

ACCOUNTING YEAR ENDED  
31st MARCH 2013

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### EVERLON SYNTHETICS LIMITED

#### BOARD OF DIRECTORS

SHRI JITENDRA K. VAKHARIA	MANAGING DIRECTOR
SMT VARSHA J. VAKHARIA	DIRECTOR
SHRI DINESH P. TURAKHIA	DIRECTOR
SHRI KAMLESH C. SANGHAVI	DIRECTOR

#### AUDITORS

M/s. POLADIA & COMPANY  
(Chartered Accountants)  
C-81, Anant Chhaya, 353/3 R. B. Mehta Marg,  
Ghatkopar (E), MUMBAI – 400 077.

#### BANKERS

JANATA SAHAKHARI BANK LTD., PUNE  
INDIAN OVERSEAS BANK  
IDBI BANK

#### REGISTERED OFFICE

67, Regent Chambers,  
208, Nariman Point, Mumbai – 400 021.  
E-Mail : everlon@rediffmail.com  
[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

## NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of the Company will be held on Saturday 24th August 2013 at 4.00 P.M. at the Registered Office of the Company at 67, Regent Chambers, 6th Floor, 208 Nariman Point, Mumbai - 400 021 to transact the following business:-

## ORDINARY BUSINESS

1. To receive, consider & adopt Audited Accounts for the year ended 31st March 2013, together with the Reports of the Directors & Auditors thereon.
2. To appoint a Director in place of Shri. Dinesh P. Turakhia who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Place : Mumbai  
Dated: 30th May 2013

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

By order of the Board of Directors  
— Sd —  
**J. K. VAKHARIA**  
**MANAGING DIRECTOR**

## NOTES

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) The Register of Members and Share transfer books of the Company will remain closed from Friday 16th August 2013 to Saturday 24th August 2013 (both days inclusive) for the purpose of Annual General Meeting.
- c) 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 atleast 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.
- d ) 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.
- e) Disclosure under Clause 5A (II)  
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.

The company is in the process of sending 3 reminders to the shareholders as required under Clause 5.A II of the Listing Agreement.

As per the 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 a 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.

Place : Mumbai  
Dated : 30th May 2013

By order of the Board of Directors  
— Sd —  
**J. K. VAKHARIA**  
**MANAGING DIRECTOR**

Details of Directors seeking Re-appointment at the forthcoming Annual General Meeting

As per clause 49 (IV) (G)(1) of the Listing Agreement)

A. Name of Director	Shri Dinesh P. Turakhia.
B Date of Birth	25/09/1942
C. Date of Appointment	06/12/2002
D. Expertise in specific functional areas	25 years experience in Yarn Business
E. Qualifications	D.E.E.
F. Name of Companies in which Directorship held as on 31st March'13	Vakharia Power Infrastructure Ltd.,
G. Chairman/Member of the Committees of the Board of the other companies on which he is a Director as on 31st March 2013.	---- NIL ----
H. No. of equity shares of Rs.1/- each of the company held as on 31st March 2013	3000
I Inter-se Relations Among Directors	----

CORPORATE GOVERNANCE REPORT

In compliance with Clause 49 of the Listing Agreement with the Stock Exchanges, the Company submits the following report on the matters mentioned in the said clause.

1. Company's Philosophy on Code of Governance
- The company is committed to good Corporate Governance.

2. Board of Directors
- During the Financial year 2012-2013, 5 Board Meetings were held on 30th May 2012, 14th August 2012, 1st October 2012, 12th November 2012, and 9th February 2013. Details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting, number of other Directorships and other committee Membership are given below:

Sr. No	Name of the Director	Category of Directorship	No. of Board Meetings Attended	Attendance at last A.G.M.	No of other Directorship (As on 31st March, '13) in other companies	No of other Committees Membership	No of other Committees Cheirmanship
1.	Shri Jitendra K. Vakharia Managing Director	ED (P)	5	Yes	7	-----	-----
2.	Smt. Varsha J. Vakharia	NED (P)	5	Yes	7	-----	-----
3.	Shri Dinesh P. Turakhia	NED (I)	5	Yes	1	-----	-----
4.	Shri Kamlesh C. Sanghavi	NED (I)	5	Yes	3	-----	-----

