board of Directors with effect from August 26, 2022, who holds office upto the date of this Annual General Company and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

Place:- Mumbai
Date:- 26/08/2022

By order of the Board of Directors
For Everlon Financials Limited

Jitendra. K. Vakharia
Managing Director
(DIN-00047777)

NOTES

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020, 13th April, 2020, 13th January, 2021 and General Circular No. 2 dated 05th May 2022 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) has vide its circular dated 12th May, 2020 read together with circular dated 15th January, 2021 & 13th May 2022 (collectively referred to as “SEBI Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, the SEBI Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. In terms of the provisions of Section 152 of the Act, Smt. Varsha J. Vakharia, Director of the Company, retires by rotation at the Meeting and being eligible for re-appointment, offers herself for re-appointment.
6. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards (SS2) on General Meeting issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this Meeting are provided in the “Annexure” to the Notice.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF,NRI, etc.) are required to send scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizers mail (sanjayrd65@gmail.com) by email through its registered email address with a copy marked to evoting@nsdl.co.in.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialized form. members can contact the Company or Company’s Registrars and Transfer Agents, Link Intime India Pvt. Ltd.
9. The Register of Members and Share Transfer Register of the Company will remain closed from **Saturday, September, 24, 2022 to Thursday, September, 29, 2022 (both days inclusive)**.

10. The Members are requested to:

- i) Intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s. Link Intime 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.
 - v) Intimate Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd. for consolidation of their folios, in case they are having more than one folio.
11. To support the “**Green Initiative for Paperless Communications**” Members who have not yet registered their email ids are requested to register the same with their DPs in case the shares are held in electronic form and with Company's RTA in case the shares are held in physical form.
 12. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 13. In compliance with the aforesaid MCA Circulars and SEBI Circular , Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email address are registered with Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.everlon.in Website of Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.
 14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 15. The Company has engaged the services of The National Securities Depository Limited (“NSDL”) for facilitating remote e-voting for the said meeting to be held on **Thursday, September 29, 2022, at 11.30 a.m.** .The Shareholders are requested to follow the instructions mentioned in Note below.
 16. The voting by Shareholders through the remote e-voting shall commence at **9.00 a.m. on Monday, September 26, 2022 and shall close at 5.00 p.m. on Wednesday, September 28, 2022.** During this period, Members holding shares either in physical form or in dematerialized form, as on **Thursday, September 22, 2022 i.e. cut-off date**, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the Meeting through VC / OAVM facility and have not cast their vote on the Resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting.
 17. The Shareholders of the Company can opt only one mode for voting i.e. remote e-voting or voting during the Meeting. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.
 18. The Shareholders of the Company attending the Meeting, who have not cast their vote through remote e-voting shall be entitled to exercise their vote during the Meeting by VC/ OAVM. Equity shareholders who have cast their votes through remote e-voting may attend the Meeting but shall not be entitled to cast their vote during the Meeting.
 19. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / beneficial owner as on the cut-off date i.e. **Thursday, September 22, 2022.**

20. The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. **September 22, 2022** only shall be entitled to vote on the resolutions set out in this Notice. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
21. Any person, who acquires shares of the Company and become member of the Company after emailing of the notice and holding shares as of the cut-off date i.e **Thursday, September 22, 2022** , may obtain the login ID and password by sending a request at email ID evoting@nsdl.co.in
22. 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.
23. Any queries/ grievances in relation to the voting by e-voting may be addressed to the Company Secretary of the Company through email at everlonsynthetics@gmail.com, or may be addressed to NSDL at evoting.nsdl.co.in.
24. The helpline number regarding any query/assistance for participation in the AGM through VC is 1800-222-990.
25. The Board of Directors has appointed Mr. Sanjay Dholakia (Membership No. 2655, C.P. NO. 1798) of Sanjay Dholakia & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

26. Instructions for e-Voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

- i) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Thursday, September 22, 2022**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting).
- ii) The remote e-voting period will commence at **9.00 a.m. on Monday, September 26, 2022 and shall close at 5.00 p.m. on Wednesday, September 28, 2022**. The remote e-voting module shall be disabled by NSDL for voting thereafter. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.
- iii) The Company has appointed Mr. Sanjay Dholakia, Practicing Company Secretary (FCS 2655) to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given in the Notice. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions are requested to refer the instructions provided in the Notice.
- iv) Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.
- v) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if he / she is already registered with NSDL for remote e-Voting then he /she can use his / her

existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system

In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

vi) The details of the process and manner for remote e-Voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:-

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="699 1290 1543 1709">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="699 1738 1543 1877">2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="699 1906 1543 2112">3. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit

	<p>demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
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 etc.
 - 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **everlonsynthetics@gmail.com**
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **everlonsynthetics@gmail.com**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGHVC/OAVM ARE AS UNDER:-

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at everlonsynthetics@gmail.com. The same will be replied by the company suitably.

General Guidelines and Other Instructions:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-Voting) and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website at www.everlon.in and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.
3. 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.
- 4 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 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in
27. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item No.3, 4 & 5 of the accompanying Notice is annexed hereto.

28. ANNEXURE TO NOTICE:-

**A. Details of Directors seeking re-appointment at the forth coming Annual General Meeting:-
(As per Regulation 36(3) of SEBI(LODR) Regulations 2015):**

Name of Director & Designation	Mrs. Varsha J. Vakharia Non-Executive Promoter Director	Mr. Jitendra K. Vakharia Executive Director:- Managing Director	Mr. Neeraj Sharma (Non executive- Non Independent Director)
Age	64 years	66 years	50 years
Date of First Appointment	29/10/1999	19/12/1989	26/08/2022
Qualification	M.A.	Inter Science	Chartered Accountant Cost Accountant, B.Com (Hons)
Expertise in specific areas	General Administration & Finance	Experience of 33 years in Yarn business.	Overall 25 years of industry experience of which 15 years are in NBFC sector
Name of listed Companies in which holds Directorship as on 31 st March 2022	NIL.	Kaycee Industries Limited	NIL.
Name of other Companies in Committees of which holds Membership/ Chairmanship As on 31 st March 2022	NIL	Kaycee Industries Limited:- Share Transfer- Cum- Stakeholder Grievance Committee (Member)	NIL
No. of equity shares held in Everlon Financials Limited As on 31 st March 2022	9,60,958	11,67,776	NIL

Inter-se Relations Among Directors	She is related to Jitendra K. Vakharia	He is related to Smt. Varsha J. Vakharia	He is not related to promoter or promoter group
Number of Board Meetings attended during the year.	Six	Six	NIL
Details of last Remuneration drawn	Sitting Fees Paid	Salary of Rs 50,000/- p.m. upto 30 th June 2021.	NIL

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

Place:- Mumbai
Date :-26/08/2022

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

**EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)**

That following explanatory statement sets out the material facts referring to Item No. 3 of the Notice

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

Item No.3 :-

The shareholders of the company at its 30th Annual General Meeting held on 23rd August 2019 had approved re-appointment of Mr. Jitendra K. Vakharia as Managing Director of the company for period of 3 (Three) years with effect from 01st October 2019 till 30th September 2022, not liable to retire by rotation. The present term of Shri Jitendra K. Vakharia as Managing Director is expiring on 30th September 2022.

The Board of Directors at its meeting held on 30th May 2022, based on recommendation of Nomination and Remuneration Committee, have re-appointed, subject to shareholders approval, Mr. Jitendra K. Vakharia, as Managing Director of the Company without any Remuneration for a period of 3 years with effect from 01st October, 2022, not liable to retire by rotation.

The terms and conditions of his re-appointment and remuneration are set out in the resolution proposed to be passed, including the following:-

- a) The term of Managing Directors Re-appointment is for period of 3 (Three) years with effect from 01st October, 2022. He shall not liable to retire by rotation.
- b) The re-appointment of Managing Director shall be without any remuneration. Further no sitting fees shall be payable to Managing Director during his tenure for attending any meeting of the Board of Directors and Committee(s) thereof.
- c) The Managing Director shall be entitled for reimbursement of all expenses incurred for the purpose of business of the company.
- d) The Managing Director shall adhere to various policies, code of conduct, staff rules of the company as may be applicable by virtue of his office for the purpose of discharging his official duties/powers as delegated by the board from time to time.

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.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Jitendra K. Vakharia under Section 190 of the Act. Shri Jitendra K. Vakharia is interested in the said resolution set out at Item No. 3 of the Notice.

Smt. Varsha J. Vakharia, being related to Shri. Jitendra K. Vakharia may be deemed to be interested in the said resolution. The other relatives of Shri. Jitendra K. Vakharia may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. 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. The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No.4 :-

The present Authorized Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crore) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten) each.

