Subject to Mumbai Jurisdiction

Everlon Synthetics Ltd.

Regd. Office :
67, Regent Chambers,
Nariman Point, Mumbai - 400 021.
Tel. : 2204 9233, 2204 2788
Fax : (022) 2287 0540
E-mail : info@everlon.in
everlonsynthetics@gmail.com

CIN No. L17297MH1989PLC052747

Date: 18th August, 2020

To,
The Deputy Manager
Corporate Relations Department,
BSE Limited,
P.J.Towers, Dalal Street,
Mumbai 400001.

Fax No. 2272 2061/41/39/37

Dear Sir/Ma'am,

Ref No: - Company Code No. – 514358

Sub: Submission of Notice and Annual Report of 31st Annual General Meeting

This is to inform you that 31st Annual General Meeting (AGM) of Members of the Company will be held on Friday, 11th September, 2020 through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) inter alia, to transact the business as stated in the Notice dated 21st July, 2020 covering the said AGM.

Further, Pursuant to Regulation 34(1) and Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments made thereunder, we are submitting herewith the Annual Report of the Company for the FY 2019-20 along with the Notice of AGM which was being sent to the Members by the permitted mode(s) on 17th August, 2020. The Annual Report for the financial year 2019-20 is also available on the, Website of the Company i.e.www.everlon.in

Kindly take the same on your records and oblige.

Thanking you.

Yours faithfully,

For **Everlon Synthetics Limited**

Jitendra K. Vakharia
Managing Director
DIN: 00047777

EVERLON SYNTHETICS LIMITED

31st
Annual Report
(2019 - 2020)

EVERLON SYNTHETICS LIMITED

Financial Year
(2019-2020)

C O N T E N T S

Sr. No.	P a r t I c u l a r s	Page No.
1)	Notice	2
2)	Director's Report	14
3)	Extract of Annual Return	27
4)	Independent Auditor's Report	42
5)	Balance Sheet	51
6)	Statement of Profit & Loss Account	52
7)	Cash Flow Statement	53
8)	Notes Forming Part of Balance Sheet and Profit & Loss Statement	55
9)	Notes on Accounts	63

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
SHRI KIRON B SHENOY (APPOINTED ON 04TH NOVEMBER 2019)	(DIN 08582581)	ADDITIONAL DIRECTOR (INDEPENDENT DIRECTOR)

KEY MANAGERIAL PERSONNEL

SHRI VIVEK M. MANE (APPOINTED ON 12TH NOVEMBER 2018)	CHIEF FINANCIAL OFFICER
SHRI MANISH P. HEDA (APPOINTED ON 2ND MAY 2019)	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..
C 101, 247 Park
L B S Marg, Vikhroli (West),
Mumbai – 400 083.

Tel: 2851 5606/ 2851 5644
Fax: 2851 2885
E-mail: support@sharexindia.com

NOTICE

Notice is hereby given that the Thirty First Annual General Meeting of the Shareholders of EVERLON SYNTHETICS LIMITED (CIN : L17297MH1989PLC052747) will be held on Friday 11th September, 2020 at 11.00 a. m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year Ended 31st March, 2020, together with the reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mrs. Varsha J. Vakharia (DIN 00052361) 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 2020-21, 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 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, Shri Kiron Basty Shenoy (DIN 08582581),who was appointed as an Additional Independent Director by the Board on 04th November, 2019 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 36th AGM of the Company to be held in respect of Financial Year ending 31st March 2025."

5. To consider and, if thought fit, to pass, the following resolution as an **Special Resolution**

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI listing Regulations entered into by the Company with the Stock Exchange where the shares of the Company are listed, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board"), to sell / transfer / dispose-off its whole or substantially the whole of the undertaking situated at Silvassa or transfer all the assets to a subsidiary company or dispose off all the assets by way of Transfer of Business situated at Silvassa, together with all specified tangible and intangible assets, plant and machinery and other assets in relation to the Undertaking, as a going concern / on a slump sale basis on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company and on such other terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalize and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments."