ED(P) - Executive Director, Promoter, NED (P) - Non Executive Director, Promoter, NED (I) - Non Executive Director, Independent \* Including Directorships in Private Limited Companies  
Shri Jitendra K. Vakharia and Smt. Varsha J. Vakharia are related to each other

3. Audit Committee
- During the Financial Year 2012-2013, 4 meetings of the committee were held as under:-  
30th May 2012, 14th August 2012, 12th November 2012 and 9th February 2013.  
Details of composition of the committee and attendance of the members are given below:-

Sr. No.	Name	Designation	Category	No of Meetings Attended
1)	Shri Dinesh P. Turakhia	Chairman	NED (I)	4
2)	Shri Jitendra K. Vakharia	Member	ED (P)	4
3)	Shri Kamlesh C. Sanghavi	Member	NED (I)	4

The powers and terms of reference of the committee are as specified in Clause 49 of the Listing Agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956.

**4. Remuneration of Directors**

The remuneration committee of the Board comprises 3 Directors namely, Shri Dinesh P. Turakhia - Chairman, Shri Kamlesh C. Sanghavi - Member and Smt. Varsha J. Vakharia - Member. No meeting of Remuneration Committee was held during the financial year, as there was no matters requiring approval of the committee. The terms of reference of the Committee are as specified in Schedule XIII of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges. The Managing Directors remuneration details for the financial year 2012-2013 are given below:-

Name	Salary	Commission	Perquisites	Total	Tenure of years
Shri Jitendra K. Vakharia	Rs. 480000/- p.a.	————	————	Rs. 480000/- p.a.	5 years from 1/10/2011

Notice period for the Managing Director is as applicable to the senior employee of the company. No severance fee is payable to the Director on termination of employment. The Company does not have a scheme of stock options for the Directors or employees.

The sitting fees paid for the financial year ended 31st March 2013 to the non-executive Directors for attending the Board/Committee meetings are as follows:-

Shri D.P.Turakhia -Rs.4000/-, Shri K.C. Sanghavi - Rs.4000/- and Smt. Varsha J.Vakharia-Rs.4000/-.

The number of equity shares of the company held by non-executive Directors as on 31st March 2013 are as follows:-

Shri D.P. Turakhia 3000 equity shares, Shri K.C. Sanghavi - NIL and Smt. Vasha J. Vakharia 1639920 equity shares.

**5. Shareholders/Investors Grievances Committee**

During the year Share Transfer Committee held 12 meetings and a meeting of the shareholders/Investors Grievances Committee was also held on 9th March, 2013. The Composition of the Committee is as under:-

Sr.No.	Name	Designation	Category
1.	Shri Dinesh P. Turakhia	Chairman	NED (I)
2.	Shri Jitendra K. Vakharia	Member	ED (P)
3.	Smt. Varsha J. Vakharia	Member	NED (P)

Committee has the power to look into the redressal of shareholders/investors complaints such as non receipt of shares sent for transfer, non receipt of dividend/Annual Reports etc.

The Secretarial Department of the Company, under the supervision of Shri Ashok C. Jain, who is also Nominated as the Compliance Officer as required by SEBI/Listing Agreement and M/s. Sharex Dynamic (India) Pvt. Ltd., Registrar & Share Transfer Agents, attends to all shareholders / Investors Grievances received directly or through SEBI, Stock Exchanges, Department of Corporate Affairs and Registrar of Companies.

**SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

The total number of complaints received from the Shareholders were nil. All letters have been replied to the satisfaction of shareholders. There were no requests pending for dematerialisation as on 31st March 2013.

**6. General Body Meetings**

Details of Location, Date and Time of the Annual General Meetings held during the last three years

Financial Year	Venue	Date & Time
2011-2012	67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.	25th August 2012 at 11.30 A.M.
2010-2011	67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.	13th August 2011 at 11.30 A.M.
2009-2010	67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.	14th August 2010 at 11.30 A.M.

Special Resolutions passed in previous 3 Annual General Meetings with requisite majority

AGM Date	Matter
(i) 25th August 2012	-----
(ii) 13th August 2011	Reappointment of Shri Jitendra K.Vakharia as Managing Director for 5 years.
(iii) 14th August 2010	Nil

At the ensuing Annual General Meeting there is no Resolution proposed to be passed through postal ballot.