Considering the further fund requirement of the Company, the Board at its Meeting held on Friday, 05th August, 2022 proposed to increase its Authorized Share Capital from Rs. 10,00,00,000/- (Rupees Ten Crore) to Rs. 25,00,00,000/- (Rupees Twenty Five Crore) by creation of 1,50,00,000 (One Crore Fifty Lacs) additional equity shares of Rs. 10/- (Rupees Ten) each to facilitate fund raising in future via issuance of equity shares and other convertible securities.

The increase in the Authorized Share Capital of the Company will also require consequential amendment to Clause V of the Memorandum of Association of the Company and pursuant to Sections 13 and 61 the Companies Act, 2013, alteration of the Capital clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Board of Directors of your Company, therefore, recommend the Resolution set out in item No. 4 of this Notice for the approval of the members by way of passing an Ordinary Resolution. None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their shareholding.

Item No.5 :-

Mr. Neeraj Sharma was appointed as Additional Director with effect from 26th August, 2022, in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuring Annual General Meeting of the Company.

Mr. Neeraj Sharma is having 25 years of industry experience of which 15 years are in NBFC sector. The Board after Considering his vast experience in NBFC sector is of view that the appointment of Mr. Neeraj Sharma on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No 5 for approval by the members of the Company. None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Neeraj Sharma himself, in any way concerned or interested, in the said resolution. The board recommends the said resolution to be passed as an ordinary resolution.

Place:- Mumbai
Date :-26/08/2022

By order of the Board of Directors
For Everlon Financials Limited

Jitendra. K.Vakharia
Managing Director
(DIN 00047777)

EVERLON FINANCIALS LIMITED
DIRECTOR'S REPORT

To,
The Members,

The Board of Directors present their 33rd Annual report together with Audited Financial Statements for the year ended 31st March, 2022.

1. OPERATIONS AND FINANCIAL RESULTS

Particulars	Year Ended 31/03/2022 (Rs. in Lakhs)	Year Ended 31/03/2021 (Rs. in Lakhs)
Sales	3497.96	3404.05
Other Income	42.63	12.97
Profit/(Loss) for the year before Depreciation, Exceptional Items & Tax	55.10	132.55
Less : Depreciation	22.41	21.85
Add/Less:-Exceptional Income / (Loss)	197.84	(80.59)
Profit / (Loss) before Tax	230.53	30.11
Add/Less : Provision for Tax	33.40	(5.20)
Profit / (Loss) after tax	197.13	24.91
Add/Less:-Tax adjustments for earlier years	0	(16.61)
Profit/(Loss) for the year	197.13	8.30
Mat Credit	13.77	5.08
Profit / (Loss) Brought forward from Previous Year	14.25	0.87
Profit/ (Loss) carried to Balance Sheet	225.15	14.25

2. SIGNIFICANT DEVELOPMENT

a) Change in name of the Company:-

The name of the Company was changed from "Everlon Synthetics Limited " to "Everlon Financials Limited" pursuant to the Certificate of Incorporation dated 22nd September, 2021 issued by the Registrar of Companies, Mumbai in order to reflect the identity and the nature of the activity of the Company i.e. Non-Banking Financial Institution – Non-Deposit taking Micro Finance Institution (NBFC-MFI-ND) without accepting public deposits.

b) Registration as a Non-Banking Financial Company (Non-Deposit taking)

As members are aware, pursuant approval granted by members of the company in the 32nd Annual general meeting of the company held on August 28, 2021, the company had sold / transferred / disposed-off the whole, or substantially the whole of the Land, Buildings, and Plant and Machinery, other assets and Capital work in progress. lying at manufacturing facilities of the company situated at Plot No.265/7/1, Demni Road, Dadra- 396 191, Silvassa, (Union Territory of Dadra & Nagar Haveli) ("Undertaking") on a slump sale basis as a going concern and on an "as is where is" basis for a consideration of Rs. 5,21,00,000/- (Rupees Five Crore Twenty One Lacs only) to Vishnu Laxmi Textiles Industries Private Limited.

The consideration received on aforesaid sale was invested in the company for carrying out NBFC activity. The Company has made an application to Reserve Bank of India for obtaining the Certificate of Registration as Non-Banking Financial Institution – Micro Finance Institution (NBFC-MFI) without accepting public deposits. The company will carry out Non-Banking Financial activity post receipt of certificate of registration from Reserve Bank of India.

3. DIVIDEND

The Board of Directors of your Company has not recommended any dividend for the Financial Year 2021-22.

4. DIRECTORS & KEY MANAGERIAL PERSONNEL

A) Retirement by rotation

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

B) Re-Appointment of Shri. Jitendra. K.Vakharia as Managing Director of the Company

The Board of Directors of the Company, at its meeting held on 30th May 2022 has, subject to the approval of members, re-appointed Shri. Jitendra. K.Vakharia (DIN 00047777) as Managing Director of the Company without any remuneration for a period of Three years with effect from October 01, 2022 as recommended by the Nomination and Remuneration Committee of the Board. It is proposed to seek members' approval for the re-appointment of Shri. Jitendra. K.Vakharia (DIN 00047777) as Managing Director of the Company without remuneration, in terms of the applicable provisions of the Act.

Mr. Neeraj Sharma (DIN:- 00071579) was appointed as Additional Director (Non-executive & Non-Independent Director) by the Board of Directors of the Company with effect from 26th August 2022 and to be regularised as Director in the ensuing Annual General Meeting to be held on 29th September 2022.

Sr. No.	Name of Director and Key Managerial Personnel	Category and Designation
1.	Mr. Jitendra K. Vakharia	Promoter and Managing Director
2.	Mrs. Varsha J. Vakharia	Promoter and Non Executive Director
4.	Mr. Nitin I. Parikh	Non-Executive Independent Director
5.	Mr. Kiron Basty Shenoy	Non-Executive Independent Director
6.	Mr. Neeraj Sharma	Non-Executive –Non Independent Director
7.	Mr. Vivek M.Mane	Chief Financial Officer
8.	Mr. Kiran A.Sawant	Company Secretary & Compliance Officer

5 BOARD EVALUATION:

The Company has devised a policy for performance evaluation of its individual directors, the Board and the Committees constituted by it, which includes criteria for performance evaluation.

The Board has carried out an annual evaluation of its own performance, working of its Committees and the Directors individually in line with the requirements of the Act and Listing Regulations.

The Directors were provided with structured questionnaire to record their views. The reports generated out of the evaluation process were placed before the Board at its meeting and noted by the Directors. The evaluation process was attentive on various aspects of the functioning of the Board and its Committees, such as experience and competencies, performance of specific duties and obligations of the Board & its Committees, and governance issues etc. The Board also carried out the evaluation of the performance of Individual Directors based on criteria such as Leadership initiative Initiative in terms of new ideas and planning for the Company, Timely inputs on the minutes of the meetings of the Board and Committee etc. The same is found to be satisfactory.

6. 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. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ('IICA'). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of Two years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. All the Independent Directors of the Company are exempt from the requirement to undertake online proficiency self assessment test. The Board is of the opinion that the Independent Directors of the Company holds highest standards of integrity, expertise and experience (including the proficiency) required to fulfil their duties as Independent Directors

7. STATUTORY AUDITORS :

M/s. B. L. Dasharda and Associates, Chartered Accountants (Firm Registration No. 112615W) were appointed as statutory auditors of the company for a period of Three Years at the 32nd Annual General meeting of the company held on August 28, 2021. There are no qualifications, reservations, observations, disclaimers or adverse remarks contained in the Auditors Report

8. 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.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

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

10 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, 2022, 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, 2022 and of the profit of the company for the year ended on that date.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

11. 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.

12. 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 Mr. Nitin I. Parekh, and Mr. Kiron B. Shenoy 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. Kiron Basti Shenoy, 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. Kiran Shenoy, Independent Director is the Chairman of the said Committee and Mr. Nitin I. Parekh, Independent Director and Mr. Jitendra K. Vakharia 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.

Criteria for Determining Qualifications, Positive Attributes, Independence and Other Matters Concerning a Director:

In terms of the provisions of clause (e) of section 134(3) read with Section 178(3) of Companies Act, 2013, the Nomination and Remuneration Committee, while appointing a Director, takes into account the following criteria for determining qualifications, positive attributes and independence:

Qualification: Diversity of thought, experience, industry knowledge, skills and age.

Positive Attributes: Apart from the statutory duties and responsibilities, the Directors are expected to demonstrate high standard of ethical behaviour, good communication and leadership skills and take impartial judgment.