Place:- Mumbai

Date:- 21st July,2020

By order of the Board of Directors

For Everlon Synthetics Limited

Sd/

J. K. Vakharia
Managing Director
(DIN00047777)

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circular dated 8th April, 2020 and 13th April, 2020 (collectively referred to as ("MCA circular") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVN, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Obligations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.

3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

5. In terms of the provisions of Section 152 of the Act, Smt. Varsha J. Vakharia, Director of the Company, retire by rotation at the Meeting and being eligible offers herself for re-appointment.

6. The relevant details, pursuant to Regulation 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice.

7. Institutional / Corporate Shareholders(i.e. other than individuals / HUF,NRI, etc.) are required to send scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizers by email through its registered email address with a copy marked to the Company.

8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized from with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Sharex Dynamic (India) Pvt. Ltd. for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website www.everlon.in

9. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday 05th September, 2020 to Friday 11th September, 2020 (both days inclusive).

10. 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., C 101, 247 Park, L B S Marg, Vikhroli (West) Mumbai – 400 083. 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.

    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.

11. To support the "**Green Initiative for Paperless Communications"** Members who have not yet registered their email ids are requested to register the same with their DPs in case the shares are held in electronic form and with Company's RTA in case the shares are held in physical form.

12. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email address are registered with Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website Website of Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL htttps://www.evoting.nsdl.com.

14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

15. The Company has engaged the services of the National Securities Depository Limited ("NSDL") for facilitating remote e-voting for the said meeting to be held on Friday, 11th September, 2020. The Shareholders are requested to follow the instructions mentioned in Note below.

16. The voting by Shareholders through the remote e-voting shall commence at 9.00 a.m. on Tuesday, 08th September, 2020 and shall close at 5.00 p.m. on Thursday, 10th September, 2020. During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 04th September, 2020 i.e. cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the Meeting through VC / OAVM facility and have not cast their vote on the Resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting.

17. The Shareholders of the Company can opt only one mode for voting i.e. remote e-voting or e-voting during the meeting. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.

18. The Shareholders of the Company attending the Meeting, who have not cast their vote through remote e-voting shall be entitled to exercise their vote during the Meeting by VC/ OAVM. Equity shareholders who have cast their votes through remote e-voting may attend the Meeting but shall not be entitled to cast their vote during the Meeting.

19. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / beneficial owner as on the cut-off date i.e. Friday 04th September, 2020.

20. The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. 04th September, 2020 only shall be entitled to vote on the resolutions set out in this Notice. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

21. Any person, who acquires shares of the Company and become member of the Company after emailing of the notice and holding shares as of the cut-off date i.e 04th September, 2020 , 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 support@sharexindia.com

22. 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.

23. The Members can join the Meeting through VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the Meeting. The facility of participation at the Meeting through VC/ OAVM will be made available for 1000 members on first come first serve basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the Meeting without any restriction on account of first-come first-served principle.

24. Any queries/ grievances in relation to the voting by e-voting may be addressed to the Company Secretary of the Company through email at everlonsynthetics@gmail.com, or may be addressed to NSDL at evoting.nsdl.co.in.

25. The Board of Directors has appointed Sanjay Dholakia (Membership No. 2655, C.P. NO. 1798) of Sanjay Dholakia & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 08th September, 2020 at 9:00 A.M. and ends on Thursday, 10th September, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

   Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

4. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

5. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

7. Now, you will have to click on "Login" button.

8. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjayrd65@gmail.com with a copy marked to everlonsynthetics@gmail.com. and evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to everlonsynthetics@gmail.com.

   In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to everlonsynthetics@gmail.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:-

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present at the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Meeting shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/ OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the Meeting through VC/ OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under Shareholders/ Members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in Shareholder/Members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders, who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at everlonsynthetics@gmail.com. The same will be replied by the Company suitably.

Other Instructions

26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a 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.

