

# **Everlon Synthetics Ltd.**

**27TH  
ANNUAL REPORT  
(2015 - 2016)**

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Accounting Year 31st March 2016

**CONTENTS**

Sr. No.	Particulars	Page No.
1)	Notice	2
2)	Director's Report	10
3)	Extract of Annual Return	18
4)	Independent Auditor's report	33
5)	Balance Sheet	38
6)	Statement of Profit & Loss Account	39
7)	Cash Flow Statement	40
8)	Notes Forming Part of Balance Sheet	41
9)	Notes on Accounts	50

## EVERLON SYNTHETICS LIMITED

CIN L17297MH1989PLC052747

### BOARD OF DIRECTORS

SHRI JITENDRA K. VAKHARIA	(DIN 00047777)	MANAGING DIRECTOR
SMT VARSHA J. VAKHARIA	(DIN 00052361)	DIRECTOR
SHRI DINESH P. TURAKHIA	(DIN 00063927)	INDEPENDENT DIRECTOR
SHRI KAMLESH C. SANGHAVI	(DIN 00644642)	INDEPENDENT DIRECTOR (Expired on 3 <sup>rd</sup> March 2016)
SHRI NITIN I. PAREKH	(DIN 00087248)	INDEPENDENT DIRECTOR (w.e.f. 29 <sup>th</sup> March 2016)

### KEY MANAGERIAL PERSONNEL

SHRI PRADEEP K. PAREEK	CHIEF FINANCIAL OFFICER
SHRI SUBODH MORE	COMPANY SECRETARY (upto 23rd May 2015)
SHRI SANDEEP S. GUPTA	COMPANY SECRETARY ( w.e.f. 6 <sup>th</sup> August 2015)

### AUDITORS

#### M/s. POLADIA & COMPANY

(Chartered Accountants)

B-10,Acharya Deshbhushan CHS Ltd., Plot No.15-16,Pestom Sagar,Road No.5,  
Opp.CKP Hall, Chembur, Mumbai – 400 089.

### BANKERS

Yes Bank Ltd.  
Janata Sahakari Bank Ltd., Pune  
Indian Overseas Bank  
IDBI Bank

### REGISTERED OFFICE

67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.  
E-Mail: [everlonsynthetics@gmail.com](mailto:everlonsynthetics@gmail.com); web:[www.everlon.in](http://www.everlon.in)

### FACTORY

Plot No.265/7/1. Demni Road, Dadra, Silvassa  
(Union Territory of Dadra & Nagar Haveli)

### LISTED AT

The Bombay Stock Exchange, Mumbai  
The Ahmedabad Stock Exchange, Ahmedabad.

### REGISTRAR & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.  
Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E),  
Mumbai – 400 072. Tel: 2851 5606/ 2851 5644 Fax: 2851 2885  
E-mail: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

**NOTICE**

Notice is hereby given that the Twenty-Seventh Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Saturday 20<sup>th</sup> August, 2016, at Kilachand Conference Room, 2nd Floor, Indian Merchants Chambers, Churchgate, Mumbai - 400 020 at 10.30 a. m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement of the Company as at 31<sup>st</sup> March, 2016, the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Varsha J. Vakharia who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution for appointment of auditors:  
 "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Audit Committee M/s. K S Maheshwari & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 105846W be and are hereby appointed as Statutory Auditors of the company in place of retiring auditors M/s. Poladia & Company, Chartered Accountants, who have not offered themselves for re-appointment and M/s. K.S.Maheshwari & Co. will hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on payment of such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:  
 "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Nitin Ishwarlal Parekh (DIN 00087248), who was appointed as an Additional Independent Director by the Board and who is not disqualified to become a Director under the Companies Act, 2013 and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 consecutive years from the date of this A.G.M. upto conclusion of 32<sup>nd</sup> AGM of the Company to be held in respect of Financial Year ending 31<sup>st</sup> March 2021."
5. To consider and, if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION  
 "RESOLVED THAT pursuant to the provisions of section 196, 197 and 203 read with schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) or reenactment thereof for the time being in force ), subject to such sanctions as may be necessary, approval of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Shri Jitendra K. Vakharia ( DIN : 00047777) as Managing Director of the Company for a period of 3 years effective from October 1, 2016 upon the terms and conditions and payment of remuneration and other perquisites / benefits - as set out in the "Explanatory Statement attached herewith."  
 "RESOLVED FURTHER THAT Shri Jitendra K. Vakharia, the Managing Director be in charge of general management of the company within the provisions of Articles of Association but subject to superintendence, control and direction of the Board of Directors"  
 "RESOLVED FURTHER THAT Shri Jitendra K. Vakharia will be a Key Managerial Personnel of the company as per the provisions of S.203(1) of the Companies Act, 2013.  
 "RESOLVED FURTHER THAT Shri Jitendra K. Vakharia will be non rotational Director and shall not be liable to retire by rotation during his term as Managing Director."  
 "RESOLVED FURTHER THAT the Managing Director shall be entitle reimbursement of all expense incurred for the purpose of business of the company and shall not be entitled to any sitting fees for attending meeting of the Board of Directors and Committee(s) thereof."

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

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

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

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

-- Sd ---

**J.K.Vakharia**  
**Managing Director**  
**(DIN00047777)**

Place:- Mumbai  
Date:- 30th May 2016

**NOTES**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. A Proxy shall not have the right to speak at the meeting and shall not be entitled to vote at the meeting except on a poll. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a shareholder.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday 13th August, 2016 to Saturday 20th August, 2016 (both days inclusive).
4. The Members are requested to:
  - i) Intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East) Mumbai – 400 072. Members holding shares in the electronic form are advised to inform change in address directly to their respective depository participants.
  - ii) Quote their Folio No. /Client ID No. in their correspondence with the Company/ Registrar and Share Transfer Agents.
  - iii) Send their queries at least 10 days in advance so that the required information can be made available at the meeting.
  - iv) Bring their copies of Annual Report and Attendance slip with them at the meeting.
  - v) Intimate Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of their folios, in case they are having more than one folio.

**5 Green Initiative for Paperless Communications:-**

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

**6 Disclosure under Regulation 39 of LODR:-**

Certain share certificates were returned undelivered, when Registrars and Share Transfer Agents posted Share Certificates in December 2012 of the changed face value of Re.1/- each on account of Demerger of Investment business of the company.

Share Transfer Agents have sent three reminders on 27-01-2016, 18-02-2016 & 07-03-2016 to the share holders. The company has dematerialized 733800 equity shares on 16.04.2016 and transferred to Unclaimed Suspense Account.

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

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

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

**8. Instructions for the voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management

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

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Wednesday 17<sup>th</sup> August 2016 at 9.00 am and ends on Friday 19<sup>th</sup> August 2016 at 5.00 pm. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12<sup>th</sup> August 2016, may cast their votes by e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]
    - (i) Open email and open PDF file viz ; "remote e-voting PDF with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL : <https://www.evoting.nsd.com>.
    - (iii) Click on Shareholder – Login.
    - (iv) Put the user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "Everlon Synthetics Ltd.,
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at e-mail ID [shethmm\\_cs@yahoo.co.in](mailto:shethmm_cs@yahoo.co.in) with a copy to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy
    - (i) Initial password is provided as below / at the bottom of the Attendance Slip for AGM:  
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12<sup>th</sup> August, 2016.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 12<sup>th</sup> August, 2016 , may obtain the login ID and password by sending a request at email ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA email ID e-Voting @sharexindia.com and sharexindia@vsnl.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact at the following toll free no.: 1800-222-990.

- X. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot paper.
- XII. M.M. Sheth & Co. Company Secretary (FCS No.1455) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote-e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" / "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within 48 hours of the conclusion of the AGM, consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and the declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.everlon.in](http://www.everlon.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited

9. Map of the venue of AGM:





————— EVERLON SYNTHETICS LIMITED —————

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

A. Name of Director	Mrs. Varsha J. Vakharia	Mr. Nitin I. Parekh	Mr. Jitendra K. Vakharia
B. Date of Birth	25/08/1958	12/01./1953	10/05/1956
C. Date of Appointment	29/10/1999	29/03/2016	29/10/1999
D. Qualification	M.A.	CA	Inter Science
E. Expertise in specific areas	General Administration	Accountancy	Yarn Business
F. Name of other Public Companies in which holds Directorship as on 31 <sup>st</sup> March 2016	1) Ind Renewable Energy Ltd. 2) Vakharia Financial Services Ltd. 3) Everlon Power Ltd.	Ind Renewable Energy Ltd.	1) Ind Renewable Energy Ltd. 2) Vakharia Financial Services Ltd. 3) Everlon Power Ltd.
G. Name of other Companies of which holds Committee Membership / Chairmanship As on 31 <sup>st</sup> March 2016	NIL	NIL	NIL
H. No. of equity shares held As on 31 <sup>st</sup> March 2016	6034136	NIL	11341120
I. Inter-se Relations Among Directors	She is related to Jitendra K. Vakharia	-----	He is related to Varsha J. Vakharia

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

The following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 & 5 of the accompanying Notice dated 30<sup>th</sup> May 2016.