**7. Disclosures**

There were no materially significant related party transactions which has potential conflict with the interest of the Company at large.

The Company has complied with most of the requirements of the Listing Agreements with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against your Company by SEBI, Stock Exchanges or any other statutory authority on any matter relating to capital markets during last 3 years.

Company has complied with most of the applicable mandatory requirements of clause 49 and company has Constituted a Remuneration Committee which is a non-mandatory requirement.

**8. Means of Communication**

The quarterly results of the Company are published in the following newspapers: Free Press Journal (English) and Nav Shakti (Marathi). The results will also be displayed on Company's website at [www.everlon.in](http://www.everlon.in).

**9. General Shareholder Information**

Detailed Information in this regard is provided in the "Information for Shareholders" section, appearing in the Annual Report.

**10. Information on Directors**

Information relating to Director seeking reappointment as required under clause 49(I V) (G) of the Listing Agreement is given in the notice of Annual General Meeting.

**11. Declaration by the Managing Director**

Declaration by the Managing Director under clause 49(1) (D)(ii) of the Listing Agreement is given below:- "Pursuant to Clause 49 (1) (D) (ii) of the listing agreement with the Stock Exchanges, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct for the year ended 31st March 2013."

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
Everlon Synthetics Limited  
67, Regent Chambers,  
Nariman Point,  
Mumbai - 400 021.

We have examined the compliance of conditions of corporate governance by Everlon Synthetics Limited, for the year ended 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination, conducted in the manner described in the 'Guidance Note on Certification of Corporate Governance' issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **POLADIA & CO.,**  
**CHARTERED ACCOUNTANTS**  
**(Firm Regn No. 128274W)**  
— Sd —

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

Place: Mumbai  
Dated: 30th May, 2013

**INFORMATION FOR SHAREHOLDERS**

- Annual General Meeting:-**  
Day, Date & Time : Saturday 24th August 2013 at 4.00 P..M.  
Venue: 67, Regent Chambers, 208, Nariman Point, Mumbai - 400 021.
- Financial Year :** 1st April 2012 to 31st March 2013
- Book Closure Dates on account of Annual General Meeting:**  
Friday 16th August 2013 to Saturday 24th August 2013 (Both days inclusive)
- Listing of Shares on Stock Exchange**  
The equity shares of the company are listed on Bombay Stock Exchange Ltd., and Ahmedabad Stock Exchange. The Company's application for voluntary delisting of its Equity Shares from Ahmedabad Stock Exchange is still pending with Ahmedabad Stock Exchange. The Annual Listing Fees for the year has been paid to The Bombay Stock Exchange Ltd.,
- STOCK CODES**

Name of the Stock Exchange	Stock Code
The Stock Exchange, Mumbai	514358
The Ahmedabad Stock Exchange	16730
- Market Price Data**  
Share prices at Bombay Stock Exchange Ltd., during the year 2012-13 for one equity share each are as under:- In terms of Scheme of Arrangement for demerger of company's investment business, the face value of equity shares of the company has been changed from Rs.10/- per share to Re.1/- per share and trading of company's equity shares in the new denomination of Re.1/- each commenced from 08/01/2013, as per the approval granted by The Bombay Stock Exchange.

SHARE PRICE (RS.)			
Month	Face Value	High	Low
April, 2012	Rs.10/-	11.04	9.68
May, 2012	Rs.10/-	13.85	9.91
June, 2012	Rs.10/-	14.30	10.60
July, 2012	Rs.10/-	12.67	10.45
August, 2012	Rs.10/-	11.91	10.35
September, 2012	Rs.10/-	12.94	10.70
October, 2012	Rs.10/-	11.43	9.65
November, 2012	Rs.10/-	13.57	10.50
December, 2012	---	---	--
January, 2013	Re.1/-	3.55	2.06
February, 2013	Re.1/-	2.98	2.06
March, 2013	Re.1/-	2.30	1.30

- REGISTRAR AND 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
- Share Transfer System**  
The Company has appointed M/s. Sharex Dynamic (India) Pvt.Ltd., as its Registrar and Share Transfer Agent. Presently the share transfers which are received in physical form are processed and the share certificates duly transferred are returned generally within 15 days from the date of the receipt, subject to the documents being valid and complete in all respects.
- Insider Trading Regulations :**  
The Company has framed a Code of Internal procedures and conduct for prevention of Insider Trading on the lines of model code specified by SEBI.