27. The result declared along with the Scrutinizer's Report shall be places on the Company's website at www.everlon.in. and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.

28. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item Nos.4 and 5 , of the accompanying Notice is annexed hereto.

29. **ANNEXURE TO NOTICE**

A. Details of Directors seeking re-appointment at the forth coming Annual General Meeting **(As per Regulation 36(3) of SEBI(LODR) Regulations 2015)**:

A. Name of Director & Designa	**Mrs. Varsha J. Vakharia – Non-Executive Promoter Director**	**Mr. Kiron Basty Shenoy Non-Executive Independent Director**
B. Age	60 years	60 years
C. Date of First Appointment	29/10/1999	04/11/2019
D. Qualification	M.A.	Master's degree in Business Management, Bachelor's degree in Law and Science
E. Expertise in specific areas	General Administration & Finance	Advisor for Management of the e Companies.
F. Name of other Public Companies in which she holds Directorship as on 31st March 2020	1) Ind Renewable Energy Ltd.	NIL
G. Name of other Companies of which she holds Committee Membership / Chairmanship As on 31st March 2020	NIL	NIL
H. No. of equity shares held As on 31st March 2020	9,60,940	NIL
I Inter-se Relations Among Directors	She is related to Jitendra K. Vakharia	Non- of the Promoters are Related directly or indirectly
J. Number of Board Meetings attended during the year.	Four .	One
K. Details of last Remuneration drawn	Sitting Fees Paid	Sitting Fees Paid

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

Item No.4

Mr. Kiron Basty Shenoy (DIN 08582581) was appointed as an Additional Independent Director in the Board Meeting held on 04th November, 2019, 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. Kiron Basty Shenoy (DIN 08582581) 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. Kiron Basty Shenoy (DIN 08582581), 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 36th 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. Kiron Basty Shenoy (DIN 08582581) holds Master's degree in Business Management, Bachelor's degree in Law and Science and currently providing Management Consultancy Services. He has professional experience and expertise of over 40 years in textile industry, finance 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 Mr. Kiron Basty Shenoy (DIN 08582581), 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

Members of the Company are further requested to note that Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease, transfer or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the Members is being sought by way of a Special Resolution to sell / Lease / transfer / dispose-off its whole or substantially the whole of the undertaking ("Undertaking") or transfer all the assets to a subsidiary company or dispose off all the assets by way of Transfer of Business situated at Silvassa, together with all specified tangible and intangible assets, plant and machinery and other assets in relation to the Undertaking, as a going concern / on a slump sale basis on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company and on such terms and conditions as may be deemed fit by the Board.

The Board, recommends the Special Resolution of Item no. 5 of the accompanying notice for the approval of the members of the Company.

Except, Mr. Jiendra K Vakharia and Mrs. Varsha J Vakharia and their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, in any way, in the Resolution set out at Item No.5 of this Notice.

By order of the Board of Director

For **Everlon Synthetics Limited**

Sd/

J. K.Vakharia
Managing Director
(DIN 00047777)

Place:- Mumbai

Date :- 21st July,2020

EVERLON SYNTHETICS LIMITED

DIRECTOR'S REPORT

To,
The Members,
The Board of Directors present their 31st Annual Report together with Audited Financial Statements for the year ended 31st March, 2020.

1. OPERATIONS AND FINANCIAL RESULTS

	Year Ended 31/03/2020 (Rs. in Lakhs)	Year Ended 31/03/2019 (Rs. in Lakhs)
Sales	3734.35	3961.97
Other Income	3.47	3.73
Profit/(Loss) for the year before Depreciation, Exceptional Items &Tax	39.19	(14.41)
Less : Depreciation	23.15	24.91
Profit /(Loss) before Tax	16.04	(39.32)
Less : Provision for Tax	0.54	0.00
Profit /(Loss) after tax	15.50	(39.32)
Tax adjustments for earlier years	0.21	0.00
Profit/(Loss) for the year	15.71	(39.32)
Mat Credit	0.00	56.45
Profit / (Loss) Brought forward from Previous Year	(14.84)	(31.97)
Profit/ (Loss) carried to Balance Sheet	0.87	(14.84)

2. PERFORMANCE

Due to the lockdown in the country from March 2020 till date, the working of the company has been severely affected. The Factory and the Registered Office of the Company remained closed for a substantial period. Partial production was restored in May 2020 with very limited man power. The fixed expenses and overheads could not be recovered without any corresponding revenue .The Company expects the working to improve gradually in the forthcoming months.