**Item No. 4**

Mr. Nitin Ishwarlal Parekh (DIN 00087248) was appointed as an Additional Independent Director in the Board Meeting held on 29<sup>th</sup> March 2016, under Section 161 of the Companies Act 2015 having tenure upto the ensuing Annual General Meeting. Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from the member alongwith requisite deposit proposing the candidature of Mr. Nitin Ishwarlal Parekh (DIN 00087248) for the office of Independent Director of the Company. In terms of Sections 146, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Nitin Ishwarlal Parekh, being eligible is proposed to be appointed as an Independent Director not liable to retire by rotation for a period of 5 years from the date of this AGM upto the conclusion of 32<sup>nd</sup> AGM of the Company.

The Company has received the following documents from the proposed appointee:

- a. Letter of consent to act as a Director in Form DIR 2 under Section 152 of the Act and Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- b. Letters of Intimation in DIR 8 to the effect that he is not disqualified to become a Director under the Act.
- c. Declaration that he meets the criteria of independence as provided under Section 149 of the Act.

Mr. Nitin Ishwarlal Parekh holds a Bachelor degree in Commerce and Chartered Accountant by profession. He has professional experience and expertise of 38 years in accounts, finance, taxation and other related matters.

The Nomination and Remuneration Committee has recommended his appointment as an Independent Director.

In the opinion of the Board, he fulfils the conditions for appointment as an Independent Director as specified in Schedule IV and other provisions of the Companies Act 2013 and Rules framed thereunder and also the provisions of SEBI (LODR) Regulations 2015

Thus, Board is of the view that it shall be beneficial to the Company to avail his services. Accordingly, the Board recommends the Ordinary Resolution at Item no. 4 for member's approval.

Expect Shri Nitin I Parekh, none of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

**ITEM NO. 5 :**

The present term of Shri Jitendra K. Vakharia as Managing Director is expiring on 30<sup>th</sup> September 2016. The Board of Directors in their meeting held on 30<sup>th</sup> May, 2016 have re-appointed Shri. Jitendra K.Vakharia as "Managing Director" of the Company for a period of 3 years from 1<sup>st</sup> October, 2016 subject, to approval by the share holders of the Company under Schedule V of the Companies Act, 2013.

The Board has also, subject to approval of the share holders, fixed the remuneration / perquisites/ benefits payable to the aforesaid Shri Jitendra K. Vakharia, Managing Director from October 1, 2016 as under :

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

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

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

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

The Nomination & Remuneration committee of the company at its meeting held on 30/05/2016 has approved above reappointment and payment of remuneration to the Managing Director.

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

**I. General Information**

Company is in the business of manufacturing of Polyester Texturised Yarn For the year ended 31<sup>st</sup> March 2016, the company had total revenue of ₹ 3104 lacs and Profit after tax of Rs.7.60 lacs.

**II. Information about Appointee**

Shri Jitendra K. Vakharia has more than 25 years of business experience in the Yarn Industry Market. He is the Promoter Director of the Company and is related to Smt. Varsha J. Vakharia, Director of the Company and holds 11341120 equity shares in the Company. The remuneration payable to him is very moderate and small compared to Industry norms.

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

The Board recommends the Special Resolution for approval of members.

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

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

Place: Mumbai

Date : 30<sup>th</sup> May 2016

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

**EVERLON SYNTHETICS LIMITED**  
**DIRECTOR'S REPORT**

To,  
The Members,  
The Board of Directors present their 27th Annual Report together with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2016.

**1. OPERATIONS AND FINANCIAL RESULTS**

	Year Ended 31/03/2016 (₹ in Lacs)	Year Ended 31/03/2015 (₹ in Lacs)
Sales	3096.77	4102.60
Other Income	7.28	4.95
Profit for the year before Depreciation, Exceptional Items & Tax	(21.18)	39.58
Less : Depreciation	23.37	30.72
Add : Exceptional items	53.96	----
Profit before Tax	9.41	8.86
Less : Provision for Tax	1.80	1.70
Profit after tax	7.61	7.16
Add/Less: IT Provisions for earlier years	0.32	(1.09)
Add: Additional Depreciation written back	23.92	-
Profit for the year	31.85	6.07
Profit – (Loss) Brought forward from Previous Year	(100.21)	(106.28)
Profit/ (Loss) carried to Balance Sheet	(68.36)	(100.21)

**2. PERFORMANCE**

Your Company has managed to achieve reasonable good performance during the year in spite of difficult market conditions. Sales have declined mainly due to reduction in finished goods prices.

The company has produced 3292.73 tons against 3795.44 tons during the previous year resulting in sales turnover of ₹ 3096.77 lacs as against ₹ 4102.60 lacs during the previous year.

**3. DIVIDEND**

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

**4. DIRECTORS & KEY MANAGERIAL PERSONNEL****A) Changes in Directors and Key Managerial Personnel**

Mr. Kamlesh C Sanghavi, Independent Director of the Company expired on 3<sup>rd</sup> March 2016. He was associated with the company since 2006. Board put on record valuable contribution made by him to the affairs of the company.

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

The present term of appointment of Shri Jitendra K. Vakharia as Managing Director is valid upto 30<sup>th</sup> September 2016, subject to approval of members at the ensuing Annual General Meeting. The Board has reappointed him as Managing Director for a period of 3 years from 1<sup>st</sup> October 2016.

Mr. Nitin Ishwarlal Parekh (DIN 00087248), Additional Director, appointed in the Board Meeting held on 29<sup>th</sup> March 2016, is proposed to be appointed as an Independent Director of the Company who shall not be liable to retire by rotation, and in respect of whom the Company has received notice proposing his candidature under Section 160 of the Companies Act, 2013 along with requisite deposit for a tenure of 5 years. The Board recommends his appointment as an Independent Director to the members.

Shri Subodh L More Secretary of the Company resigned on 23<sup>rd</sup> May 2015 and Shri Sandeep S.Gupta was appointed on 6<sup>th</sup> August 2015 as Secretary of the Company.

**B) Board Evaluation:**

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

**C) Declaration by an Independent Director(s)**

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

**5. AUDITORS**

M/s. Poladia & Company, Chartered Accountants, Mumbai retiring Auditors, have expressed their unwillingness for re-appointment. Further the audit committee and Board have recommended appointment of M/s. K.S. Maheshwari & Co. Chartered Accountants as Statutory Auditors of the Company. They have given their consent to act as Statutory Auditors and are eligible for appointment. Members are requested to appoint the auditors and to fix their remuneration.

**6. FIXED DEPOSITS :**

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

**7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by the company is given in the notes to the financial statements.

**8. DIRECTORS RESPONSIBILITY STATEMENT**

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

- a) in the preparation of the annual accounts for the year ended March 31, 2016, 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, 2016 and of the profit of the company for the year ended on that date.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**9. AUDITORS REPORT**

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

**10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

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

**11. DETAILS OF COMMITTEE OF THE BOARD**

Currently the Board has 3 Committees: the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules there under and Listing Agreement/ Regulations, are as follows:

**A. Audit Committee:**

Mr. Kamlesh Sanghvi, member of the Audit Committee expired on 3<sup>rd</sup> March 2016.

On 29<sup>th</sup> March 2016, Board appointed Mr. Nitin I. Parekh as a member of the committee. The Audit Committee comprising of Mr. Dinesh Turakhia, Independent Director as the Chairman of the Committee, and Mr. Nitin Parekh, Independent Director and Mr. Jitendra Vakharia, Director as the members of the Committee. The recommendations of the Audit Committee is always welcomed and accepted by the Board and all the major steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee.

**Details of establishment of vigil mechanism for directors and employees:**

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

**B. Nomination and remuneration committee:**

Shri Kamlesh C. Sanghvi member of the committee expired on 3<sup>rd</sup> March 2016. Board has appointed Mr. Nitin I. Parekh as member w.e.f. 29<sup>th</sup> March 2016.

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

**C. Stakeholder's Relationship Committee:**

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

**12. SECRETARIAL AUDITOR**

The Board has appointed A. M. Sheth & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16, 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, 2016 is annexed herewith marked as **Annexure B** to this Report, The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**13. MEETING OF THE BOARD OF DIRECTORS**

The Board of Directors duly met 8 times during the financial year from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March 2016. The dates on which the meetings were held are as follows:-

30<sup>th</sup> May 2015, 29<sup>th</sup> July 2015, 11<sup>th</sup> August 2015, 15<sup>th</sup> September 2015, 3<sup>rd</sup> November 2015, 6<sup>th</sup> November 2015, 3<sup>rd</sup> February 2016 and 29<sup>th</sup> March 2016.

**14. EXTRACT OF ANNUAL RETURN**

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

**15. RISK MANAGEMENT PLAN**

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

**16. CORPORATE SOCIAL RESPONSIBILITY**

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

**17. CORPORATE GOVERNANCE**

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

**18. DEPOSITS**

The Company has not accepted any Deposits from the Public.