## 10. Distribution of Shareholding as on 31st March 2013

Size of Holdings		No of Holders		% of Holders	No. of Shares	% of Shares
Upto		100	78	2.66	2947	0.01
101	to	200	26	0.89	4070	0.01
201	to	500	50	1.70	16963	0.06
501	to	1000	493	16.80	306842	1.01
1001	to	5000	2046	69.73	3474183	11.48
5001	to	10000	111	3.78	741508	2.45
10001	to	100000	107	3.65	2774324	9.16
100001	to	Above	23	0.78	22952763	75.82
Total		2934		100.00	30273600	100.00%

## SHAREHOLDING PATTERN AS ON 31ST MARCH 2013

Category	No. of Shares held	% of Shareholding
Indian Promoters	17288905	57.10
Private Corporate Bodies	318426	1.05
Indian Public	10122773	33.45
NRI's / OCB's	2543496	8.40
<b>Total</b>	<b>30273600</b>	<b>100.00 %</b>

## 11. Dematerialisation of Shares &amp; liquidity

As at 31st March, 2013, 89.23% of total equity shares of the company were held in dematerialized form with National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company's equity shares are required to be compulsorily traded in the dematerialisation form. The shares are available for dematerialisation under ISIN INE 339D01026. The request for dematerialisation of shares are processed and generally confirmed within 15 days of receipt.

## 12. Outstanding GDRs/ ADRs/Warrants/Convertible Instruments :

Company has no outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

## 13. Plant Locations :

Plot No.265/7/1, Opp. Blue Star Ltd.,  
Demni Road, Dadra - 396 191 (D. & N.H.)

## 14. Address for correspondence:

## Registered Office :

67, Regent Chambers,  
208, Nariman Point,  
Mumbai - 400 021.  
Tel: 2204 9233, 2204 2788  
Fax: (022) 2287 0540  
Email: everlonsynthetics@gmail.com  
Website:- www.everlon.in

EVERLON SYNTHETICS LIMITED  
DIRECTOR'S REPORT

To,

The Members,

The Board of Directors present the 24th Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2013 along with the cash flow statements:

## 1. OPERATIONS AND FINANCIAL RESULTS

	Year Ended 31/03/2013 (Rs. In Lacs)	Year Ended 31/03/2012 (Rs. in Lacs)
Sales	4804.84	4260.31
Other Income	4.93	7.35
Exceptional Items	0.00	67.33
Extraordinary Items	0.07	0.00
Profit for the year before Depreciation & Tax	53.60	133.94
Less : Depreciation	30.42	31.47
Profit before Tax	23.18	102.47
Less : Provision for Tax	4.50	20.00
Profit after tax	18.68	82.47
Less: IT Provisions for earlier years	0.09	0.67
Profit for the year	18.59	81.80
Profit/ (Loss) Brought forward from previous year	(265.77)	(347.57)
Profit/ (Loss) carried to Balance Sheet	(247.18)	(265.77)
	=====	=====

## 2. PERFORMANCE

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

The company has produced 4167.20 tons against 3904.04 tons during the previous year resulting in sales turnover of Rs.4804.84 lacs as against Rs.4260.31 lacs during the previous year.

## 3. DIVIDEND

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

## 4. DIRECTORS

Shri Dinesh P. Turakhia retire by rotation and being eligible offers himself for reappointment.

## 5. AUDITORS

M/s. Poladia & Co. Chartered Accountants have given their consent for re-appointment for F. Y. 2013-2014. Members are requested to re-appoint them.

## 6. PARTICULARS OF EMPLOYEES

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

## 7. DIRECTORS RESPONSIBILITY STATEMENT U/S. 217 ( 2AA)

It is hereby confirmed that in respect of Financial Year ended on 31/03/2013.

- In the preparation of annual accounts, the applicable accounting standards have been followed.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31/03/2013 and of the profit of the company for that period.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the Annual Accounts on a going concern basis.