The company has produced 3971.39 tons against 3642.30 tons during the previous year resulting in sales turnover of Rs. 3734.35 Lakh as against Rs. 3961.97 Lakh during the previous year. Even though the volume had increased, the prices of raw material and finished goods had reduced by about 10 % during the year under review.

3. DIVIDEND

In order to conserve the resources, the Directors do not recommend any dividend.

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 re-appointment pursuant to Section 152 of the Companies Act, 2013

Mr. Kiron Basty Shenoy (DIN 08582581), Additional Director, appointed in the Board Meeting held on 04th November 2019, is proposed to be appointed as an Independent Director of the Company who shall not be liable to retire by rotation, and in respect of whom the Company has received notice proposing his candidature under Section 160 of the Companies Act, 2013 along with requisite deposit for a tenure of 5 years. The Board recommends his appointment as an Independent Director to the members.

Mr. Sandeep S. Gupta Company Secretary and Compliance Officer of the Company had resigned on 2nd May 2019. The Board of Directors had appointed Mr. Manish P. Heda on 2nd May 2019 as Company Secretary and Compliance Officer

Sr. No.	Name of Director and Key Managerial Personnel	Category and Designation
1.	Mr. Jitendra K. Vakharia	Promoter and Managing Director
2.	Ms. Varsha J. Vakharia	Promoter and Director
3.	Mr. Dinesh P. Turakhia	Non-Executive Independent Director
4.	Mr. Nitin I. Parikh	Non-Executive Independent Director
5.	Mr. Kiron Basty Shenoy	Additional Director (Non-Executive Independent Director)
6.	Mr. Vivek Mane	Chief Financial Officer
7.	Mr. Manish P. Heda	Company Secretary and Compliance Officer

B) Board Evaluation:

The Company has devised a policy for performance evaluation of its individual directors, the Board and the Committees constituted by it, which includes criteria for performance evaluation.

The Board has carried out an annual evaluation of its own performance, working of its Committees and the Directors individually in line with the requirements of the Act and Listing Regulations.

The Directors were provided with structured questionnaire to record their views. The reports generated out of the evaluation process were placed before the Board at its meeting and noted by the Directors. The evaluation process was attentive on various aspects of the functioning of the Board and its Committees, such as experience and competencies, performance of specific duties and obligations of the Board & its Committees, and governance issues etc. The Board also carried out the evaluation of the performance of individual directors based on criteria such as contribution of the director at the meetings, strategic perspective or inputs regarding the performance of the Company etc.

The same is found to be satisfactory.

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.

5. **AUDITORS** :

The appointment of M/s. K.S. Maheshwari & Co., Chartered Accountants, Statutory Auditors of the Company, is valid upto conclusion of ensuing Annual General Meeting. Being eligible, they offer themselves for re-appointment. Directors recommend their re-appointment as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

6. **DEPOSITS** :

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

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

The details required are given in the notes to the financial statements.

8. **DIRECTORS RESPONSIBILITY STATEMENT**

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

a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards, have been followed and there are no material departures from the same.

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the Company as at March 31, 2020 and of the loss of the company for the year ended on that date.

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. **AUDITORS REPORT**

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

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

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

11. **DETAILS OF COMMITTEES OF THE BOARD**

The Board has constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The Composition of aforesaid committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules made under and Listing / Regulations, are as follows:

A. Audit Committee:

The Audit Committee comprises of three Independent Directors namely Shri Dinesh P. Turakhia, Chairman, Shri Nitin I. Parekh and Mr. Kiron B, Shenoy and also Shri Jitendra K. Vakharia Managing Director as member. All recommendations made by the Audit Committee were accepted by the Board.

