

Everlon Synthetics Ltd.

**29th
Annual Report
(2017-18)**

Financial Year (2017- 2018)

CONTENTS

Sr. No.	Particulars	Page No.
1)	Notice	2
2)	Director's Report	8
3)	Extract of Annual Return	17
4)	Independent Auditor's Report	33
5)	Balance Sheet	39
6)	Statement of Profit & Loss Account	40
7)	Cash Flow Statement	41
8)	Notes Forming Part of Balance Sheet and Profit & Loss Statement	43
9)	Notes on Accounts	51

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

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 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-Ninth Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Friday 10th August, 2018, 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, 2018, 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 2018-19, 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 BUSINESS

4. To consider Determination of fees for delivery of any document through a particular mode of delivery to a Member and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), whereby, a document may be served on any Member by the Company, by sending it to him/her by post or by registered post or by speed post or by courier or such electronic or other mode as may be prescribed, approval of the Members be and is hereby accorded to charge from the Members such fees in advance, equivalent to estimated actual expenses of delivery of documents, pursuant to any request made by any Member for delivery of such documents through a particular mode of service mentioned above, provided that such request along with requisite fees has been duly delivered by the Company at least 10 (Ten days) in advance of dispatch of document by the Company to the Members.

RESOLVED FURTHER THAT the Board of Directors and / or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.

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

**Sd/-
J.K.Vakharia
Managing Director
(DIN00047777)**

**Place:- Mumbai
Date:- 22nd May, 2018**

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 3rd August, 2018 to Friday 10th August, 2018 (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 7th August 2018 at 9.00 am and ends on Thursday 9th August 2018 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 2018, 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

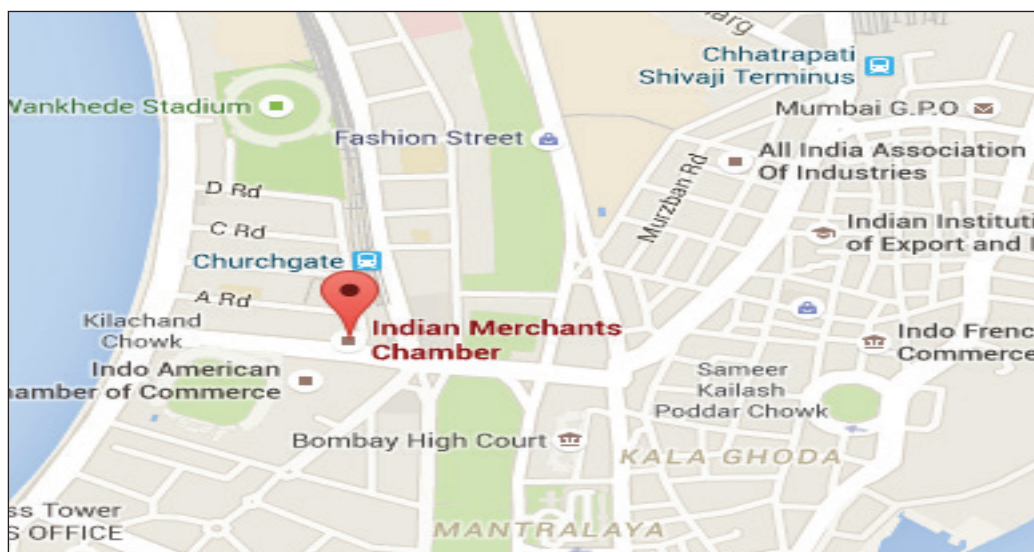
- (i) Initial password is provided as below / at the bottom of the Attendance Slip for AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (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 2nd August, 2018.

- 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 2nd August , 2018 , 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 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

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 2018	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 2018	NIL
H. No. of equity shares held As on 31 st March 2018	8,38,628
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 Five board meetings.

10. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item Nos.4, of the accompanying Notice is annexed hereto.

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

Item No.4

As per the provisions of Section 20 of the Companies Act, 2013, a Company may serve documents on its Members by post or by registered post or by speed post or by courier or such electronic or other mode by paying such fees as may be determined by the Members in the Annual General Meeting.

Accordingly, the approval of the Members is sought by way of a Ordinary Resolution as set out at Item No.4 of the Notice for charging from the Members such fees in advance, equivalent to estimated actual expenses of delivery of documents, pursuant to any request made by any Member for delivery of such documents through a particular mode of service mentioned above, provided that such request along with requisite fees has been duly received by the Company at least 10 (Ten) days in advance of dispatch of documents by the Company to the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interest, financially or otherwise, in the Resolution set out at Item No. 4.

The Board recommends the Resolution No.4 for approval of the Members.

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

Sd/-

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

Place:- Mumbai

Date :- May 22, 2018

EVERLON SYNTHETICS LIMITED
DIRECTOR'S REPORT

To,
The Members,
The Board of Directors present their 29th Annual Report together with Financial Statements for the year ended 31st March, 2018.

1. OPERATIONS AND FINANCIAL RESULTS

	Year Ended 31/03/2018 (Rs. in Lakhs)	Year Ended 31/03/2017 (Rs. in Lakhs)
Sales	3668.34	3922.71
Other Income	9.59	7.38
Profit for the year before Depreciation, Exceptional Items & Tax	51.12	39.41
Less : Depreciation	22.31	21.99
Profit before Tax	28.81	17.42
Less : Provision for Tax	6.00	3.50
Profit after tax	22.81	13.92
Tax adjustments for earlier years	0.07	(0.40)
Profit for the year	22.87	13.52
Profit – (Loss) Brought forward from Previous Year	(54.84)	(68.36)
Profit/ (Loss) carried to Balance Sheet	(31.97)	(54.84)

2. PERFORMANCE

Your Company has managed to achieve reasonable good performance during the year in spite of difficult market conditions. The company has produced 3808.95 tons against 4137.81 tons during the previous year resulting in sales turnover of Re.3668.34 lakhs as against Re.3922.71 lakhs 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

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

B) Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the Listing 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 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) of Section 149.