

Everlon Synthetics Ltd.

**28th
Annual Report
(2016 - 2017)**

Financial Year (2016-2017)

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EVERLON SYNTHETICS LIMITED

CIN L17297MH1989PLC052747

BOARD OF DIRECTORS

SHRI JITENDRA K. VAKHARIA	(DIN 00047777)	MANAGING DIRECTOR
SMT VARSHA J. VAKHARIA	(DIN 00052361)	DIRECTOR
SHRI DINESH P. TURAKHIA	(DIN 00063927)	INDEPENDENT DIRECTOR
SHRI NITIN I. PAREKH	(DIN 00087248)	INDEPENDENT DIRECTOR

KEY MANAGERIAL PERSONNEL

SHRI PRADEEP K. PAREEK	CHIEF FINANCIAL OFFICER
SHRI SANDEEP S. GUPTA	COMPANY SECRETARY

AUDITORS

M/s. K.S. MAHESHWARI & COMPANY

(Chartered Accountants)

203, Shripad Darshan, Ayre Road,
Dombivali (East) – 421 201,
Dist. Thane

BANKERS

Yes Bank Ltd.
Indian Overseas Bank
IDBI Bank

REGISTERED OFFICE

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

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-Eight Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Friday 8th September, 2017, 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 Statements of the Company as at 31st March, 2017, 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:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of Audit Committee, M/s. K.S Maheshwari & Co., Chartered Accountants, Firm Registration No. 105846W who have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2017-18, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL RESOLUTION FOR AUTHORISATION FOR MAKING INVESTMENTS IN EXCESS OF THE LIMITS SPECIFIED U/S 186 OF THE COMPANIES ACT, 2013

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 186 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and rules made there under (including any statutory modification(s) thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to invest / acquire the securities of any other body corporate including its subsidiary company(ies) by way of subscription / purchase or otherwise, upto a sum of Rs. 20 Crores (Rupees Twenty Crores only), notwithstanding that the aggregate of the investments, loans and guarantees so far made together with the investments to be made will exceed the limits prescribed under Section 186 of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned investment(s) including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer or sale, divestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transactions.”

SPECIAL RESOLUTION FOR RECLASSIFICATION OF SHAREHOLDER FROM PROMOTER GROUP CATEGORY TO PUBLIC CATEGORY

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Regulation 31A(2) read with Regulation 31A(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) including any amendments made thereto or any other applicable provisions of Listing Regulations and other applicable laws, consent of the members of the Company be and is hereby given to reclassify Mrs. Leena D. Dadia Jt. With Ami D. Dadia (Applicant), holding 2562960 equity shares of the Company constituting 4.55% of the issued and paid-up share capital of Company, from “Promoter Category” to “Public Category” since the Applicant is neither involved in the management nor hold any controlling stake in the Company and also not entered into any Shareholders’ Agreement with the Company nor have they got any Veto Rights or Special Information Rights or Special Rights as to voting power or control of the Company.

RESOLVED FURTHER THAT it is hereby confirmed that

- that the Applicant does not hold, individually or in aggregate, more than 10% of the paid-up equity capital of the Company;
- that the Applicant does not have any special rights through formal or informal arrangements/ agreements;
- that the Applicant, does not and shall not act as Key Managerial Personnel for a period of more than 3 years from the date of shareholders' approval.
- that the Applicant does not, directly or indirectly, exercise control over the affairs of the Company

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or the officers authorized by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company”.

SPECIAL RESOLUTION FOR CONSOLIDATION OF SHARE CAPITAL OF THE COMPANY

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification, amendment or re-enactment thereof for the time being in force), and provisions of the Articles of Association of the Company, and subject to the approval(s), consent(s), permission(s) and sanction(s) as may be necessary or, required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred as "the Board" which term shall be deemed to include any Committee thereof or any such officer of the Company as the Board may deem fit), consent of the Company is hereby accorded for consolidation of every 10 equity shares of Re. 1/- each to 1 equity share of Rs. 10/- each, i.e. 10,00,00,000 (Ten crore) equity shares of the nominal value of Re. 1/- each in the Authorized Share Capital of the Company be consolidated into 1,00,00,000 (One crore) equity shares of Rs. 10/- each AND THAT Clause V (being Capital Clause) of the Memorandum of Association of the Company and Article no. 3 of the Articles of Association of the Company be altered accordingly.