Details of establishment of vigil mechanism for directors and employees:

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

B. Nomination and remuneration committee:

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

Criteria for Determining Qualifications, Positive Attributes, Independence and Other Matters Concerning a Director:

In terms of the provisions of clause (e) of section 134(3) read with Section 178(3) of Companies Act, 2013, the Nomination and Remuneration Committee, while appointing a Director, takes into account the following criteria for determining qualifications, positive attributes and independence:

Qualification: Diversity of thought, experience, industry knowledge, skills and age.

Positive Attributes: Apart from the statutory duties and responsibilities, the Directors are expected to demonstrate high standard of ethical behaviour, good communication and leadership skills and take impartial judgment.

Independence: A Director is considered Independent if he/she meets the criteria laid down in Section 149(6) of the Companies Act, 2013, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, 2015.

C. Stakeholder's Relationship Committee:

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

12. **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Board has appointed M/s. Sindhu Nair & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2019-20, as required u/s. 204 of the Companies Act, 2013 and the rules framed thereunder. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as **Annexure B** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

13. **MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors duly met 5 times during the financial year from 1st April, 2019 to 31st March, 2020. The dates on which the meetings were held are as follows:-

02nd May, 2019, 25th May, 2019, 07th August, 2019, 04th November, 2019 and 7th February, 2020.

14. **EXTRACT OF ANNUAL RETURN**

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

15. **RISK MANAGEMENT PLAN**

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

16. **CORPORATE SOCIAL RESPONSIBILITY**

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

17. **CORPORATE GOVERNANCE**

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

Management Discussions and Analysis Report is attached herewith as **Annexure D**

18. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITHRELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIESACT, 2013**

All the related party transactions are entered on arm's length basis and in ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and listing regulation. Form AOC -2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, giving details of contract or arrangement is attached herewith as **Annexure E**. All related party transactions are presented to the Audit Committee and the Board, if required for approval. Related party transactions policy as approved by the Board is uploaded on the Company's website at the www.everlon.in.

19. **INTERNAL FINANCIAL CONTROL**

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

20. **DIRECTORS REMUNERATION**

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

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

21. **CODE OF CONDUCT**

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

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

22. **EQUITY SHARES IN UNCLAIMED SUSPENSE ACCOUNT UNDER REGULATION 39 AND SCHEULDE VI OF LISTING REGULATIONS**

Details of Equity shares in Unclaimed Suspense Account under Regulations 39 and Schedule VI are as follows:-

Description	No. of Records	No of Equity Shares of Rs.10/- each
No. of shareholders and outstanding shares at the beginning of the year	429	71880
No. of shareholder's request received for transfer of shares during the year	1	60
No. of shareholders to whom shares transferred during the year	1	60
No. of shareholders and outstanding shares at the end of the year	428	71820

The voting rights on the above shares shall remain frozen till the rightful owners of such shares claim the shares.

23. **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and your directors confirm compliance of the same during the year under review.

24 .**GENERAL DISCLOSURES**

No disclosure is required in respect of following matters:-

(a) Subsidiary Associate or Joint Venture Company.
(b) Material orders passed by the Regulators, or Courts or Tribunals.
(c) Equity shares with differential rights.
(d) Sweat equity shares.
(e) Employee Stock Options Scheme.
(f) Particulars of Employees. (no employee is in receipt of remuneration of Rs. 1.02 crore p.a. or Rs. 8.50 lakhs per month.)
(g) Company has complied with the provisions relating to constitution of Internal complaints committee under Sexual Harassment of Women at work place (prevention , prohibition and Redressal) Act,2013 (No cases filed)
(h) Maintenance of Cost Records not applicable.