Independence: A Director is considered Independent if he/she meets the criteria laid down in Section 149(6) of the Companies Act, 2013, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, 2015.

C. Stakeholder's Relationship Committee:

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

13. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

The Board has appointed M/s. Sindhu Nair & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2021-22, 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, 2022 is annexed herewith marked as **Annexure B** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

14. MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors duly met 6 times during the financial year from 1st April, 2021 to 31st March, 2022. The dates on which the meetings were held are as follows:-

28th June 2021, 21st July 2021, 11th August 2021, 18th October 2021, 13th November 2021 and 08th February 2022.

15. ANNUAL RETURN

The Annual Return as provided under Section 92 of the Act is available on the website of the Company at <http://www.everlon.in>.

16. 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.

17. CORPORATE SOCIAL RESPONSIBILITY

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

18. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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) and (t) 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 Discussion and Analysis Report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed as **Annexure C**

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIESACT, 2013

All the related party transactions are entered on arm's length basis and in ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and listing regulation. Form AOC -2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, giving details of contract or arrangement is attached herewith as **Annexure D**. All related party transactions are presented to the Audit Committee and the Board, if required for approval.

20. INTERNAL FINANCIAL CONTROL

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its business operations. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Internal Auditor monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

21. INTERNAL AUDITORS

The company has appointed M/s. R. Thakkar and Co., Chartered Accountants, Mumbai, as Internal Auditors for financial year 2022-23.

22. PARTICULARS OF EMPLOYEES AND DIRECTORS REMUNERATION

Shri. Jitendra K. Vakharia (DIN : 00047777) was appointed as Managing Director of the Company for a period of 3 years effective from October 01, 2019 on monthly salary of Rs.50,000 p.m plus perquisites.

During the financial year, Shri. Jitendra K. Vakharia stopped drawing remuneration as Managing Director from the company w.e.f. July 01, 2021.

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

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 F**.

23. CHANGE IN NATURE OF BUSINESS

The company had sold its manufacturing facilities situated at Silvassa and hence the company exited the business of manufacturing Polyester Texturized Yarn during the year.

The company now intends to commence Non-Banking Financial activities and has applied to Reserve Bank of India for getting Certificate of Registration as Non-Banking Financial Institution – Micro Finance Institution

24 CODE OF CONDUCT

The Company has obtained declaration from Managing Director under Para D of Schedule V of Listing Regulations 2015 in respect of compliance of Code of conduct during the year under review

“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.”

25. FAMILIARISATION PROGRAMME FOR DIRECTORS

The Members of the Board of the Company are afforded many opportunities to familiarise themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors provide an overview of the operations and familiarise the new Independent and Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies, etc The policy on Company's familiarization program for Independent Directors is posted on Company's website at www.everlon.in

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

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

Description	No. of Records	No of Equity Shares of Rs.10/- each
No. of shareholders and outstanding shares at the beginning of the year	428	71820
No. of shareholder's request received for transfer of shares during the year	NIL	NIL
No. of shareholders to whom shares transferred during the year	NIL	NIL
No. of shareholders and outstanding shares at the end of the year	428	71820

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

27. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and your Directors confirm compliance of the same during the year under review.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no material change affecting the financial position of the Company which have occurred between the end of the financial year

29. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year:-

- (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 is not applicable.
- (i) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016

30 ACKNOWLEDGEMENT

Your Directors are pleased to place on record their sincere gratitude to the Government, Financial Institutions, Bankers, Business Constituents and Shareholders for their continued and valuable co-operation and support to the Company and look forward to their continued support and co-operation in future too. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

For and on behalf of the Board of Directors

Place:- Mumbai

Date:- 26/08/2022

Jitendra K. Vakharia
Managing Director
(DIN 00047777)

Varsha. J. Vakharia
Director
(DIN 00052361)

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 | : | Not Applicable since the company stopped manufacturing activity. |
| (ii) the steps taken by the company for utilising alternate sources of energy | : | Not Applicable since the company stopped manufacturing activity. |
| (iii) the capital investment on energy conservation equipment | : | Not Applicable since the company stopped manufacturing activity |

(B) TECHNOLOGY ABSORPTION

NIL

(C). FOREIGN EXCHANGE EARNINGS AND OUT GO:

Foreign Exchange earned :

NIL

Foreign Exchange outgo :

NIL

For and on behalf of the Board of Directors

Jitendra. K. Vakharia
Managing Director
(DIN 00047777)

Varsha. J. Vakharia
Director
(DIN 00052361)

Place:- Mumbai
Date:- 26/08/2022

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

[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 FINANCIALS LIMITED
67, 6th Floor, Regent Chambers,
208, Nariman Point,
Mumbai - 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EVERLON FINANCIALS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, 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 Byelaws 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;
- d. The Securities and Exchange Board of India (ShareBased Employee Benefits) Regulations, 2014);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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 (Depositories and Participants) Regulations, 2018
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period); and
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.

We have also examined compliance with the applicable clauses of Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines, as mentioned above.

We further report that:

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

The Company has made application to the Reserve Bank of India to register the Company as Non-Banking Financial Company. Further, the Company has altered the Name and Object Clause of the Memorandum of Association and also adopted a new set of Articles of Association. Accordingly, the name of the Company was changed from EVERLON SYNTHETICS LIMITED to EVERLON FINANCIALS LIMITED. The Company has made the necessary resolutions and filed the e-Forms with the Ministry of Corporate Affairs and complied with the provisions of the Act.

Based on the representation given by the Management of the Company and as verified by us, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates.

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.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We 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.

This Report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this Report.

For SINDHU NAIR & ASSOCIATES

(SINDHU G NAIR)
Practicing Company Secretary
Proprietor
(FCS- 7938, CP- 8046)
UDIN:F007938D000745103

Place: Mumbai
Date: 5-8-2022

ANNEXURE I TO SECRETARIAL AUDIT REPORT

To,
The Members
EVERLON FINANCIALS LIMITED
67, 6th Floor, Regent Chambers,
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 the correct facts are reflected in secretarial records. We believe that the practices and processes we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations and norms is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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 SINDHU NAIR & ASSOCIATES

(SINDHU G NAIR)
Practicing Company Secretary
Proprietor
(FCS- 7938, CP- 8046)

Place: Mumbai
Date: 5-8-2022

ANNEXURE - C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A. Industry Outlook:-**

Due to changing business environment and overall industries outlook, the Company has stopped manufacturing Polyester Texturized Yarn in the month of November 2021.

The Company has now proposed to carry out new line of business activity i.e. Non-Banking Financial Institution – Micro Finance Institution post receipt of Certificate of Registration from Reserve Bank of India. Indian Microfinance sector has witnessed phenomenal growth over past two decades in terms of increase in both - the number of institutions providing micro finance as also the quantum of credit made available to the micro finance customers. India microfinance market is anticipated to grow at a brisk CAGR of more than 40% through 2025, predominantly on account of increasing demand for microfinance loans from the MSME sector.

B. Opportunities:-

The Indian microfinance market is expected to grow at a brisk compounded annual growth rate (CAGR) of more than 40 per cent through 2025, predominantly on account of the increasing demand for microfinance loans from the MSME sector.

C. Segment:-

As reported earlier, the Company was having only one reporting segment, namely Textiles which they discontinued from November, 2021.

The Indian Microfinance Market is segmented into banks and non-banks. By Bank type segmentation, the market is categorized into Small Finance Companies, Commercial Banks, Regional Rural Banks, and Cooperative Banks. By non- Bank type segmentation, the market is categorized into NBFC-MFIs, NBFCs Not for Profit MFIs.

D. Risk and Concerns:-

The Risk and Concerns in microfinance sector are difficulty in assessing borrowers' incomes, Cash collections, unsecured nature results in high write-offs etc. There is a general risk of change in rate of interest to curb the inflation which RBI announces from time to time. The probability of recession in the economy is also on the sight and which may affect the business plans of the company.

E. Internal Control Systems:-

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate system exists to safeguard company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well defined procedures to execute financial transactions. Internal audit is being conducted by an independent firm of Chartered Accountants. The internal auditor monitors and evaluates the efficiency and adequacy of internal control systems in the organization, its compliance with operating systems, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective actions and improvements in their respective areas. Significant audit observations and corrective actions thereupon are presented to the Audit Committee 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 3497.96 lakhs (net of GST) as compared to Rs 3404.05 lakhs of the previous year

G. **Industrial and Human Relations:-**

Harmonious industrial relations continue to prevail during the year. The Company believes that the manpower and business network consisting of human being is the primary and most valuable resources to the growth of organization. Your Company put all its efforts for sound and healthy human relation for development of trade and organization. Total numbers of employees as on March 31, 2022 were 3.