**19. CONTRACTS U/S. 188**

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

**20. INTERNAL FINANCIAL CONTROL**

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

**21. DIRECTORS REMUNERATION**

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

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

**22. RIGHTS ISSUE**

In term of letter of offer, company issued and allotted 2,59,48,800 equity shares of Re.1/- each a premium of Rs.0.30 per equity share, on 6<sup>th</sup> November 2015. The funds were fully utilised for the purpose of repayment of unsecured loan and to meet the issue expenses.

**23. CODE OF CONDUCT**

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

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

**24. UNCLAIMED SHARES SUSPENSE ACCOUNT**

The company has dematerialized 733800 equity shares of ₹ 1/- each and transferred to Unclaimed Suspense Account on 16/04/ 2016 .

**25. GENERAL DISCLOSURE**

No disclosure is required in respect of following matters:-

- a) Subsidiary Associate or Joint Venture Company.
- b) Material orders passed by the Regulators, or Courts or Tribunals.
- c) Equity shares with differential rights.
- d) Sweat equity shares.
- e) Employee Stock Options Scheme.
- f) Particulars of Employees. (no employee is in receipt of remuneration of Rs. 60 lacs p.a. or Rs. 5.00 lac p.m.)
- g) Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. (No cases filed).

**26. ACKNOWLEDGEMENT**

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

**For and on behalf of the Board of Director**

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

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

Place :- Mumbai  
 Date :- 30<sup>th</sup> May 2016

**ANNEXURE A**

**DIRECTOR'S REPORT 2015-2016**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC :**

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

**(A) CONSERVATION OF ENERGY**

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

**(B) TECHNOLOGY ABSORPTION**

NIL

**(C) FOREIGN EXCHANGE EARNINGS AND OUT GO:**

Foreign Exchange earned : NIL

Foreign Exchange outgo : NIL



**ANNEXURE - B**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2016**

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

To,

The Members,  
Everlon Synthetics Limited,  
Regent Chambers, 6<sup>th</sup> Floor,  
208, Nariman Point,  
Mumbai-400021

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations,1992 and 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 (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India ( Delisting of Equity Shares Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);

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

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

- (i) Secretarial Standards (SS) issued by The Institute of Company Secretaries of India. (effective from 1st July 2015)
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(LODR) (effective from 1st December, 2015)
  - As the Company falls in ambit of criterion specified u/ R. 15 (2) of LODR, certain regulations are not applicable to the Company.

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

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

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

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

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

**I further report that** during the audit period the Company has issued and allotted 2,59,48,800 equity shares of Re. 1/- each at a premium of Re. 0.30/- per equity share, on Rights basis.

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

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

Place: Mumbai

Date: 30<sup>th</sup> May, 2016

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

**Annexure-A**

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

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

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

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

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

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

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

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

**FINANCIAL YEAR ENDED ON 31.03.2016**

**I. REGISTRATION & OTHER DETAILS:**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

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

**IV. SHARE HOLDING PATTERN**

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

**i) Category-wise Share Holding**

	Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
	a) Individual/HUF	14991784	Nil	14991784	49.521	34883175	Nil	34883175	62.045	12.524
	c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Bodies Corp.	3350690	Nil	3350690	11.068	4600690	Nil	4600690	8.183	-2.885
	e) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) Any Other									
	<b>Sub-total (A) (1):-</b>	<b>18342474</b>	<b>Nil</b>	<b>18342474</b>	<b>60.589</b>	<b>39483865</b>	<b>Nil</b>	<b>39483865</b>	<b>70.228</b>	<b>9.639</b>
	<b>(2) Foreign</b>									
	a) NRIs- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Banks / F1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-total (A) (2):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total shareholding</b>	<b>18342474</b>	<b>Nil</b>	<b>18342474</b>	<b>60.589</b>	<b>18342474</b>	<b>Nil</b>	<b>39483865</b>	<b>70.228</b>	<b>9.639</b>
	<b>of Promoter (A)=(A)(1) + (A)(2)</b>									
<b>B.</b>	<b>Public Shareholding</b>									
	a) Mutual Funds/Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Venture Capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	g) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	i) Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-total (B)(1):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	290033	13800	303833	1.004	256149	12000	268149	0.477	-0.527
i) Indian									
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3111050	2949810	6060860	20.02	4580421	2188329	6768750	12.039	(7.981)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	2928963	0	2928963	9.675	4370874	733800	5104674	9.079	-0.596
c) Others NRI	2619470	18000	2637470	8.712	4594562	0	4594562	8.172	-0.54
Clearing Members	0	0	0		2400	0	2400	0.004	0.004
<b>Sub-total (B)(2)</b>	<b>8949516</b>	<b>2981610</b>	<b>11931126</b>	<b>39.411</b>	<b>13804406</b>	<b>2934129</b>	<b>16738535</b>	<b>29.771</b>	<b>(9.640)</b>
Total Public Shareholding									
(B)=(B)(1)+ (B)(2)	8949516	2981610	11931126	39.411	13804406	2934129	16738535	29.771	(9.640)
C. Shares held by									
Custodian for	0	0	0	0	0	0	0	0	0
GDRs & ADRs.									
<b>Grand Total (A+B+C)</b>	<b>27291990</b>	<b>2981610</b>	<b>30273600</b>	<b>100</b>	<b>53288271</b>	<b>2934129</b>	<b>56222400</b>	<b>100</b>	<b>0</b>

ii) **Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	
1	Everest Yarn Agency P. Ltd.	300820	0.994	Nil	300820	0.535	Nil	-0.459
2	Everlon Solar Energy P. Ltd.	1488000	4.915	Nil	1488000	2.647	Nil	-2.268
3	Omkar Texolene Pvt. Ltd.	150260	0.496	Nil	300260	0.534	Nil	0.038
4	Vakharia Synthetics Pvt.Ltd.	1181912	3.904	Nil	2281912	4.059	Nil	0.155
5	Vakharia Financial Services Ltd.	229698	0.759	Nil	229698	0.409	Nil	-0.350
6	Jitendra K. Vakharia (HUF)	4513188	14.908	Nil	12213188	21.723	Nil	6.815
7	Tarun K. Vakharia (HUF)	29740	0.098	Nil	10165	0.018	Nil	-0.080

EVERLON SYNTHETICS LIMITED

Sl. No.	Shareholder's Name	Shareholding at beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	
8	Jitendra K. Vakharia	3036000	10.029	Nil	11341120	20.172	Nil	10.143
9	Dhiren Uttamchand Dadia	1189632	3.930	Nil	1189632	2.116	Nil	-1.814
10	Mrudu K. Vakharia	45600	0.151	Nil	45600	0.081	Nil	-0.070
11	Varsha J. Vakharia	2128290	7.030	Nil	6034136	10.733	Nil	3.703
12	Kantilal V. Vakharia (HUF)	324000	1.070	Nil	324000	0.576	Nil	-0.494
13	Prachi J. Vakharia	2352006	7.769	Nil	2352006	4.183	Nil	-3.586
14	Lina Dhiren Dadia	1373328	4.536	Nil	1373328	2.443	Nil	-2.093
	<b>Total</b>	<b>18342474</b>	<b>60.589</b>	<b>Nil</b>	<b>39483865</b>	<b>70.229</b>	<b>Nil</b>	<b>9.640</b>

iii) **Change in Promoters' Shareholding**

SI No.	Shareholder's Name	No of Shares at the beginning of the year As of 01/04/2015		Increase/Decrease in shareholding			No of Shares at the end of the year As of 31/03/2016	
		No. of Shares	% total of shares	Date	No. of Shares	Reason	No. of Shares	% total of shares
1	VARSHA JITENDRA VAKHARIA	2128290	7.03	01/04/2015				
				13/11/2015	3905846	Transfer	6034136	10.733
				20/11/2015	8940	Transfer	6043076	10.749
				27/11/2015	-8940	Transfer	6034136	10.733
				Closing Balance			6034136	10.733
2	OMKAR TEXOLENE PVT. LTD.	150260	0.496	01/04/2015				
				13/11/2015	150000	Transfer	300260	0.534
				Closing Balance			300260	0.534
3	JITENDRA K. VAKHARIA HUF	4513188	14.908	01/04/2015				
				13/11/2015	7700000	Transfer	12213188	21.723
				Closing Balance			6034136	10.733
4	TARUN K. VAKHARIA (HUF)	29740	0.098	01/04/2015				
				14/08/2015	-12925	Transfer	16815	0.056
				21/08/2015	-2000	Transfer	14815	0.049
				28/08/2015	-4650	Transfer	10165	0.034
				Closing Balance			10165	0.018
5	JITENDRA K. VAKHARIA	3036000	10.029	01/04/2015				
				13/11/2015	8305120	Transfer	11341120	20.172
				Closing Balance			11341120	20.172

27TH ANNUAL REPORT

SI No.	Shareholder's Name	No of Shares at the beginning of the year As of 01/04/2015		Increase/Decrease in shareholding			No of Shares at the end of the year As of 31/03/2016	
		No. of Shares	% total of shares	Date	No. of Shares	Reason	No. of Shares	% total of shares
6	VARSHA J. VAKHARIA	2128290	7.03	01/04/2015				
				13/11/2015	3905846	Transfer	6034136	10.733
				20/11/2015	8940	Transfer	6043076	10.749
				27/11/2015	-8940	Transfer	6034136	10.733
	Closing Balance			31/03/2016			6034136	10.733