25 **ACKNOWLEDGEMENT**

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

For and on behalf of the Board of Directors

	Sd/	**Sd/**
Place:- Mumbai	**J. K. Vakharia**	**V. J. Vakharia**
Date:- 21/07/2020	**Managing Director**	**Director**
	(DIN 00047777)	**(DIN 00052361)**

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) Companies (Accounts) Rules, 2014 are provided below.

(A) CONSERVATION OF ENERGY

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

(B) **TECHNOLOGY ABSORPTION** NIL

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

Foreign Exchange earned : NIL

Foreign Exchange outgo : NIL

Annexture B
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
EVERLON SYNTHETICS LIMITED
67, 6th Floor, Regent Chambers,
208, Nariman Point,
Mumbai- 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EVERLON SYNTHETICS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment

and External Commercial Borrowings; - (Not applicable to the Company during the Audit Period);

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period); and

j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.

We have also examined compliance with the applicable clauses of Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines, as mentioned above.

We further report that:

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

Based on the representation given by the Management of the Company and as verified by us, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates.

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

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

This Report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this Report.

For SINDHU NAIR & ASSOCIATES

Sd/

(SINDHU G NAIR)
Practicing Company secretary
Proprietor
(FCS- 7938, CP- 8046)
UDIN:F007938B000480509

Place: Mumbai
Date: 21st July,2020

ANNEXURE I TO SECRETARIAL AUDIT REPORT

To,
The Members
EVERLON SYNTHETICS LIMITED
67, 6th Floor, Regent Chambers,
208, Nariman Point,
Mumbai- 400021

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

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

For SINDHU NAIR & ASSOCIATES

Sd/

(SINDHU G NAIR)
Practicing Company Secretary
Proprietor
(FCS- 7938, CP- 8046)
UDIN:F007938B000480509

Place: Mumbai
Date: 21st July,2020

Annexure C

EXTRACT OF ANNUAL RETURN FORM MGT 9

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

FinancialYear ended on 31.03.2020

I. REGISTRATION & OTHER DETAILS:

1	CIN	L17297MH1989PLC052747
2	Registration Date	26th July, 1989
3	Name of the Company	Everlon Synthetics Ltd.
4	Category/Sub-category of the Company	Company Limited by Shares
5	Address of the Registered office & contact details	67, Regent Chambers, Nariman Point, Mumbai - 400021 Tel: 2204 9233, 2204 2788 Fax: (022) 2287 0540
6	Whether listed company	Yes (Listed on BSE)
7	Name,Address & contact details of the Registrar &TransferAgent, if any.	Sharex Dynamic (India) Pvt. Ltd. C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 Tel: 2851 5606/ 2851 5644 Fax: 2851 2885 E-mail: support@sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

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

IV. SHARE HOLDING PATTERN
(Equity Share Capital Break up as percentage of total Equity)

i) Category-wise Share Holding

Category of Sharfeholders	No of Shares held at the beginning of the year 01-04-2019				No of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
a) Individual/HUF	3551151	Nil	3551151	63.163	3593017	Nil	3593017	63.907	0.744
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	438001	Nil	438001	7.791	438001	Nil	438001	7.791	Nil
e) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other									
Sub-total (A) (1):-	3989152	0	3989152	70.954	4031018	0	4031018	71.698	0.744
(2) Foreign									
a) NRIs- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / F1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A)=(A)(1) +(A)(2)	3989152	0	3989152	70.954	4031018	0	4031018	71.698	0.744
B. Public Shareholding									
a) Mutual Funds/Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Venture Capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	82622	1080	83702	1.489	83297	1080	84377	1.501	0.012
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	403410	201773	605183	10.764	706436	192923	899359	15.996	5.232
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	334487	0	334487	5.949	0	0	0	0	-5.949
c) Others NRI	607356	0	607356	10.803	607336	0	607336	10.802	-0.001
Clearing Members	2360	0	2360	0.042	150	0	150	0.003	-0.039
Sub-total (B)(2)	1430235	202853	1633088	29.047	1397219	194003	1591222	28.302	-0.745
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1430235	202853	1633088	29.047	1397219	194003	1591222	28.302	-0.745
C. Shares held by Custodian for GDRs & ADRs.	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5419387	202853	5622240	100	5428237	194003	5622240	100	0