H **Details of Key Financial Ratios and Significant Changes :**

Ratios	FY.2021-22	FY.2020-21
i) Debtors Turnover	0.00	11.50
ii) Inventory Turnover	8.06	13.23
iii) Interest Coverage Ratio	9.55	4.46
iv) Current Ratio	103.81	1.69
v) Debt Equity Ratio	0.00	0.96
vi) Operating Profit Margin	15.15	4.19
vii) Net Profit Margin	5.78	0.24
viii) Return on Net Worth	35.05	1.48

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.

For and on behalf of the Board of Directors

Place:- Mumbai
Date:- 26/08/2022

Jitendra K. Vakharia
Managing Director
(DIN 00047777)

Varsha J. Vakharia
Director
(DIN 00052361)

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 armslength 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	Rent
c)	Duration of the contracts/arrangements/transaction	3 Years (01/08/2022 to 31/07/2025)
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.1,00,000/- p.m.
e)	Date of approval by the Board	05/08/2022
f)	Amount paid if any	Nil

For and on Behalf of the Board of Directors

Jitendra K. Vakharia
Managing Director
 (DIN 00047777)

Varsha J. Vakharia
Director
 (DIN 00052361)

Place: Mumbai
 Date: 26/08/2022

ANNEXURE - E

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 Nomination & 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 Nomination and Remuneration 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.

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 – F

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

- a.) 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.2021-22	Director Sittings Fees Paid Rs F.Y.2021-22
1	Shri Jitendra K.Vakharia	Managing Director	1,50,000 /-*	NIL
2	Smt Varsha J.Vakharia	Director	NIL	25,000/-
3	Shri Nitin I. Parekh	Independent Director	NIL	25,000/-
4	Shri. Kiron B. Shenoy	Independent Director`	NIL	25,000/-
5	Shri Vivek M. Mane	Chief Financial Officer	4,06,986 /-	NIL
6	Shri. Kiran A. Sawant	Company Secretary	6,00,000/-	NIL

*Shri. Jitendra K.Vakharia, Managing Director of the company had stopped drawing remuneration with effect from July 01, 2021

- b.) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

.Sl. No	Name of the Directors/KMP	Designation	Remuneration of Directors/ KMP for the year 2021-2022	% Increase in Remuneration in the year 2021-2022	Ratio of Remuneration of each Director to median remuneration of employee
1.	Shri. Jitendra K.Vakharia	Managing Director	1,50,000 /-**	Nil	0.90
2	Smt Varsha J.Vakharia	Non Executive Director	25,000/-*	Nil	N.A.
3	Shri Nitin I. Parekh	Independent Director	25,000/-*	Nil	N.A.
4	Shri. Kiron B. Shenoy	Independent Director	25,000/-*	Nil	N.A.
5	Shri Vivek M. Mane	Chief Financial Officer	4,06,986 /-	6%	2.45
6	Shri. Kiran A. Sawant	Company Secretary	6,00,000/-	6%	3.62

* Sitting fees paid to Non-executive Directors during the year is not considered as remuneration for ratio calculation purpose.

** Shri. Jitendra K.Vakharia, Managing Director of the company had stopped drawing remuneration with effect from July 01, 2021.

- c) The median remuneration of employees of the Company during the year was Rs. 1,65,594/-

- d) There were 03 permanent employees on the rolls of the Company as at March 31, 2022

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average Percentile Increase for other than managerial personnel: (6%)
Average Percentile Increase for managerial personnel: (6%).

f) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

(B) MANAGERIAL REMUNERATION

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2022 is given in a separate Annexure to this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company from the date of circulation of this notice up to the date of AGM during the business hours on working days.

As required under Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company does not have any employees who:

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate was not less than 1 Crore and 2 Lakh rupees;
- (ii) if employed for a part of the financial year were in receipt of remuneration of not less than Eight Lakh and Fifty Thousand per month;
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. hence, no such details to be provided.

For and on behalf of the Board of Directors

Place:- Mumbai
Date:- 26/08/2022

Jitendra. K. Vakharia
Managing Director
(DIN 00047777)

Varsha. J. Vakharia
Director
(DIN 00052361)

INDEPENDENT AUDITORS' REPORT

To the Members,

EVERLON FINANCIALS LIMITED
(Formerly Known as Everlon Synthetics Limited)

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Everlon Financials Ltd. ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone 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 Companies Act, 2013 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, 2022, and profit, 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 Standalone 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 year. 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprise the information include in the annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 and using 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. That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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.

As part of an audit in accordance with SA's we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedure responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting, in error, as fraud may involve collusion forgery, intentional omission misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design the procedure that are appropriate in the circumstances. Under section 143(3) (i)of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or if, such disclosure are inadequate to modify our opinion. Our conclusions are based on the audit evidence upto the date of our auditor's report. However future events or conditions may causes the Company to cease to continue as going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieve fair presentation.
- Materially is magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decision of reasonably knowledgeable user of the financial statements may be influenced. We considered quantitative materiality and qualitative factors in (i) planning the scope of our work and in evaluating the result of work in (ii) to evaluate the effect of any identified misstatement in the financial statements.
- We communicate with this those charged with governance regarding, among other matters the planned scope and timing of the audit and significant audit findings including any significant deficiencies in the internal control that we identify during our audit.
- We also provide those charged with governance with statements that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, and related safeguards.
- From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our Auditor's Report wherever applicable and unless law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of the doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as 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 the written representation received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Companies Act, 2013 as amended,

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Companies Act, 2013.

- h) 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.
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. As per the management representation we report,
 - a) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - b) no funds have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding that the such company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - c) Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) of Rule 11(e) by the management contain any material mis-statement.

- i) Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

For **B.L.Dasharda & Associates**
Chartered Accountants
Firm Registration No. :112615W

CA Sushant Mehta
Partner
Membership No.112489

Place : Mumbai
Dated: 30th May, 2022
UDIN: 22112489AJVSYO3245

EVERLON FINANCIALS LIMITED
 (Formerly known as Everlon Synthetics Limited)
ACCOUNTING YEAR ENDED 31ST MARCH 2022
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 has maintained proper records showing full particulars including quantitative details, wherever applicable, and situation of Property, Plant and Equipment and Intangible assets;
 - (b) As explained to us, a major portion of the Plant and Equipment and Intangible Assets has been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed 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.
 - (d) The Company has not revalued any of its Property, Plant and Equipment or Intangible assets, hence the provision of Clause 3 (i) (d) of the Order is not applicable to the Company.
 - (e) No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.
- (ii) In Respect of its inventory:
 As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies of 10% or more were noticed on verification between the physical stocks and the book records.
- During the year the Company has not been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, hence the provision of Clause 3(ii) (b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any guarantee or security or made investments or granted any loans or advances in the nature of loans, secured or unsecured to subsidiaries, joint venture and associates. The company has not made investments in, provided any guarantee or security or secured or unsecured loans or advances in the nature of loans to Companies, Firms, Limited Liability Partnerships and other parties. Hence paragraphs (a), (b), (c), (d) (e) & (f) of Clause 3 (iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loan(s) to any party covered under Section 185 and 186 of the Act. In respect of Investments made in Body Corporate by the Company, the provisions of Section 186 of the Act, has been complied with.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified..
- (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, GST, custom and excise duty, 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, GST, custom and excise duty, value added tax, cess and any other statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given by the management and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account, and which have been surrendered or disclosed as Income in the tax assessments under the Income Tax Act, 1961
- (ix) The Company has not defaulted in repayment of loans or borrowing from any banks .The company has not taken any loan or borrowing from government or financial institutions and has not issued any debenture during the year. The company has repaid all its loans as on March 31, 2022 and there is no loan amount outstanding from any banks. Hence paragraphs (a), (b) ,(c), (d) , (e) & (f) of Clause 3 (ix) of the Order are not applicable.
- (x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and has not availed any term loans during the year under audit. Hence the provisions of clause 3 (x) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to information and explanations given to us, no material fraud by the company or on the company has been noticed or reported during the course of our audit. Hence the provisions of Clause 3 (xi) of the Order is not applicable to the Company.
- (b) There has been no report filed under sub-Section (12) of Section 143 of the Act by the auditors as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management there were no whistle blower complaints received during the year under audit.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company, hence the provisions of Clause 3 (xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to information and explanations given to us, transactions with related parties are in compliance with Section 177 and 188 of Act, wherever applicable, and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) a) The company has an Internal audit system commensurate with the size and nature of its business.
b) We have considered the Internal Auditor reports of the company issued till date for the period under audit.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of Clause 3 (XV) the Order is not applicable to the Company.
- (xvi) During the year, the Company has applied for registration under section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has not incurred any cash losses during the current financial year and in the immediately preceding financial year and hence the provision of clause 3 (xvii) is not applicable to the company.
- (xviii) There has not been any resignation of the Statutory auditors during the year. Hence the provision of Clause 3 (xviii) is not applicable to the company.
- (xix) According to the information and explanations given to us on the basis of our examination of the records of the company, no material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date on the financial ratios, ageing, expected dates of realisation of financial assets, payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans. We further state that our reporting is based on the facts up to date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us and on the basis of our examination of the records the Company was not required to spend any amount under Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Act;
- (xxi) On the basis of our examination of the books and records of the Company, the preparation of consolidated financial statements is not applicable to the company.

