

Everlon Synthetics Ltd.

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

Accounting Year 31st March 2016

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EVERLON SYNTHETICS LIMITED

CIN L17297MH1989PLC052747

BOARD OF DIRECTORS

SHRI JITENDRA K. VAKHARIA	(DIN 00047777)	MANAGING DIRECTOR
SMT VARSHA J. VAKHARIA	(DIN 00052361)	DIRECTOR
SHRI DINESH P. TURAKHIA	(DIN 00063927)	INDEPENDENT DIRECTOR
SHRI KAMLESH C. SANGHAVI	(DIN 00644642)	INDEPENDENT DIRECTOR (Expired on 3 rd March 2016)
SHRI NITIN I. PAREKH	(DIN 00087248)	INDEPENDENT DIRECTOR (w.e.f. 29 th 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 th 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; web: 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 Twenty-Seventh Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Saturday 20th 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 31st 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 32nd AGM of the Company to be held in respect of Financial Year ending 31st 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) 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 17th August 2016 at 9.00 am and ends on Friday 19th 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 12th 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.nsdl.com>.
 - (iii) Click on Shareholder – Login.
 - (iv) Put the user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Everlon Synthetics Ltd.,
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at e-mail ID shethmm_cs@yahoo.co.in with a copy to evoting@nsdl.co.in.
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]
 - (i) Initial password is provided as below / at the bottom of the Attendance Slip for AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12th 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. 12th August, 2016, may obtain the login ID and password by sending a request at email ID evoting@nsdl.co.in or RTA email ID e-Voting @sharexindia.com and sharexindia@vsnl.com.

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

- 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 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:



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 st 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 st March 2016	NIL	NIL	NIL
H. No. of equity shares held As on 31 st 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 30th May 2016.

Item No. 4

Mr. Nitin Ishwarlal Parekh (DIN 00087248) was appointed as an Additional Independent Director in the Board Meeting held on 29th 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 32nd 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 the term of Shri Jitendra K. Vakharia as Managing Director is expiring on 30th September 2016. The Board of Directors in their meeting held on 30th May, 2016 have re-appointed Shri. Jitendra K.Vakharia as "Managing Director" of the Company for a period of 3 years from 1st 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.