ii) **Shareholding of Promoters:**

Sl.No.	Shareholder's Name	Shareholding at beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	No of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	
1	Everest Yarn Agency P.Ltd.	179783	3.198	0	179783	3.198	0	0
2								
3	Vakharia Synthetics Pvt.Ltd.	228192	4.059	0	228192	4.059	0	0
4	Jitendra K. Vakharia (HUF)	1221320	21.723	0	1221320	21.723	0	0
5	Tarun K. Vakharia (HUF)	1016	0.018	0	1016	0.018	0	0
6	Jitendra K. Vakharia	1137750	20.237	0	1137750	20.237	0	0
7	Varsha J. Vakharia	918904	16.344	0	960940	17.092	0	0.748
8	Kantilal V. Vakharia (HUF)	32400	0.576	0	32400	0.576	0	0
9	Prachi J. Vakharia	235201	4.183	0	235031	4.18	0	-0.003
10	Tarun K. Vakharia	4560	0.081	0	4560	0.081	0	0
11	Omkar Texlone LLP	30026	0.534	0	30026	0.534	0	0
	Total	3989152	70.954	0	4031018	71.698	0	0.744

iii) **Change in Promoters' Shareholding**

Sl No	Shareholder's Name	No of Shares at the beginning of the year As of 01/04/2019		Increase/Decrease in shareholding			No of Shares at the end of the year As of 31/03/2020	
		No. of Shares	% total of shares	Date	No. of Shares	Reason	No. of Shares	% total of shares
1	VARSHA JITENDRA VAKHARIA	918904	16.344	01.04.2019				
				05-04-2019	1545	Buy	920449	16.372
				31-05-2019	760	Buy	921209	16.385
				07-06-2019	1693	Buy	922902	16.415
				14-06-2019	3080	Buy	925982	16.47
				21-06-2019	715	Buy	926697	16.483
				29-06-2019	1120	Buy	927817	16.501
				05-07-2019	60	Buy	927877	16.504
				23-08-2019	20000	Buy	947877	16.852
				30-08-2019	680	Buy	948557	16.872
				06-09-2019	1226	Buy	949783	16.893
				13-09-2019	280	Buy	950063	16.898
				20-09-2019	1403	Buy	951466	16.923
				27-09-2019	1415	Buy	952881	16.948
				30-09-2019	210	Buy	953091	16.952
				04-10-2019	1210	Buy	954301	16.974
				15-11-2019	156	Buy	954457	16.976
				22-11-2019	560	Buy	955017	16.986
				29-11-2019	381	Buy	955398	16.993
				06-12-2019	400	Buy	955798	17
				13-12-2019	956	Buy	956754	17.017
				20-12-2019	2740	Buy	959494	17.066
				27-12-2019	1046	Buy	960540	17.085
				14-02-2020	400	Buy	960940	17.092
	Closing Balance			31.03.2020			960940	17.092
2	PRACHI JITENDRA VAKHARIA	235201	4.183	01.04.2019				
				26-07-2019	-170	Sold	235031	4.18
	Closing Balance			31.03.2020			235031	4.18