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

Sr. No	Name	No of Shares at the beginning (01/04/2015)	% of Total Shares of the company	Date.	Increase / Decrease in shares	Reason	No. of Shares	% of total Shares of the company
1	LALIT CHANDRAKANT SHAH (HUF)	351762	1.162	01/04/2015				
				13/11/2015	301511	Transfer	653273	1.162
	Closing Balance			31/03/2016			653273	1.162
2	ABIRAMI ARUNACHALAM	1200000	3.964	01/04/2015				
	Closing Balance			31/03/2016			1200000	2.134
3	LALIT CHANDRAKANT SHAH	250474	0.827	01/04/2015				
				17/04/2015	1350	Transfer	251824	0.832
				01/05/2015	2849	Transfer	254673	0.841
				08/08/2015	531	Transfer	255204	0.843
				15/05/2015	500	Transfer	255704	0.845
				22/05/2015	200	Transfer	255904	0.845
				05/06/2015	506	Transfer	256410	0.847
				12/06/2015	5600	Transfer	262010	0.865
				10/07/2015	5970	Transfer	267980	0.885
				17/07/2015	4490	Transfer	272470	0.9
				24/07/2015	1650	Transfer	274120	0.905
				07/08/2015	2650	Transfer	276670	0.914
				21/08/2015	-3625	Transfer	273045	0.902
				28/08/2015	-500	Transfer	272545	0.9
				04/09/2015	-750	Transfer	271795	0.898
				09/09/2015	1500	Transfer	273295	0.903
				11/09/2015	1000	Transfer	274295	0.906
				18/09/2015	750	Transfer	275045	0.909
				25/09/2015	1200	Transfer	276245	0.912
				30/09/2015	950	Transfer	277195	0.916
				09/10/2015	19800	Transfer	296995	0.981
				16/10/2015	18958	Transfer	315953	1.044
				23/10/2015	22950	Transfer	338903	1.119



**EVERLON SYNTHETICS LIMITED**

Sr. No	Name	No of Shares at the beginning (01/04/2015)	% of Total Shares of the company	Date.	Increase / Decrease in shares	Reason	No. of Shares	% of total Shares of the company
				30/10/2015	6750	Transfer	345653	1.142
				06/11/2015	6900	Transfer	352553	0.627
				13/11/2015	236822	Transfer	589375	1.048
				20/11/2015	12200	Transfer	601575	1.07
				27/11/2015	22972	Transfer	624547	1.111
				04/12/2015	-117700	Transfer	506847	0.902
				18/12/2015	5550	Transfer	512397	0.911
				25/12/2015	7600	Transfer	519997	0.925
				31/12/2015	6475	Transfer	526472	0.936
				08/01/2016	15674	Transfer	542146	0.964
				15/01/2016	4375	Transfer	546521	0.972
				22/01/2016	7400	Transfer	553921	0.985
				29/01/2016	6700	Transfer	560621	0.997
	Closing Balance			31/03/2016			560621	0.997
4	VINAYKUMAR SAJJANKUMAR	235038	776	01/04/2015				
	Closing Balance			31/03/2016			235038	0.418
5	ALPESH A GANDHI	308501	1.019	01/04/2015				
	Closing Balance			31/03/2016			308501	0.549
6	MUJEEBUR RAHMAN HABEEB	633754	2.093	01/04/2015				
				13/11/2015	1828572	Transfer	2462326	4.38
				04/12/2015	98571	Transfer	2560897	4.555
				12/11/2015	11189	Transfer	2572086	4.575
	Closing Balance			31/03/2016			2572086	4.575
7	SANGEETHA S	332820	1.099	01/04/2015				
	Closing Balance			31/03/2016			332820	0.592
8	KEYUR MAHESH SHAH	544482	1.799	01/04/2015				
				09/10/2015	-10500	Transfer	533982	1.764
				13/11/2015	-1	Transfer	533981	0.95
	Closing Balance			31/03/2016			533981	0.95
9	AMI DHIREN DADIA	800886	2.645	01/04/2015				
	Closing Balance			31/03/2016			800886	1.424
10	NILESH DIRAJLAL SHAH	641034	2.117	01/04/2015				
	Closing Balance			31/03/2016			641034	1.14

v) **Shareholding of Directors and Key Managerial Personnel:**

SI No.	Shareholder's Name	No of Shares at the beginning of the year 01-04-2015			Share holding at the end of the year 31-03-2016			% total of shares
		No of Shares	% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
1	DINESH P. TURAKHIA	3000	0.01	01/04/2015				
				13/11/2015	10000	Transfer	13000	0.023
	Closing Balance			31/03/2016			13000	0.023

27TH ANNUAL REPORT

SI No.	Shareholder's Name	No of Shares at the beginning of the year 01-04-2015			Share holding at the end of the year 31-03-2016			% total of shares
		No of Shares	% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
2	PRADEEP K PAREEK	24330	0.01	01/04/2015				
				13/11/2015	21072	Transfer	21072	0.037
	Closing Balance			31/03/2016			45400	0.081

SI No.	Shareholder's Name	No of Shares at the beginning of the year 01-04-2015			Share holding at the end of the year 31-03-2016			% total of shares
		No of Shares	% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
3	NITIN I PARIKH	0	0.	01/04/2015				
					0	Transfer	0	0
	Closing Balance			31/03/2016			0	0

SI No.	Shareholder's Name	No of Shares at the beginning of the year 01-04-2015			Share holding at the end of the year 31-03-2016			% total of shares
		No of Shares	% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
4	SANDEEP S. GUPTA	0	0.	01/04/2015				
					0	Transfer	0	0
	Closing Balance			31/03/2016			0	0

**V. INDEBTEDNESS: (Rs. in Lakhs)**

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

Particulars Secured Loans	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
1) Principal Amount	414.26	311.39	0	725.65
2) Interest due but not paid	0	0	0	
3) Interest accrued but not due	0	0	0	0
<b>Total of (1+2+3)</b>	<b>414.26</b>	<b>311.39</b>	<b>0</b>	<b>725.65</b>
<b>Change in Indebtedness during the financial year</b>				
+ Addition	372.57	92.50	0	465.07
- Reduction	413.63	311.39	0	725.52
Net change	-31.06	-219.39	0	260.45
<b>Indebtedness at the end of the financial year - 31.03.2016</b>				
1) Principal Amount	373.20	92.50	0	465.70
2) Interest due but not paid	0	0	0	0
3) Interest accrued but not due	0	0	0	0
<b>Total of (1+2+3)</b>	<b>373.20</b>	<b>92.50</b>	<b>0</b>	<b>465.70</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:**

(Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager	Total Amount
		Jitendra K. Vakharia	
1.	Gross salary	0	0
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites 17( ) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary Under section 17(3) of Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify	Nil	Nil
5.	Others, please specify Total ( A ) Ceiling as per the Act	0	0

**B. Remuneration of other directors:****I. Independent Directors:-**

Particulars of Remuneration	Name of Directors		Total Amount
	Dinesh P. Turakhia	Kamlesh C. Sanghavi	
Fee for attending board committee meetings	3500	2000	5500
Commission	0	0	0
Others	0	0	0
<b>Total (1)</b>	<b>3500</b>	<b>2000</b>	<b>5500</b>

**II. Other Non-Executive Directors:-**

Other Non-Executive Directors	Name of Non-Executive Directors		Total Amount
	Varsha J Vakharia		
Fee for attending board committee meetings	3500		3500
Commission	0		0
Others	0		0
<b>Total (2)</b>	3500		3500
<b>Total B = (1+2)</b>			<b>9000</b>

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

Sr. No	Particulars of Remuneration	Name of KMP		Total Amount
		Pradeep K. Pareek CFO	Sandeep S. Gupta * Company Secretary	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	2,22,995	1,47,581	370576
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - As % of Profit - Others, specify	0	0	0
5	Others, please specify Provident Fund & other Funds	0	0	0
	Performance Bonus	0	0	0
	<b>Total (C)</b>	222995	147581	370576

\*Appointed w.e.f. 6th August 2015

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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

**For and on Behalf of the Board of Directors**

--Sd--  
**JITENDRA K. VAKHARIA**  
**DIRECTOR**  
**(DIN 00047777)**

--Sd--  
**VARSHA J. VAKHARIA**  
**DIRECTOR**  
**(DIN 00052361)**

Place : Mumbai  
 Date : 30<sup>th</sup> May 2016

**ANNEXURE - D**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**A. Industry Outlook:-**

For the year under review, the poor economic condition of the country had effected the off take of textiles thereby resulting in subdued demand of the Company's products and effecting the working of the Company.

**B. Opportunities:-**

The economy is expected to improve during the Current Fiscal and the demand of Polyester Yarn is expected to increase.

**C. Segment:-**

The company has only one reporting segment, namely Textiles.

**D. Risk and Concerns:-**

Volatile crude prices remain a concern which may effect our raw material prices.