RESOLVED FURTHER THAT the subscribed and fully paid up Equity Share Capital of the Company comprising of 5,62,22,400 equity shares of Re. 1/- each be consolidated into 56,22,240 equity shares of Rs. 10/- each aggregating to Rs. 5,62,22,400/- (Rupees Five Crores Sixty Two Lacs Twenty Two Thousand Four Hundred Only), as on the Record date to be determined by the Board for this purpose.

RESOLVED FURTHER THAT upon consolidation of the Equity shares of the Company as aforesaid, every 10 (Ten) equity shares of face value of Re. 1/- (Rupee One only) each fully paid-up held by a shareholder as on the Record Date shall stand consolidated into 1 (One) equity share of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up with effect from the Record Date.

RESOLVED FURTHER THAT on consolidation as mentioned above, the consolidated equity shares shall rank pari passu in all respects and carry the same rights as the existing fully paid Equity shares of the Company and shall be entitled to dividend(s) after consolidation of equity shares, if declared/ recommended by the Board and subsequently approved by the shareholders.

RESOLVED FURTHER THAT upon consolidation of the Equity shares of the Company as aforesaid, the existing share certificates in relation to the existing Equity shares of the face value of Re. 1/- (Rupee One only) each fully paid-up held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs. 10/- (Rupees Ten only) each fully paid-up on consolidation and the Company may without requiring the surrender of the existing equity share certificates directly issue and dispatch the new share certificates of the Company, in lieu of such existing share certificates and in the case of the Equity shares held in the dematerialized form, the number of consolidated Equity shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity shares of the Company before consolidation.

RESOLVED FURTHER THAT no shareholder shall be entitled to a fraction of a share and all fractional entitlements resulting from the consolidation shall be aggregated into whole shares and the number of shares so arising shall be held by a Trustee appointed by the Board who shall dispose off the said shares in the market at the best available price in one or more lots and the decision of the Trustee in this regard shall be final and binding to all concerned. The Trustee shall hold the net sale proceeds of all such shares after deducting there from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their fractional entitlements.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to fix a Record Date and to take all the necessary steps to facilitate the legal and/or procedural formalities including requisite approvals and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with the power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board of the Company to secure any further consent or approval of the members of the Company and to delegate any of its powers to such officer of the Company as the Board may think fit."

SPECIAL RESOLUTION FOR ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013, Capital Clause V of Memorandum of Association of the Company be deleted and in its place the following clause V be substituted:

V. The Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each, capable of being increased or reduced in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf and also with the power to increase and reduce the said Capital of the Company and to divide the said shares in the capital for the time being into several classes and to attach thereto respectively the said preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate such rights, privileges or conditions in such manner as may be permitted by law or provided by the Articles of Association for the time being of the Company.

SPECIAL RESOLUTION FOR ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 14 and all other applicable provisions of the Companies Act, 2013, if any, the Articles of Association of the Company be and are hereby altered by deleting existing Article no. 3 and substituting in its place following Article no. 3:

3. The Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) Equity shares of Rs. 10/- (Rupees Ten only) each.

By order of the Board of Directors
For Everlon Synthetics Limited

-- Sd ---

J.K.Vakharia
Managing Director
(DIN00047777)

Place:- Mumbai
Date:- 4th July, 2017

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 Friday 1st September, 2017 to Friday 8th September, 2017 (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 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.

7. Instructions for the voting through electronic means

- I In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on Tuesday 5th September 2017 at 9.00 am and ends on Thursday 7th September 2017 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 1st September 2017, 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 1st September, 2017.

- X. 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. 1st September, 2017, 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.

- XI. 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 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

8. Map of the venue of AGM:



9. Details of Director seeking re-appointment at the forth coming Annual General Meeting.

A. Name of Director	Mrs. Varsha J. Vakharia
B. Date of Birth	25/08/1958
C. Date of Appointment	29/10/1999
D. Qualification	M.A.
E. Expertise in specific areas	General Administration
F. Name of other Public Companies in which holds Directorship as on 31 st March 2017	1) Ind Renewable Energy Ltd. 2) Vakharia Financial Services Ltd.
G. Name of other Companies of which holds Committee Membership / Chairmanship As on 31 st March 2017	NIL
H. No. of equity shares held As on 31 st March 2017	73,92,769
I. Inter-se Relations Among Directors	She is related to Jitendra K. Vakharia
J. Number of Board Meetings attended during the year.	She has attended Four board meetings.