For **B.L.Dasharda & Associates**
Chartered Accountants
Firm Registration No. :112615W

CA Sushant Mehta
Partner
Membership No.112489

Place : Mumbai
Dated: 30th May, 2022
UDIN: 22112489AJVSYO3245

EVERLON FINANCIALS LIMITED
(Formerly known as Everlon Synthetics Limited)
ACCOUNTING YEAR ENDED 31ST MARCH 2022

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EVERLON FINANCIALS 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 Financials Limited (“the Company”) as of March 31, 2022 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, 2022, 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 **B.L.Dasharda & Associates**
Chartered Accountants
Firm Registration No. :112615W

CA Sushant Mehta
Partner
Membership No.112489

Place : Mumbai
Dated: 30th May, 2022
UDIN: 22112489AJVSYO3245

EVERLON FINANCIALS LIMITED
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)
BALANCE SHEET AS AT 31ST MARCH, 2022

(Rs. in Lakhs)

PARTICULARS	Note No.	As at 31st March 2022	As at 31st March 2021
I. ASSETS			
1. Non-Current assets			
a) Property, Plant and Equipment	1	20.88	289.41
b) Capital Work-In-Progress		-	22.41
c) Goodwill		-	-
d) Other Intangible Assets		-	-
e) Financial Assets		-	-
(i) Non-Current Investments		-	-
(ii) Non-Current Loans		-	-
(iii) Other Non-Current Financial Assets	2	60.75	21.59
f) Non-Current Tax Assets (net)		-	-
g) Other Non-Current Assets	3	91.26	67.58
Total Non-Current Assets		172.89	401.00
2. Current Assets			
a) Inventories	4	416.28	452.05
b) Financial Assets		-	-
(i) Current Investments		-	-
(ii) Trade Receivables	5	-	296.02
(iii) Cash and cash equivalents	6	45.46	2.70
(iv) Bank balances other than (iii) above	7	236.80	23.77
(v) Other Current Financial Assets	8	3.17	5.62
c) Other Current Assets	9	6.89	13.35
Total Current Assets		708.59	793.52
TOTAL ASSETS		881.48	1194.51
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	10	562.41	562.41
b) Other Equity	11	303.00	92.10
Total Equity		865.41	654.51
LIABILITIES			
1. Non-Current Liabilities			
a) Financial Liabilities			
(i) Non Current Borrowings	12	-	32.39
b) Non Current Provisions	13	9.25	36.87
c) Deferred tax liabilities (Net)		-	-
		9.25	69.26
2. Current Liabilities			
a) Financial Liabilities			
(i) Short Term Borrowings	14	-	402.57
(ii) Trade Payables	15	1.86	57.73
b) Other Current liabilities	16	4.97	10.44
		6.83	470.74
TOTAL EQUITY & LIABILITIES		881.48	1194.51

The accompanying notes are an integral part of the financial statements

1 to 24

As per our report of even date
for **B. L. DASHARDA & ASSOCIATES**
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 112615W)

For and on behalf of the
Board of Directors

CA SUSHANT MEHTA
(Partner)
M.No.112489
UDIN: 22112489AJVSYO3245

KIRAN A.SAWANT
Company Secretary
(ACS No.A31926)

J. K. VAKHARIA
Managing Director
(DIN00047777)

Place : Mumbai
Date : 30/05/2022

VIVEK M.MANE
Chief Financial Officer

V. J. VAKHARIA
Director
(DIN 00052361)

EVERLON FINANCIALS LIMITED

(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

PARTICULARS	Note No.	(Rs. in Lakhs)	
		Year Ended 31 March 2022	Year Ended 31 March 2021
I. Revenue from Operations	17	3497.96	3404.05
II. Other Income	18	42.63	12.98
III. Total Revenue (I+II)		3540.58	3417.03
IV. Expenses			
Cost of Material Consumed	19	2968.05	2872.42
Purchase of stock-in-Trade		-	-
Changes in inventories of finished goods- work-in-progress and stock-in-trade	20	119.72	(19.50)
Employee benefits expenses	21	134.88	102.27
Finance Costs	22	24.14	31.99
Depreciation & amortisation expenses	1	22.41	21.86
Other Expenses	23	238.69	297.28
Total Expenses		3507.90	3306.32
V. Profit before exceptional items and tax (III-IV)		32.68	110.71
VI. Exceptional Items		197.85	(80.60)
VII. Profit before tax (V-VI)		230.53	30.11
VIII. Tax Expense :			
(1) Current Tax		(33.40)	(5.20)
(2) Deferred Tax		-	-
(3) Tax adjustments for earlier years		-	(16.62)
IX. Profit / (Loss) for the year		197.13	8.30
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)		197.13	8.30
XII Earning per equity share of face value of Rs.10/- each			
(Previous year Rs.10/- each)			
1) Basic		3.51	0.15
2) Diluted		3.51	0.15

The accompanying notes are an integral part of the financial statements

1 to 24

As per our report of even date
for **B.L. DASHARDA & ASSOCIATES**
CHARTERED ACCOUNTANTS
(FIRM REGN NO.112615W)

For and on behalf of the
Board of Directors

CA SUSHANT MEHTA
(Partner)
M.No.112489
UDIN: 22112489AJVSYO3245

KIRAN A.SAWANT
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J. K. VAKHARIA
Managing Director
(DIN00047777)

Place : Mumbai
Date : 30/05/2022

VIVEK M.MANE
Chief Financial Officer

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Director
(DIN 00052361)

EVERLON FINANCIALS LIMITED
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)

33rd Annual Report 2021-2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022	(Rs. in Lakhs)	
	2021-2022	2020-2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit/(loss) before Tax and Extraordinary items	230.53	30.11
Adjustment for :	0.00	0.00
Depreciation	22.41	21.86
Dividend Received	(5.08)	(0.93)
Interest Received	(5.23)	(2.17)
Other Non-operating Income	(0.68)	(3.62)
Interest Paid	24.14	31.99
(Excess) /Short provision for income tax provided	0.00	(16.62)
Exceptional (Income) / Loss	0.00	80.60
(Profit)/Loss on Sale of Assets	(197.84)	0.00
(Profit)/Loss on Sale of Shares	(31.63)	(6.25)
Operating profit before working capital charges	<u>36.61</u>	<u>134.97</u>
Adjustment for :		
Trade and Other Receivables	401.59	(201.91)
Inventories	35.77	(6.32)
Trade Payable	15.22	(14.53)
NET CASH USED FROM OPERATING ACTIVITIES	<u>489.19</u>	<u>(87.79)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(107.91)	(22.95)
Increase / Decrease in Property, Plant and Equipment	290.94	0.00
Dividend Received	5.08	0.93
Interest Received	5.23	2.17
Other Non operating Income	0.68	3.62
Exceptional (Income) / Loss	0.00	(80.60)
Profit/ (Loss) on Sale of Shares	31.63	6.25
Bank Deposits placed	(213.03)	(23.04)
NET CASH USED FROM INVESTING ACTIVITIES	<u>12.63</u>	<u>(113.61)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Secured Loans	(402.53)	169.28
Proceeds from Long Term Loans	(32.39)	32.39
Increase / (Decrease) in Capital	0.00	22.95
Interest Paid	(24.14)	(31.99)
NET CASH FROM INVESTING ACTIVITIES	<u>(459.07)</u>	<u>192.63</u>
Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	<u>42.76</u>	<u>(8.78)</u>
CASH & CASH EQUIVALENTS :-		
Opening Balance in the beginning of the year	2.70	11.47
Closing Balance at the end of the year	45.46	2.70
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	<u>42.76</u>	<u>(8.78)</u>

As per our Report of even date

For and on behalf of the Board of Directors

FOR B. L. DASHARDA & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGN NO.112615W)

KIRAN A. SAWANT
Company Secretary
(ACS No.A31926)

J.K.VAKHARIA
Managing Director
(DIN 00047777)