**E. Internal Control Systems:-**

The management also 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:-**

As there was no improvement in the economy the previous year, the demand of Polyester Yarn was subdued resulting in poor off take and decrease in prices. The working of the Company was severally effected and the Company had to curtail its production. As a result, the sales decreased from Rs.4102.60 lacs (for the financial year 2014-15) to Rs.3096.77 lacs (for the financial year 2015-16) under review.

However for the last two months, the company is running its plant to the Optimum capacity.

**G. Industrial Relations:-**

Harmonious industrial relations continue to prevail during the year. Total numbers of employees as on 31<sup>st</sup> March 2016 were 36.

**Cautionary Statement:-**

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

**Annexure E**  
**FORM NO. AOC -2**

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

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	N.A.
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Justification for entering into such contracts or arrangements or transactions'	N.A.
f)	Date of approval by the Board	N.A.
g)	Amount paid as advances, if any	N.A.
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

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 & Director Interested
b)	Nature of contracts/arrangements/transaction	Lease Rent
c)	Duration of the contracts/arrangements/transaction	11 months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.25,000/- p.m.
e)	Date of approval by the Board	30 <sup>th</sup> May 2015
f)	Amount paid if any	Rs.3,00,000/-

**For and on Behalf of the Board of Directors**

--Sd--  
**JITENDRA K. VAKHARIA**  
DIRECTOR  
(DIN 00047777)

--Sd--  
**VARSHA J. VAKHARIA**  
DIRECTOR  
(DIN 00052361)

Place : Mumbai  
Date : 30<sup>th</sup> May 2016

**ANNEXURE - F****REMUNERATION POLICY****A. REMUNERATION POLICY FOR EXECUTIVE DIRECTORS**

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

**B. REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS**

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

**Remuneration payable:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Remuneration</b>	<b>Remarks</b>
1	Sitting Fees: For Board Meetings	Rs.500/- per meeting	a) As per the limits prescribed by the Companies Act. b) Approval – Board
2	For Committee Meetings	At present, company does not pay any sitting fees for attending committee meetings.	a. As per the limits prescribed by the Companies Act. b. Approval – Board (An Independent Director shall not be entitled to any stock option.)

**C. Remuneration Policy for Senior Managers**

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



Annexure – G

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

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

S NO.	Name	Designation	Remuneration Paid Rs. F.Y.2015-16	Director Sittings Fees Paid Rs F.Y.2015-16
1	Shri Jitendra K.Vakharia	Managing Director	-	-
2	Smt Varsha J.Vakharia	Director	-	5,500/-
3	Shri Dinesh P.Turakhia	Independent Director	-	3,500/-
4	Shri Kamlesh C.Sanghvi	Independent Director	-	2,000/-
5	Shri Sandeep S. Gupta (w.e.f. 06/08/2015)	Company Secretary	1,47,581/-	-
6	Shri Pradeep K.Pareek	Chief Financial Officer	2,22,995/-	-
7	Shri Subodh L. More (Upto 23/05/2015)	Company Secretary	30,000/-	-

**(B) PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL REMUNERATION**

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

Name	Designation	Ratio of Remuneration of each Director or KMP to median remuneration of employees	% increase in remuneration during F.Y. 2015-16	Comparison of the remuneration of each KMPS against the performance of the company
Jitendra K. Vakharia	Managing Director	—	Nil	Compared to F.Y 2014-15 Revenue decreased by 24.51% and EBITDA decreased by 16.68%
Pradeep K. Pareek	Chief Financial Officer	1.51 times	2.5%	
Sandeep S. Gupta	Company Secretary	1 time	Nil	

(ii) The median remuneration of employees increased by 5.82% in F.Y. 2015-16.

(iii) The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March 2016 is 36 nos.

(iv) The average increase in remuneration paid to employees is 4.49% for F.Y. 2015-16 as compared to F.Y. 2014-15, the revenue in F.Y. 2015-16 decreased by 24.51% & EBITDA decreased by 16.68%.

(v) The total remuneration of KMPs decreased by 50% while the revenue in FY 2015-16 decreased by 24.51% and EBITDA decreased by 16.68%.

vi)

PARTICULARS		31st MARCH 2016	31st MARCH 2015
a)	Market Capitalization	57909072	51465120
b)	Price Earnings Ration	0.01	0.02

Comparison of rate at which company came out with public offer in 1994 at par and current market price (after adjustment for sub division) market value increased by 3.1%.

- (vii) Average percentage increase in the salaries of employees other than KMP for FY.2015-16 was 21.80% as compared to FY 2014-15. There was an decrease by 50% in the total remuneration of KMPs for the same period.
- (viii) There is no direct relationship between average increase in the remuneration of employees and Key Managerial Personnel with year to year financial performance of the Company.
- ix) None of the employees (who are not Directors) receive remuneration in excess of the highest paid director.
- x) It is hereby affirmed that the remuneration paid during FY2015-16 is as per the remuneration policy of the Company.

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

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

## INDEPENDENT AUDITORS' REPORT

To the Members of

**EVERLON SYNTHETICS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Everlon Synthetics Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

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

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

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

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

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

### Opinion

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

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2016.
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date,

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in its terms of sub-section (11) of section 143 of Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - f) with respect to the adequacy of the internal Financial Controls over Financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure "B".
  - g) With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
    - 1) The Company does not have any pending litigations which would impact its financial position.
    - 2) The Company did not have any long-term contracts for which there were any material foreseeable losses.
    - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **POLADIA & CO.**  
**CHARTERED ACCOUNTANTS**  
**(FIRM REGN NO. 128274W)**

--Sd--  
**P.T. POLADIA**  
**PARTNER**  
**M NO.38757**

Place : Mumbai.  
Dated: 30<sup>th</sup> May 2016

### **Annexure “A” to the Independent Auditors’ Report**

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

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

According to the information and explanations given to us, Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of 148 of the Companies Act’ 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The company is generally regular in depositing undisputed statutory dues including provident fund employees’ state insurance, income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, sales-tax, service tax, duty of customs, duty of exercise, value added tax, cess and any other statutory dues in arrears as at March 31, 2016 for period of more than six months from the date they became payable.
- (viii) The company has not defaulted in repayment of loans or borrowing from any financial institution, bank, Government or dues to debenture holders.
- (ix) The Company has raised money by way of further public offer by Right Issue to the shareholder and Funds were applied for the purpose they were raised.
- (x) We have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
- (xi) The Company is not a Nidhi Company hence clause is not applicable during the year.
- (xii) According to information and explanation given to us the Company has not paid or provided any managerial remuneration during the year.

- (xii) According to the information given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **POLADIA & CO.**  
**CHARTERED ACCOUNTANTS**  
(FIRM REGN NO. 128274W)

--Sd--  
**P. T. POLADIA**  
**PARTNER**  
**M.NO.38757**

Place : Mumbai  
Dated: 30<sup>th</sup> May, 2016

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

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

We have audited the internal financial controls over financial reporting of Everlon Synthetics Limited (“the Company”) as of March 31, 2016 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, 2016, 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 **POLADIA & CO.**  
**CHARTERED ACCOUNTANTS**  
(FIRM REGN NO. 128274W)

--Sd--  
**P. T. POLADIA**  
**PARTNER**  
**M.NO.38757**

Place : Mumbai  
Dated: 30<sup>th</sup> May, 2016

## EVERLON SYNTHETICS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2016

		(Rupees)	
PARTICULARS	Note No.	Current Year As at 31 March 2016	Previous Year As at 31 March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders Funds</b>			
a) Share Capital	1	56241000	30292200
b) Reserves & Surplus	2	947740	(10021412)
		57188740	20270788
<b>2. Non-Current Liabilities</b>			
a) Long-term Borrowings	3	10719969	31758514
b) Deferred tax liabilities		-	-
c) Other Long-term liabilities	4	-	53456
d) Long-term Provisions	5	2138772	1719762
		12858741	33531732
<b>3. Current Liabilities</b>			
a) Short-term Borrowings	6	37321368	40849667
b) Trade Payables	7	6761883	7637033
c) Other Current liabilities	8	197269	423906
d) Short-term provisions	9	180000	170000
		44460520	49080606
<b>TOTAL (1+2+3)</b>		<b>114508001</b>	<b>102883126</b>
<b>II. ASSETS</b>			
<b>1. Non-Current assets</b>			
a) Fixed Assets			
(i) Tangible assets	10	37997333	37950108
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
b) Non-Current investments	11	302500	302500
c) Deferred tax assets		-	-
d) Long-term loans and advances	12	800365	14146680
e) Other non-current assets	13	5251319	4037825
		44351517	56437113
<b>2. Current Assets</b>			
a) Current Investments		-	-
b) Inventories	14	31177589	19248993
c) Trade Receivables	15	20899379	20128880
d) Cash and cash equivalents	16	4257117	4370003
e) Short-term Loans and Advances	17	380975	230163
f) Other current assets	18	13441424	2467974
		70156484	46446013
<b>TOTAL (1+2)</b>		<b>114508001</b>	<b>102883126</b>
Notes forming part of the Accounts	1 to 25		
Additional Notes forming part of accounts	26		