CA SUSHANT MEHTA
(Partner)
M.No.112489
UDIN : 22112489AJVSYO3245

VIVEK M. MANE
Chief Financial Officer

V.J.VAKHARIA
Director
(DIN 00052361)

Place: Mumbai
Date : 30/05/2022

EVERLON FINANCIALS LIMITED
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)
33rd Annual Report 2021-2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(A) Equity share capital

Particulars	No.of Shares	Rs.in Lakhs
Balances as at 31st March 2021	5622240	562.22
Changes during the year	-	-
Balances as at 31st March 2022	5622240	562.22

(B) Other equity

Particulars	(Rs. in Lakhs)		
	Reserves & Surplus	Securities Premium	Total Equity
	Retained Earnings		
Balances as at 1st April 2021	14.26	77.85	92.10
MAT Credit	13.76	-	13.76
Provision for Taxation	(33.40)	-	(33.40)
Tax adjustment for earlier years	-	-	-
Profit for the year	230.53	-	230.53
Other Comprehensive Income/ (Loss)	-	-	-
Total Comprehensive Income for the year	225.15	77.85	303.00
Transfer from retained earnings	-	-	-
Dividends (including dividend distribution tax)	-	-	-
Balances as at 31st March 2022	225.15	77.85	303.00

Particulars	Reserves & Surplus	Securities Premium	Total Equity
	Retained Earnings		
Balances as at 1st April 2020	0.88	77.85	78.72
MAT Credit	5.09	-	5.09
Provision for Taxation	(5.20)	-	(5.20)
Tax adjustment for earlier years	(16.62)	-	(16.62)
Profit for the year	30.11	-	30.11
Other Comprehensive Income/ (Loss)	-	-	-
Total Comprehensive Income for the year	14.26	77.85	92.10
Transfer from retained earnings	-	-	-
Dividends (including dividend distribution tax)	-	-	-
Balances as at 31st March 2021	14.26	77.85	92.10

The accompanying notes are an integral part of the financial statements

As per our report of even date

for B. L. DASHARDA & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGN. NO. 112615W)

For and on behalf of the Board of Directors

CA SUSHANT MEHTA
(Partner)
M.No.112489
UDIN : 22112489AJVSYO3245

KIRAN A.SAWANT
Company Secretary
(ACS No.A31926)

J.K.VAKHARIA
Managing Director
(DIN 00047777)

Place : Mumbai
Date : 30/05/2022

VIVEK M. MANE
Chief Financial Officer

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Director
(DIN 00052361)

EVERLON FINANCIALS LIMITED
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)
33rd Annual Report 2021-2022

NOTE 1 - Property, Plant and Machinery and Other Intangible Assets											
PARTICULARS	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION			NET CARRYING VALUE			
	As at 01/04/2021	Additions	Deductions / Adjustments	As at 31/03/2022	As at 01/04/2021	For the year	Deductions / Written Back	As at 31/03/2022	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Tangible Assets											
Land at Dadra	20.79	-	20.79	0.00	-	-	-	0.00	0.00	0.00	20.79
Factory Building	161.68	44.89	206.57	0.00	132.03	3.22	135.25	0.00	0.00	0.00	29.65
Plant & Machinery	427.56	8.12	435.68	0.00	194.79	11.47	206.26	0.00	0.00	0.00	232.77
Furniture & Fixtures	10.41	-	10.41	0.00	8.41	0.36	8.77	0.00	0.00	0.00	1.99
Office Equipment	0.30	-	0.30	0.00	0.04	0.00	0.04	0.00	0.00	0.00	0.25
Computer	5.82	2.07	-	7.88	5.81	1.28	0.00	7.09	0.79	0.79	0.00
Vehicles	12.51	22.25	0.52	34.24	8.55	6.08	0.48	14.16	20.09	20.09	3.96
	639.05	77.33	674.25	42.13	349.64	22.41	350.80	21.25	20.88	20.88	289.41
Capital Work in Progress	22.41	30.58	52.99	-	-	-	-	-	-	-	22.41
Total Tangible Assets (a)	661.46	107.91	727.24	42.13	349.64	22.41	350.80	21.25	20.88	20.88	311.82
Total Intangible Assets (b)	-	-	-	-	-	-	-	-	-	-	-
Total (a+b)	661.46	107.91	-	661.46	349.64	22.41	350.80	21.25	20.88	20.88	311.82
Previous Period	638.51	22.95	-	661.46	327.79	21.86	-	349.64	311.82	311.82	310.72

EVERLON FINANCIALS LIMITED
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)
33rd Annual Report 2021-2022

NOTE 2 - Other Non-Current Financial Assets

Particulars	(Rs. in Lakhs)	
	As at 31st March 2022	As at 31st March 2021
Security Deposits	17.54	1.96
Fixed Deposits	43.21	19.64
TOTAL	60.75	21.59

NOTE 3 - Other non-current assets

Particulars	As at	
	31st March 2022	31st March 2021
Advance Tax (Net of Provision for Tax)	15.96	0.00
Others	75.30	67.58
TOTAL	91.26	67.58

NOTE 4 - Inventories

Particulars	As at	
	31st March 2022	31st March 2021
Raw Material	-	83.89
Stock in Process (Work in Progress)	-	30.28
Stock of Finished Goods	-	89.45
Stock of Stores & Spares	-	21.90
Stock in Trade (Equity Shares)	416.28	226.53
TOTAL	416.28	452.05

EVERLON FINANCIALS LIMITED
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)
33rd Annual Report 2021-2022

NOTE 6 - Cash and cash equivalents

Particulars	(Rs.in Lakhs)	
	As at 31st March 2022	As at 31st March 2021
Balances with Banks		
i) In Current Accounts	43.86	0.93
ii) In Unpaid Dividend Account	-	-
Cheques and drafts on hand	-	-
Cash-on-hand	1.59	1.77
TOTAL	45.46	2.70

NOTE 7 - Other Current Bank Balances

Particulars	As at	
	31st March 2022	31st March 2021
Balances with Banks		
iii) In Fixed Deposits	236.80	23.77
TOTAL	236.80	23.77

NOTE 8 -Other Current Financial Assets

Particulars	As at	
	31st March 2022	31st March 2021
Unsecured considered good		
Loans & Advances to related parties	-	-
Advances to Suppliers & Others	0.00	1.32
Advances to Employees	0.04	2.48
Interest Accrued	3.14	1.82
TOTAL	3.17	5.62

NOTE 9 - Other Current Assets

Particulars	As at	
	31st March 2022	31st March 2021
Unsecured considered good		
Prepaid Expenses	0.05	3.13
GST Mumbai	6.83	5.13
MAT Credit	0.00	5.09
TOTAL	6.89	13.35

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

<u>NOTE - 10 SHARE CAPITAL</u>	(Rs. in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
AUTHORISED		
1,00,00,000 Equity Shares of Rs.10/- each	1000.00	1000.00
	1000.00	1000.00
ISSUED		
56,22,240 Equity Shares of Rs.10/- each	562.22	562.22
	562.22	562.22
SUBSCRIBED AND PAID UP		
56,22,240 Equity Shares of Rs.10/- each fully paid up	562.22	562.22
Add: Paid up value of Shares	0.19	0.19
Forfeited 3120 Equity Shares of Rs.10/-each (Previous year Forfeited 31200 Shares of Rs.1/-each)		
TOTAL	562.41	562.41

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, 2022		31st March, 2021	
	No of Shares	%	No of Shares	%
Jitendra K.Vakharia -HUF	1221320	21.72	1221320	21.72
Jitendra K.Vakharia	1167776	20.77	1167776	20.77
Varsha J.Vakharia	960940	17.09	960940	17.09

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.

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

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

f) There 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.

	Current Year <u>31/03/2022</u>	Previous Year <u>31/03/2021</u>
(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	--	--
(d) Shares outstanding at the end of the year	5622240	5622240

i) Disclouser of Shareholding of Promoters and Percentage of Change during the year

Shares held by the promoters at the end of the year		31/03/2022		31/03/2021		% Changes during the year
Sr. No.	Promoter Name	No. of Shares	%	No. of Shares	%	
1)	Tarun K.Vakharia -HUF	816	0.01	1016	0.02	19.69
2)	Tarun K.Vakharia	4560	0.08	4560	0.08	0.00
3)	Kantilal V.Vakharia - HUF	32400	0.58	32400	0.58	0.00
4)	Prachi J.Vakharia	235031	4.18	235031	4.18	0.00
5)	Varsha J.Vakharia	960958	17.09	960958	17.09	0.00
6)	Jitendra K.Vakharia	1167776	20.77	1167776	20.77	0.00
7)	Jitendra K.Vakharia - HUF	1221320	21.72	1221320	21.72	0.00
8)	Vakharia Synthetics LLP	228192	4.06	228192	4.06	0.00
9)	Everest Yarn Agency Pvt.Ltd	179183	3.20	179183	3.20	0.00
Total		4030836	71.69	4031036	71.70	

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NOTE 11 - Other Equity

(Rs. in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Securities Premium Reserve	77.85	77.85
Retained Earnings	225.15	14.26
	303.00	92.10

NOTE 12 - Non-Current - Borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
HDFC Term Loan MSME (Secured)	0.00	32.39
	0.00	32.39

NOTE 13 - Provisions - Non current

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Taxation (Net of Advance Tax)	0.00	0.70
Provision for employees benefits (Gratuity)	9.24	36.16
Unclaimed Fractional Shares	0.01	0.01
TOTAL	9.25	36.87

NOTE 14 - Short Term Borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
Secured Repayable on demand from Banks		
Overdraft From HDFC Bank (Secured)	0.00	366.76
HDFC WC Loan	0.00	35.81
(Secured by way of hypothecation of Stock, Book Debts & further secured by mortgage of factory land & bldg situated at Survey No.265/7/1 of Village Dadra in the Union Territory of Dadra, Nagar & Haveli)		
TOTAL	0.00	402.57

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NOTE 15 - Trade Payables Ageing Schedule as on 31/03/2022					(Rs. in Lakhs)
Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-----	-----	-----	-----	-----
(ii) Others	1.86	-----	-----	-----	1.86
(iii) Disputed dues - MSME	-----	-----	-----	-----	-----
(iv) Disputed dues - Others	-----	-----	-----	-----	-----

Trade Payables Ageing Schedule as on 31/03/2021

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-----	-----	-----	-----	-----
(ii) Others	57.73	-----	-----	-----	57.73
(iii) Disputed dues - MSME	-----	-----	-----	-----	-----
(iv) Disputed dues - Others	-----	-----	-----	-----	-----

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NOTE 16 - Other Current Liabilities (Statutory)

Particulars	(Rs. in Lakhs)	
	As at 31st March 2022	As at 31st March 2021
Provision for Taxation (Net of Advance Tax)	4.69	0.00
Other Liabilities	0.28	10.44
TOTAL	4.97	10.44

NOTE 17 - Revenue from operations

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
	Sale of Products	3497.96
Other Operating Income	-	-
TOTAL	3497.96	3404.05

NOTE 18 - Other Income

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
	Interest Income	5.23
Dividend Income	5.08	0.93
Gain on sale of Investments	31.63	6.25
Misc Income	0.68	3.62
TOTAL	42.63	12.98

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NOTE 19 - Cost of Materials Consumed

Particulars	(Rs. in Lakhs)	
	Year Ended 31.03.2022	Year Ended 31.03.2021
Raw Materials Consumed		
Opening Stock	83.89	43.37
Add : Purchases	2697.68	2733.79
	2781.57	2777.15
Less: Closing Stock	0.00	83.89
	2781.57	2693.26
Packing and Other Materials Consumed		
Opening Stock	18.39	10.72
Add: Purchases	168.09	186.83
	186.48	197.55
Less: Closing Stock	0.00	18.39
	186.48	179.16
TOTAL	2968.05	2872.42

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

Particulars	Year Ended	
	31.03.2022	31.03.2021
Opening Stock:		
Finished Goods	89.45	44.72
Work-in-process	30.28	55.50
	119.72	100.22
Less: Closing Stock:		
Finished Goods	0.00	89.45
Work-in-process	0.00	30.28
	0.00	119.72
TOTAL	119.72	(19.50)

NOTE 21 - Employee Benefit Expenses

Particulars	Year Ended	
	31.03.2022	31.03.2021
Salaries, Wages & Bonus	120.49	94.10
Covid Insurance & Medclaim	0.24	0.00
Ex-Gratia	1.50	0.00
Gratuity Paid	8.64	4.01
Contribution to Provident Fund	2.70	1.50
Medical Expenses	0.50	1.51
Staff Welfare Expenses	0.82	1.15
TOTAL	134.88	102.27

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NOTE 22 - Finance Cost

Particulars	(Rs. in Lakhs)	
	Year Ended 31.03.2022	Year Ended 31.03.2021
Bank Interest on Overdraft Facility	20.89	27.99
Bank Commission / Interest Paid	0.11	0.83
Bank Loan Renewal Charges	3.14	3.17
TOTAL	24.14	31.99

NOTE 23 - Other Expenses

Particulars	Year Ended	
	31.03.2022	31.03.2021
Repairs & Maintenance		
-Plant & Machinery	15.48	15.00
-Others	1.54	0.86
Manufacturing Expenses	9.45	10.85
Export Charges	0.26	0.00
Auditor Remuneration	1.40	1.30
Annual Listing Fees	3.00	3.00
Bank charges & commission	0.09	0.22
Commission Paid on Sale	2.28	2.97
Discount Paid	0.28	0.00
Director Remuneration	1.50	6.00
Director Sitting Fees	0.75	0.84
Insurance	3.12	2.05
Legal & Professional Fees	10.06	5.10
Power & Fuel	160.44	233.06
Postage, Telephone & Telegram Expenses	1.02	1.08
Printing & Stationery	0.32	0.36
Rent Paid	2.40	2.40
Conveyance & Travelling Expenses	2.22	3.21
VAT Paid	11.51	0.00
Vehicle Expenses	2.60	2.17
Miscellaneous Expenses	8.97	6.82
TOTAL	238.69	297.28

NOTE : 24**Notes Forming Part of the Financial Statements.****1. Corporate Information**

Everlon Financials Limited (Formerly known as Everlon Synthetics Limited) (the 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 was principally engaged in the business of Manufacturing of Polyester Yarn till 30.11.2021. During the year, the company has ventured into business of financial services.

The financial Statements were authorised for issue in accordance with a resolution for the Board of Directors on 30/05/2022.

2. Significant Accounting Policies**2.1 Basis of preparation****a) Statement of compliance and of preparation and presentation**

The Company's financial Statement have been prepared in compliance with Indian Accounting Standards (the 'Ind AS') notified under the section 133 of the Companies Act 2013(the 'Act')read with rule 3 of the companies (Indian Accounting Standard) Rules 2015 as amended and other relevant provisions of the Act.

b) Basis of presentation

The Balance sheet and the Statement of profits and loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Act. The Statement of Cash Flow has been prepared and presented as per the requirements of Ind AS 7 Statement of Cash Flows. The disclosure requirements with respect to items in the balance sheet and Statement of profit and loss as prescribed in the schedule III to the Act are presented by the way of notes forming part of the financial Statement along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (listing obligations and disclosure requirements) regulations 2015 as amended.

The financial Statements of the Company for the year ended 31 march 2021 were approved for issue in accordance with the resolution of the Board of Directors on 31/05/2022.

c) Basis of preparation

The financial Statements have been prepared under the historical cost convention.

d) Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification. An asset is treated as current when it is.

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading.

- Expected to realised within months after the reporting period or;
- Cash and Cash equivalent unless restricted for being exchanged or used to settle a liability for at least 12months after the reporting period.

All other assets are classified as non-current.

A liability is current when

- It is expected to settle in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within 12 months after reporting period or;
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classified all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e) The operating cycle is the time between the acquisition of asset for processing and their realisation Cash and Cash equivalents .The Company has identified 12 months operating as its operating cycle.

2.2 **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 return

Revenue from sale of good is recongnised when significant risks and reward of ownership are transferred to customer, 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 on the historical sale return.

Impairment of financial assets.

The company recongnises loss allowance on financial assets using expected credit loss model which is equal to the 12 months expected credit losses or fill time expected credits 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.

2.3 Property Plant & Equipment

Plant and machinery and computer 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 Property, Plant & Equipment is provided on Straight Line Method based on useful life of Fixed Assets as per part 'C' of Schedule II of the Companies Act, 2013.

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 ,consumables | At cost and other expenditure incurred inclusive of excise duty to bring the inventories to tis present location and condition. Cost is based on FIFO basis |
| 2. Work-in-progress | At cost of material and together with relevant factory overheads. |
| 3. Finish goods | At Cost of material and labour together with factory overheads (inclusive of excise duty) or net relisable value whichever is lower. |
| 4. Stock-inTrade (Shares) | Valued at cost |

2.5 Cash & Cash Equivalentents

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 equivalentents 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.

2.6 Financial Instruments

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

Financial Assets

Classification and measurements

All the financial assets are initially measured at fair value. Transactions costs that are directly attributed to the acquisition of financial assets (other than financial assets carried at fair value through profits and loss) are added to or deducted from the fair value measured on initial recognition of financial assets.