As per our report of even date

For and on behalf of the  
Board of Directorsfor POLADIA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REGN NO.128274W)--Sd--  
P.T.POLADIA  
(Partner)  
M.No.38757--Sd--  
S.S.GUPTA  
Company Secretary--Sd--  
J.K.VAKHARIA  
Managing Director  
(DIN 00047777)Place : Mumbai  
Date : 30th May,2016--Sd--  
P.K.PAREEK  
Chief Financial Officer--Sd--  
V.J.VAKHARIA  
Director  
(DIN 00052361)



**EVERLON SYNTHETICS LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016.**

		(Rupees)	
PARTICULARS	Note No.	Current Year Ended 31 March 2016	Previous Year Ended 31 March 2015
I. Revenue from Operations	19	309677137	410260119
II. Other Income	20	728294	495012
<b>III. Total Revenue (I+II)</b>		<b>310405431</b>	<b>410755131</b>
<b>IV. Expenses</b>			
Cost of Material Consumed	21	264574042	372972536
Purchase of stock-in-Trade		-	-
Changes in inventories of finished goods- work-in-progress and stock-in-trade	22	8620283	(8438254)
Employee benefits expenses	23	6031648	4973124
Finance Costs	24	6367507	7619158
Depreciation & amortisation expenses	10	2337574	3071988
Other Expenses	25	26929700	29670555
<b>Total Expenses</b>		<b>314860754</b>	<b>409869107</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		(4455323)	886014
VI. Exceptional Items		5396188	-
VII. Profit before extraordinary items and tax (V-VI)		940865	886014
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		940865	886014
X. Tax Expense :			
(1) Current Tax		(180000)	(170000)
(2) Deferred Tax		-	-
XI. Profit/(Loss) for the period from continuing operations (IX-X)		760865	716014
XII Profit/(Loss) for the period from discontinuing operations		-	-
XIII. Tax Expense of discontinuing operations		-	-
XIV. Profit/(Loss)from discontinuing operations (After Tax (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI+XIV)		760865	716014
Add: Balance brought forward from Last Year		(10021412)	(10628818)
Additional Depreciation Written Back		2391611	-
(Short)/Excess provision for Income Tax for earlier years (provided)/written back		32169	(108608)
Profit available for Appropriation		<b>(6836767)</b>	<b>(10021412)</b>
Earning per share Basic & Diluted		0.01	0.02
Notes forming part of the Accounts	1 to 25		
Additional Notes forming part of accounts	26		

As per our report of even date

for POLADIA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REGN NO.128274W)

--Sd--  
P.T.POLADIA  
(Partner)  
M.No.38757

Place : Mumbai  
Date : 30th May,2016

For and on behalf of the  
Board of Directors

--Sd--  
S.S.GUPTA  
Company Secretary

--Sd--  
P.K.PAREEK  
Chief Financial Officer

--Sd--  
J.K.VAKHARIA  
Managing Director  
(DIN 00047777)

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

## EVERLON SYNTHETICS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2016

(Rupees)

	2015-2016	2014-2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit/(loss) before Tax and Extraordinary items	940865	886014
<b>Adjustment for :</b>		
Depreciation	2337574	3071998
Dividend Received	(23583)	(23250)
Interest Received	(458180)	0
Other Non-operating Income	(246531)	0
Interest Paid	6367507	7619158
(Excess) /Short provision for income tax provided	(32169)	108608
(Profit)/Loss on Sale of Shares	427374	0
(Profit)/Loss on Sale of Assets	(5396188)	0
Operating profit before working capital charges	3916669	11662528
<b>Adjustment for :</b>		
Trade and Other Receivables	239185	411509
Inventories	(11928596)	3827040
Trade Payable	726283	4457202
NET CASH USED FROM OPERATING ACTIVITIES	<b>(7046459)</b>	<b>20358279</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	0	(1426568)
Sale of Fixed Assets	(5403000)	0
(Increase)/Decrease in Investments	0	(100000)
Assets Written off	4459341	0
Profit/ (Loss) on Sale of Assets	5396188	0
Dividend Received	23583	23250
Interest Received	458180	324140
Share Premium on Right Issue	7784507	147622
Depreciation Written Back	2391611	0
Profit/ (Loss) on Sale of Shares	(427374)	0
NET CASH USED FROM INVESTING ACTIVITIES	<b>14683036</b>	<b>(1031556)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Secured Loans	3528299	(965368)
Proceeds from Unsecured Loans	21038545	1858306
(Increase) /Decrease in capital	(25948800)	0
Adjustment on account of Demerger	0	(11551947)
Interest Paid	(6367507)	(7619158)
NET CASH FROM INVESTING ACTIVITIES	<b>(7749463)</b>	<b>(18278167)</b>
Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	<b>(112886)</b>	<b>1048556</b>
CASH & CASH EQUIVALENTS :-		
Opening Balance in the begning of the year	4370003	3321447
Closing Balance at the end of the year	4257117	4370003
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	<b>(112886)</b>	<b>1048556</b>

As per our report of even date

for POLADIA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REGN NO.128274W)

--Sd--

P.T.POLADIA  
(Partner)  
M.No.38757Place : Mumbai  
Date : 30th May,2016For and on behalf of the  
Board of Directors

--Sd--

S.S.GUPTA  
Company Secretary

--Sd--

P.K.PAREEK  
Chief Financial Officer

--Sd--

J.K.VAKHARIA  
Managing Director  
(DIN 00047777)

--Sd--

V.J.VAKHARIA  
Director  
(DIN 00052361)

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Rupees)

<b>NOTE - 1 SHARE CAPITAL</b>	<b>Current Year Ended 31 March 2016</b>	<b>Previous Year Ended 31 March 2015</b>
<b>AUTHORISED</b>		
10,00,00,000 Equity Shares of Rs.1/- each (Previous year 600,00,000 equity shares of Rs.1/- each )	100000000	100000000
	<b>100000000</b>	<b>100000000</b>
<b>ISSUED</b>		
5,62,22,400 Equity Shares of Rs.1/- each (Previous year 3,03,04,800 Equity Shares of Rs.1/- each)	56222400	30304800
	<b>56222400</b>	<b>30304800</b>
<b>SUBSCRIBED AND PAID UP</b>		
5,62,22,400 Equity Shares of Rs.1/- each fully paid up (Previous year 3,02,73,600 equity shares of Rs.1/- each fully paid up)	56222400	30273600
Add:Paid up value of Shares	18600	18600
Forfeited 31200 Equity Shares of Rs.1/-each (previous year 31200 Equity Shares of Rs.1/-each)		
<b>TOTAL</b>	<b>56241000</b>	<b>30292200</b>

**a) Rights and Restrictions of the Equity Shares holders**

Following are the rights attached to 56222400 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

<b>Name of the Shareholder</b>	<b>No of Shares held</b>	<b>Percentage (%)</b>
Jitendra K.Vakharia -HUF	12213188	21.72
Jitendra K.Vakharia	11341120	20.17
Varsha J.Vakharia	6034136	10.73

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

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

<b>Particulars</b>	<b>No of Shares</b>
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 31/03/2016	Previous Year 31/03/2015
(a) Shars outstanding at the beginning of the year	30273600	30273600
(b) Right Shares issued during the year	25948800	--
(c ) Shares brought back during the year	--	--
(b) Shares outstanding at the end of the year	<b>56222400</b>	<b>30273600</b>

**NOTE 2 - Reserve & Surplus**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Capital Reserve		
b) Capital Redemption Reserve	-	-
c) Securities Premium Reserve - Opening Balance	0	-
Add : Additional during the year	7784507	
d) Debenture Redemption Reserve	-	-
e) Revaluation Reserve	-	-
f) Share Option Outstanding Account	-	-
g) Other Reserves	-	-
General Reserve	-	-
As per Last Balance Sheet	-	-
	-	-
Less: Transfer from Profit and Loss Account	-	-
Balance	<u>7784507</u>	<u>0</u>
h) Surplus		
As per Last Balance Sheet	(10021412)	(10628818)
Add:- Surplus for the current year	760865	716014
Add:- Short Provision / Excess provision W/back / off	32169	(108608)
Add:- Additional Depreciation W/Back ( Note:26(1) (b)(v)	2391611	-
	<u>(6836767)</u>	<u>(10021412)</u>
Less: Transferred to General Reserve		
Proposed Dividend	-	-
Tax on Dividend	-	-
Balance	<u>(6836767)</u>	<u>(10021412)</u>
<b>Gross Total (g+h)</b>	<b><u>947740</u></b>	<b><u>(10021412)</u></b>

- i) There is no reserve specifically represented by earmarked investments which can be termed as a fund.