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

The company's financial assets primarily consist of cash and cash equivalent trade receivable loans to employee 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 flow where those cash flow represent solely payment of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from this financial asset is recognised using the effectiveness interest rate method.

Impairment of financial assets

The companies assess on a forward looking basis the expected credit losses associated with its assets at amortised cost. For trade receivable, the company provides for lifetime expected credit losses recognised from initial recognition the receivables.

Derecognition of Financial Assets and Liabilities

The Company derecognizes a financial asset when the contractual rights to the Cash Flows from the financial asset expire or when the Company transfers the contractual rights to receive the Cash Flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

2.7 Provisions, contingent liabilities, contingent assets and commitments.

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. Provisions are recognised at the estimate of the expenditure required to settle the present obligations at the reporting date. If the effect of time value of money is material provisions and determined by discounting the expected future cash flows.

A contingent liability is disclosed when there is a possible but not portable obligations arising from past events or a present obligations whose amount cannot be estimated reliably. Contingent liabilities do not warrant provision but are disclosed unless the outflow of resources is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is portable. However when the realisation of income is virtually certain then the assets us not a contingent assets and the recognitions is appropriate.

Commitments are future liabilities for contractual expenditure classified and disclosed as estimated amount of contracts remaining to be extracted on capital account and provided and not provided for.

2.8 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.

2.9 Employee Benefits

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

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

2.10 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.

2.11 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. **DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARDS (IND AS) 107
FINANCIAL INSTRUMENTS DISCLOSURE
ACCOUNTING CLASSIFICATION**

The following table shows the carrying amounts of financial assets and liabilities.

FINANCIAL ASSETS	AMORTISED COST AS ON 31.03.2022 (Rs. in Lakhs)	AMORTISED COST AS ON 31.03.2021 (Rs. in Lakhs)
OTHER CURRENT FINANCIAL ASSETS		
Security deposits	17.54	1.96
Bank deposits	43.21	19.64
Others	----	----
Cash and cash equivalent	45.46	2.70
Bank balance other than cash and cash equivalent.	236.80	23.77
Trade Receivable	0	296.02
Other financial assets	3.17	5.62
Total Financial Assets	346.18	349.71

FINANCIAL LIABILITIES	AMORTISED COST AS ON 31.03.2022 (Rs. in Lakhs)	AMORTISED COST AS ON 31.03.2021 (Rs. in Lakhs)
Short Term Borrowings	0	402.57
Trade Payable	1.86	57.73
Other current financial liabilities	4.97	10.44
Total Financial Liabilities	6.83	470.74

FINANCIAL RISK MANAGEMENT

The company has exposure to the following risk arising from financial instruments

- Market risk
- Liquidity risk
- Credit risk

In the course of its business, the Company is exposed aforesaid risk, which may impact the fair value of its financial instruments. The company has risk management system which not only covers the foreign exchange risk but also other risks associated with the financial liabilities such as credit risk. The risk management strategies is approved by Board of Directors which is implemented by company management. The risk management framework aims to create a stable business planning environment by reducing the impact of market related, credit risk and currency fluctuations on the company earnings.

The risk identified through the risk management system by analyze and evaluated by the company management and reported to the Board of Directors periodically along with report of planned mitigations measures.

A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair value or in future cash flows that may result from a change in the price financial instruments, liquidity and other market changes. Future market movements cannot be normally predicted with reasonable accuracy.

B) Liquidity risk

The company's principal sources of liquidity are cash and cash equivalent and cash flow Generated from operations. The Company regularly monitors actual cash flow and forecast to ensure the company maintains sufficient liquidity to met the operation needs.

C) Credit risk

Credit risk is the unexpected loss in financial instruments if the counter parties fail to discharge its contractual obligations in entirely and timely. The Company is exposed to credit risk arising from its operation and financing activities such as trade receivable, loans and advances and other financial instruments. The carrying amounts of financial assets represent the maximum credit exposure.

Trade Receivables:

Credit risk on trade receivables is limited due to the Company's diversified customer base.

Other Financial Assets

The Company does not have significant credit risk from loans and advances given.

3.1 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARDS (IND AS) 108 OPERATING STATEMENT:

The Company was engaged in the business of Manufacturing of Polyester Yarn till 30.11.2021 which as per Ind AS-108. From 01.12.2021, the Company has ventured into business of financial services. On Segment Reporting is considered to be the only Reportable business segment, Company is operating in the same geographical segment. Therefore Segment wise reporting is not applicable.

**DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARDS (IND AS) 24
RELATED PARTY TRANSACTIONS:**

- i) Related party disclosure (as identified by the management)
(i) related party relationships

(a) Associates	Teekay International
(b) Key Management Personnel	Mr. Jitendra K.Vakharia Mrs.Varsha J.Vakharia
(c) Relative of Key Management Personnel	NIL

ii) Transactions with during the year with Related Parties

(Rs. in Lakhs)

Description of of the nature of the transaction	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total
1) Loans 31.03.2022 31.03.2021	----- -----	----- -----	----- -----	----- -----
2) Rent Paid 31.03.2022 31.03.2021	2.40 2.40	----- -----	----- -----	2.40 2.40
3) Director's 31.03.2022 Remuneration 31.03.2021	----- -----	1.50 6.00	----- -----	1.50 6.00
4) Director's 31.03.2022 Sitting Fees 31.03.2021	----- -----	2.50 2.10	----- -----	2.50 2.10

3.2 Disclosure pursuant to Indian accounting standards (IND AS) 33. Earnings per share.

Equityholders of the company by the weighted average number of Equity share outstanding during Basic EPS amounts are calculated by dividing the profits for the year attributable to the year.

	Year Ended March 2022 (Rs. in Lakhs)	Year Ended March 2021 (Rs. in Lakhs)
Profit / (Loss) attributable to the Equity shareholders	197.13	8.30
Number of Equity Shares Outstanding during the year	562.22	562.22
Nominal value of Equity Shares (Rupees per Share)	10	10
Basic/diluted earnings per share on face value of Rs.10/- Each.	3.51	0.15

Auditors Remuneration

	Year Ended March 2022 (Rs. in Lakhs)	Year Ended March 2021 (Rs. in Lakhs)
Audit Fees	1.00	0.75
Certification Work	0.40	0.25
Tax Audit Fees	0.00	0.30
	-----	-----
	<u>1.40</u>	<u>1.30</u>

3.3 The Value of Shares held as Stock in Trade as on 31.03.2022

The Company is holding shares as Stock in Trade, valued at cost. The Stock of shares in Listed Companies as on 31.3.2022 is Rs.4,16,28,017/-. The Market value of these shares as on 31.03.2022 is Rs.4,95,81,831/-.

- 3.4 In the opinion of the Board, Current Assets, Loans and Advances are as approximately of the same value as stated in the Balance Sheet if realised in the ordinary course of business.
- 3.5 The Company has called for complete information from all vendors regarding their status as all-scale/micro industrial undertaking. The Company is yet to receive information from vendor. Accordingly no additional disclosures have been made.
- 3.6 Trade Payables are subject to confirmation.

3.7 Analytical Ratios

<u>Particulars</u>	<u>31.03.2022</u>	<u>31.03.2021</u>
1. Current Ratio	103.81	1.69
2. Debt-Equity Ratio	0.00	0.77
3. Debt Service Coverage Ratio	0.00	1.94
4. Return Of Equity (ROE)	0.35	0.01
5. Inventory Turnover Ratio	8.06	7.58
6. Trade Receivables Turnover Ratio	0.00	17.27
7. Trade Payable Turnover Ratio	99.62	64.97
8. Net Capital Turnover Ratio	4.98	10.05
9. Net Profit Ratio	0.06	0.002
10. Return On Capital Employed (ROCE)	0.29	0.05
11. Return On Investment	0.00	0.00

3.8 Previous year's figures have been regrouped, rearranged and recast wherever considered necessary, so as to make them comparable with current year figures

SIGNATORIES TO NOTES 1 TO 24

As per our report of even date
for **B.L.DASHARDA & ASSOCIATES**
CHARTERED ACCOUNTANTS
(FIRM REGN. NO. 112615W)

For and on behalf of
Board of Directors

CA SUSHANT MEHTA
(Partner)
M.No. 112489
UDIN : 22112489AJVSYO3245

KIRAN A.SAWANT
Company Secretary
(ASC No.A31926)

J. K. VAKHARIA
Director
(DIN00047777)

Place: Mumbai
Date: 30/05/2022

VIVEK M.MANE
Chief Financial Officer

V. J. VAKHARIA
Director
(DIN00052361)