**NOTE 3 - Long Term Borrowings**

(Rupees)		
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Bonds / Debentures	-	-
b) Term loan from Bank ( Secured)	-	204868
Secured by hypothecation of Motor Car	-	-
c) Deferred payments Liabilities	-	-
d) Deposits	-	-
e) Loans and Advances from related parties ( Unsecured)		
i) Loan received from Companies	1469969	31553646
ii) Loan received from Directors	9250000	-
f) Long term maturities of finance lease obligations	-	-
g) Other loans & Advances	-	-
<b>TOTAL</b>	<b>10719969</b>	<b>31758514</b>

**NOTE 4 - Other Long-Term Liabilities**

(Rupees)		
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Trade payables	-	53456
b) Others	-	-
<b>TOTAL</b>	<b>-</b>	<b>53456</b>

**NOTE 5 - Long-Term Provisions**

(Rupees)		
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Provisions for employees benefits ( Gratuity )	1968772	1719762
b) Others ( Provision for Taxation )	170000	-
<b>TOTAL</b>	<b>2138772</b>	<b>1719762</b>

**NOTE 6 - Short Term Borrowings**

(Rupees)		
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
Secured Repayable on demand from Banks		
Overdraft from Bank ( Secured )	37321368	40849667
(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 )		
<b>TOTAL</b>	<b>37321368</b>	<b>40849667</b>

**NOTE 7 - Trade Payables**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Due to Micro, Small & Medium Enterprises	-	-
b) Others	6761883	7637033
<b>TOTAL</b>	<b>6761883</b>	<b>7637033</b>

**NOTE 8 - Other Current Liabilities**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Current Maturities of long term debts (Term Loan)	-	372000
b) Current Maturities of finance lease obligations	-	-
c) Interest accrued but not due on borrowings	-	-
d) Interest accrued and due on borrowings	-	-
e) Income received in advance	-	-
f) Unpaid Dividends	-	-
g) Application Money received from allotment of securities and due for refund and interest accrued thereon.	-	-
h) Unpaid matured deposits and interest accrued thereon	-	-
l) Unpaid matured debentures and interest accrued thereon	-	-
j) Other payables		
Creditors for Expenses / Assets	-	-
Other Liabilities	-	89
Statutory Liability	197269	51817
Advance received from Customers & others	-	-
<b>TOTAL</b>	<b>197269</b>	<b>423906</b>

**NOTE 9- Short-term Provisions**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Provision for employees benefit	-	-
b) Others		
Provision for Tax	180000	170000
<b>TOTAL</b>	<b>180000</b>	<b>170000</b>

**NOTE 10 FIXED ASSETS**

**ACCOUNTING YEAR ENDED 31ST MARCH, 2016**

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01/04/15	Additions	Deductions	As at 31/03/16	As at 01/04/2015	Additional Dep. as per New Co.Act.2013	For the year	Deductions	As at 31/03/16	As at 31/03/16	As at 31/03/15
Tangible Assets											
Land at Dadra	2078580	0	0	2078580	0	0	0	0	0	2078580	2078580
Factory Building	15409711	0	0	15409711	10955399	0	423160	0	11378559	4031152	4454312
Plant & Machinery	42631974	0	0	42631974	13529591	(3789425)	1620015	0	11360181	31271791	29102383
Electric Fittings	4226305	0	4226305	0	3088204	1138101	0	4226305	0	0	1138101
Computers	672300	0	112738	559562	625808	0	29366	105928	549246	10316	46492
Office equipments	62326	0	62326	0	49921	12405	0	62326	0	0	12405
Furniture & Fixtures	565573	0		565573	291070	178093	24961	0	494124	71449	274503
Vehicle	1384016	0		1384016	542268	67631	240072	0	849971	534045	841748
Testing Equipments	170710	0	170710	0	169126	1584	0	170710	0	0	1584
<b>Total Tangible Assets (a)</b>	<b>67201495</b>	<b>0</b>	<b>4572079</b>	<b>62629416</b>	<b>29251387</b>	<b>(2391611)</b>	<b>2337574</b>	<b>4565269</b>	<b>24632081</b>	<b>37997333</b>	<b>37950108</b>
Intangible Assets											
Brand Development	-	-	-	-	-	-	-	-	-	-	-
<b>Total Intangible Assets (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>67201495</b>	<b>0</b>	<b>4572079</b>	<b>62629416</b>	<b>29251387</b>	<b>(2391611)</b>	<b>2337574</b>	<b>4565269</b>	<b>24632081</b>	<b>37997333</b>	<b>37950108</b>
Previous Period	65774927	1426568	0	67201495	26179389	0	3071998	0	29251387	37950108	39595538

Note : The company has recalculated Depreciation from the date of Schedule II coming into effect based on "useful life of Assets".

The Excess / Short Depreciation is recognised by crediting / debiting to the opening balances of Profit & Loss Account.

**NOTE 11 : NON CURRENT INVESTMENTS**

(Rupees)

Particulars	No. of Shares	Current Year 31.03.2016	No. of Shares	Previous Year 31.03.2015
1) Trade Investments ( UNQUOTED ) Janata Sahakari Bank Ltd.Pune	3025	302500	3025	302500
2) Other Investments				
a) Investment in Property.		-		-
b) Investment in Equity Instruments		-		-
c) Investment in Preference Shares		-		-
d) Investment in Government or Trust Securities		-		-
e) Investment in Debenture or Bonds		-		-
f) Investment in Mutual Funds		-		-
g) Investment in Partnership Firms		-		-
h) Other non-current investments		-		-
		<b>302500</b>		<b>302500</b>
Total Cost of Quoted Investment		-		-
Total Cost of Unquoted Investment		302500		302500
Market Value of Quoted Investment		-		-

**NOTE 12 - Long Term Loans and Advances**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Capital Advances	-	-
b) Security Deposits	570579	195744
c) Loans & Advances to related parties	-	-
d) Other Loans & Advances	229786	13950936
<b>TOTAL</b>	<b>800365</b>	<b>14146680</b>

**NOTE 13- Other non-current assets**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Long term Trade receivables (Including trade receivables on deferred credit terms)	2981761	2873665
b) Others	2269558	1164160
<b>TOTAL</b>	<b>5251319</b>	<b>4037825</b>

**NOTE 14 - Inventories**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Raw Material	7426009	523370
b) Stock in Process (Work in Progress)	4117662	1004394
c) Stock of Finished Goods	4669622	16403173
d) Stock of Stores & Spares	1604174	1318056
e) Stock in Trade ( Equity Shares)	13360122	-
<b>TOTAL</b>	<b>31177589</b>	<b>19248993</b>

(Stock-in-trade as per Inventories taken Valued & Certified by the Management)

**NOTE 15 - Trade Receivables**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	-	-
Other Debts	20899379	20128880
<b>TOTAL</b>	<b>20899379</b>	<b>20128880</b>



**NOTE 16 - Cash & Cash Equivalents**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Balances with Banks		
i) In Current Accounts	268128	270355
ii) In Unpaid Dividend Account	-	-
iii) In Fixed Deposits	3775000	3775000
b) Cheques and drafts on hand	-	-
c) Cash-on-hand	213989	324648
d) Others	-	-
<b>TOTAL</b>	<b>4257117</b>	<b>4370003</b>

**NOTE 17 - Short term Loan & Advances**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Loans & Advances to related parties	-	-
b) Others		
Prepaid Expenses	134343	79167
Staff Advance	246632	150996
<b>TOTAL</b>	<b>380975</b>	<b>230163</b>

**NOTE 18- Other current assets**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
Vat Refundable	4394252	-
Interest Accrued on FDR	433148	249621
Trade Payable (Advances)	8614024	2218353
<b>TOTAL</b>	<b>13441424</b>	<b>2467974</b>

**NOTE 19 - Revenue from Operations**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Sale of Products	309677137	410260119
b) Sale of Services	-	-
c) Other Operating Revenues	-	-
<b>TOTAL</b>	<b>309677137</b>	<b>410260119</b>

**NOTE 20 - Other Income**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
a) Interest Income	458180	324140
b) Dividend Income	23583	23250
c) Other non Operating Income	246531	147622
<b>TOTAL</b>	<b>728294</b>	<b>495012</b>

**NOTE 21 - Cost of Materials Consumed**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
<b>Raw Materials Consumed</b>		
Opening Stock	523370	12964595
Add : Purchases	255150897	339175440
	255674267	352140035
Less: Closing Stock	7426009	523370
	248248258	351616665
<b>Packing and Other Materials Consumed</b>		
Opening Stock	1095281	859748
Add: Purchases	16429956	21591404
	17525237	22451152
Less: Closing Stock	1199453	1095281
	16325784	21355871
<b>TOTAL</b>	<b>264574042</b>	<b>372972536</b>

**NOTE 22 - Changes in Inventories of Finished Goods,  
Work-In-Progress & Stock in Trade**

	(Rupees)	
Particulars	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
<b>Opening Stock:</b>		
Finished Goods	16403173	5258701
Work-in-process	1004394	3710612
	17407567	8969313
<b>Less: Closing Stock:</b>		
Finished Goods	4669622	16403173
Work-in-process	4117662	1004394
	8787284	17407567
<b>TOTAL</b>	<b>8620283</b>	<b>(8438254)</b>

**NOTE 23 - Employee Benefit Expenses**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
Salaries & Wages (including Bonus)	5509031	4520534
Contribution to Provident Fund & Other Funds	522617	452590
Employees Welfare	-	-
<b>TOTAL</b>	<b>6031648</b>	<b>4973124</b>

**NOTE 24 - Finance Costs**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
Interest on Term Loan	44775	95024
Bank Interest on Overdraft facility	4402978	5562333
Other Interest and Financial charges	1919754	1961801
<b>TOTAL</b>	<b>6367507</b>	<b>7619158</b>

**NOTE 25 - Other Expenses**

Particulars	(Rupees)	
	Current Year Ended 31.03.2016	Previous Year Ended 31.03.2015
Repairs & Maintenance		
- Plant & Machinery	1399486	1406439
- Building	-	-
- Others	298591	369453
Manufacturing Expenses	3022750	3326109
Auditor Remuneration	140000	140000
Bank charges & Commission	220519	143086
Commission paid on Sale	406854	496296
Directors Remuneration	-	480000
Director Sitting Fees	9000	8500
Insurance	270254	85539
Legal and Professional Charges	286805	407984
Power & Fuel	17568926	20699030
Postage, Telephone and Telegram Expenses	170123	223720
Printing & Stationery	54121	89961
Preliminary Expenses W/off	567390	-
Rent Paid	300000	300000
Loss on Sale of Shares	427374	-
Travelling & Conveyance	169443	214838
Vehicle Expenses	149858	175461
Miscellaneous Expenses	1468206	1104139
<b>TOTAL</b>	<b>26929700</b>	<b>29670555</b>

**NOTE : 26****ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS****01. ACCOUNTING POLICIES:**a) Recognition of Income and Expenditure:

The Accounts are prepared on accrual basis.

b) Fixed Assets and Depreciation:

- I) Fixed Assets includes all expenditure of Capital nature and are stated at cost of Acquisition, Installation and commissioning less depreciation. Fixed Assets are stated at historical cost.
- II) Depreciation on Fixed Assets other than Land & Plant and Machinery is provided as per written down value based on useful life of Assets as per part 'C' of Schedule II of companies Act,2013.
- III) In case of Plant and Machinery, Company has provided Depreciation on Straight Line method based on useful life of Assets as per part 'C' of Schedule II of the Companies Act,2013.
- IV) No Depreciation has been provided on assets sold/discarded during the year

c) Investments:

Investments are valued at cost inclusive of expenses incidental to their acquisition. Investments meant for long term are carried at cost and any diminution in value of permanent nature are provided for in accounts.

d) Valuation of Inventories:

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

e) 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 if it is less than its carrying amount, the 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.

f) Provision for Retirement Benefits:

Provision for gratuity is made in accounts assuming that all the employee retire at the end of the year. The Company has carried out actuarial valuation of Retirement Benefits during the year.

g) Contingent Liabilities:

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

**02. Segment Results**

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

**03. Related Party Disclosures ( As identified by the Management)**

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

ii) Transactions with Related Parties

(Rupees)

Type of	Description of the nature of the transaction	Volume of Trans. 2015-16	2015-16		Volume of Trans 2014-15	01-4-15	
			Outstanding			Outstanding	
			Receivable	Payable		Receivable	Payable
Where Control Exists	1) Loans	49428927	---	10719969	7950036	---	31553646
	2) Director's Remuneration and Sitting Fees	9000	---	---	488500	---	---
	3) Rent Paid	300000	---	---	300000	---	---

**04. Earnings per share**

	Year Ended March 2016	Year Ended March 2015
Profit / (Loss) attributable to the equity shareholders (Rupees)	760865	716014
Number of Equity Shares Outstanding during the year	56222400	30273600
Nominal value of Equity Shares	Rs 1	Rs. 1
Basic/diluted earnings per share (Face Value Re 1) (with exceptional Income)	Rs. 0.01	Rs 0.02
Basic/diluted earnings per share (Face Value Re 1) (Without exceptional Income)	Rs (0.08)	Rs.0.02

- 05.** 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.
- 06.** a) The amount shown in Trade Payable, and Discount Receivables from Sundry Creditors under various heads are subject to confirmations.  
b) The amount shown under Trade receivable under various heads are subject to confirmation.
- 07.** In the opinion of the Board, Current Assets, Loans and Advances are approximately of the same value as stated in the Balance Sheet if realised in the ordinary course of business.
- 08.** There are no Micro, Small and Medium Enterprises, as defined in Mircro, Small, Medium Enterprises Development Act, 2006 to whom the Company owes on account of principal amount together with interest and accordingly no additional disclosures have been made.
- 09.** The information required under paragraph 5 of part II of Schedule III of Company's Act, 2013 (As certified by the

management) to the extent applicable are as under.

	<b>2015-2016</b>	<b>2014-2015</b>
	(Rupees)	(Rupees)
i) Value of Import on CIF Basis	NIL	NIL
ii) F.O.B. Value of Exports	NIL	NIL
iii) Expenditure, Earning and remittance in foreign Currency	NIL	NIL
iv) Estimated amount of contracts remains to be executed on capital account and not provided for	NIL	NIL
v) Value of Raw Materials consumed		
a) Indigenous	248248258/-	351616665/-
b) Imported	NIL	NIL
vi) Break up of Repairs and Maintenance	<b>31/03/2016</b>	<b>31/03/2015</b>
For Plant and Machineries	1399486	1406439
For Others	298591	369453
	<u>1698077</u>	<u>1775892</u>
vii) Auditors Remuneration	<b>31/03/2016</b>	<b>31/03/2015</b>
Included in Profit and Loss Account is Made up of :		
Audit Fees	75000	75000
Tax Audit Fees	15000	15000
VAT Audit Fees	10000	10000
Taxation Matters	15000	15000
Certification Work	25000	25000
	<u>140000</u>	<u>140000</u>

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

**SIGNATORIES TO NOTES NO. 1 O 26**

As per our report of even date  
for POLADIA & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REGN NO.128274W)

--Sd--  
P.T.POLADIA  
(Partner)  
M.No.38757

Place : Mumbai  
Date : 30th May,2016

For and on behalf of the  
Board of Directors

--Sd--  
S.S.GUPTA  
Company Secretary

--Sd--  
P.K.PAREEK  
Chief Financial Officer

--Sd--  
J.K.VAKHARIA  
Managing Director  
(DIN 00047777)

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

**E-COMMUNICATION REGISTRATION FORM**

To,  
Sharex Dynamic (India) Pvt.Ltd.,  
Unit: Everlon Synthetics Limited)  
Unit-1, Luthra Ind.Premises, Safed Pool,  
Andheri –Kurla Road, Andheri (E)  
**Mumbai – 400 072.**

Dear Sir,/Madam,

**RE: Green Initiative in Corporate Governance**

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No. : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

PAN : \_\_\_\_\_

Name of 1<sup>st</sup> Registered Holder : \_\_\_\_\_

Name of Joint Holder(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Date \_\_\_\_\_ Signature of the first holder \_\_\_\_\_

**Important Notes:**

- 1) On registration, all the communication will be sent to the e-mail ID registered in the Folio/DP ID & Client ID.
- 2) The form is also available on the website of the company [www.vakharia.in](http://www.vakharia.in)
- 3) Shareholders are also requested to keep company informed as and when there is any change in the e-mail address. Unless the email Id given above is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned e-mail ID.

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## Form No. MGT-11

### Proxy form

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

CIN	L17297MH1989PLCO52747		
Name of the company	EVERLON SYNTHETICS LIMITED		
Registered office	67, Regent Chambers, 208 Nariman Point, Mumbai - 400 021		
Tel:	2204 9233, 2204 2788 Fax : (022) 2287 0540		
Email:	<a href="mailto:everlonsynthetics@gmail.com">everlonsynthetics@gmail.com</a> Website:- <a href="http://www.vakharia.in">www.vakharia.in</a>		
Name of the member (s)			
Registered address			
E-mail Id			
Folio No/ Client Id		DP ID	

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

Name			
Address			
E-mail Id		Signature	

OR FAILING HIM

Name			
Address			
E-mail Id		Signature	

OR FAILING HIM

Name			
Address			
E-mail Id		Signature	

as my / our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 27<sup>th</sup> Annual General Meeting to be held on Saturday, 20<sup>th</sup> August 2016, at 10.30 a.m.. at Kilachand Conference Room, 2nd Floor, IMC, Indian Merchants Chambers, Churchgate, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.: RESOLUTIONS

	For	Against
<b>Ordinary Business</b>		
1. Adoption of Financial Statements for the year ended 31 <sup>st</sup> March 2016		
2. Re-appointment of Mrs. Varsha Jitendra Vakharia (DIN: 00052361) as Director, who retires by rotation.		
3. Appointment of M/s. K S Maheshwari & Co., Chartered Accountants as Statutory Auditors in place of M/s. Polaida & Company, & fixing their remuneration.		
<b>Special Business</b>		
4. To Ordinary Resolution for apopoval of appointment of Mr. Nitin Ishwartal Parekh (DIN 00087248) as Independent Director.		
5. Special Resolution for Re-appointment of Mr. Jitendra Kantilal Vakharia (DIN 00047777) as Managing Director.		

Signed this..... day of..... 2016



Signature of Shareholder: .....

Signature of Proxy holder(s): .....

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

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