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

Sl No.	Name	No of Shares at the beginning (01/04/2019)	% of Total Shares of the company.	Date	Increase / Decrease in shares	Reson	No. of Shares at the end of the year 31/03/2020	% of total Shares of the company]
1	ABIRAMI ARUNACHALAM	160000	2.846	01.04.2019				
	Closing Balance			31.03.2020		No Change	160000	2.846
2	EVERLON SYNTHETICS LTD. - Unclaimed	71880	1.278	01.04.2019				
				29.06.2019	-60	Sold	71820	1.277
	Closing Balance			31.03.2020			71820	1.277
3	SURESH LEKHRAJ PURUSWANEY	30000	0.534	01.04.2019				
	Closing Balance			31.03.2020		No change	30000	0.534
4	MUJEEBUR RAHMAN HABEEB	257208	4.575	01.04.2019				
	Closing Balance			31.03.2020		No change	257208	4.575
5	SANGEETHA S	33282	0.592	01.04.2019				
	Closing Balance			31.03.2020		No change	33282	0.592
6	KEYUR MAHESH SHAH	53398	0.95	01.04.2019				
	Closing Balance			31.03.2020		No change	53398	0.95
7	PUSHPA DANGAYACH	33500	0.596	01.04.2019				
	Closing Balance			31.03.2020		No change	33500	0.596
8	LALIT CHANDRAKANT SHAH (HUF)	65327	1.162	01.04.2019				
	Closing Balance			31.03.2020		No change	65327	1.162
9	LALIT CHANDRAKANT SHAH	65216	1.16	01.04.2019				
				12-04-2019	7	Buy	65223	1.16
				17-05-2019	550	Buy	65773	1.17
				24-05-2019	1568	Buy	67341	1.198
				31-05-2019	797	Buy	68138	1.212
				05-07-2019	120	Buy	68258	1.214
				12-07-2019	560	Buy	68818	1.224
				19-07-2019	475	Buy	69293	1.232
				26-07-2019	332	Buy	69625	1.238
				02-08-2019	958	Buy	70583	1.255
				09-08-2019	1170	Buy	71753	1.276
				16-08-2019	210	Buy	71963	1.28
				23-08-2019	-20000	Sold	51963	0.924
				14-02-2020	775	Buy	52738	0.938
	Closing Balance			31.03.2020			52738	0.938
10	SURENDRA SHIVABHAI PATEL	29860	0.531	01/04/2019				
	Closing Balance			31.03.2020		No change	29860	0.531

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

Sl No.	Shareholder's Name	No of Shares at the beginning of the year (01-04-2019)			Share holding at the end of the year Year 31-03-2020			
			% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% total of shares
1	DINESH P. TURAKHIA	1300	0.023	01.04.2019				
	Closing Balance			31.03.2020			1300	0.023

Sl No.	Shareholder's Name	No of Shares at the beginning of the year (01-04-2019)			Share holding at the end of the year Year 31-03-2020			
			% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% total of shares
2	VIVEK M. MANE	60	0.001	01.04.2019				
	Closing Balance			31.03.2020			60	0.001

Sl No.	Shareholder's Name	No of Shares at the beginning of the year (01.04.2019)			Share holding at the end of the year Year 31-03-2020			
			% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% total of shares
3	NITIN I. PAREKH	0	0	01.04.2019				
	Closing Balance			31.03.2020			0	0

Sl No.	Shareholder's Name	No of Shares at the beginning of the year (01.04.2019)			Share holding at the end of the year Year 31-03-2020			
			% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% total of shares
4	KIRON B. SHENOY (Appointed on 04th November, 2019)	0	0	01.04.2019				
	Closing Balance			31.03.2020			0	0

Sl No.	Shareholder's Name	No of Shares at the beginning of the year (01.04.2019)			Share holding at the end of the year Year 31-03-2020			
			% total of shares	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% total of shares
5	SANDEEP GUPTA (Resigned on 2nd May, 2019)	0.000	0.000	01.04.2019				
				31.03.2020			0	0.000
6	MANISH HEDA (Appointed on 2nd May, 2019)	0	0	01.04.2019				
	Closing Balance			31.03.2020			0	0

V. INDEBTEDNESS: (Rs. in Lakhs)

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

(Rs. In Lakhs)

Particulars Secured Loans	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1) Principal Amount	319.65	26.00	0	345.65
2) Interest due but not paid	0	0	0	0
3) Interest accrued but not due	0	0	0	0
Total of (1+2+3)	319.65	26.00	0	345.65
Change in Indebtedness during the financial year				
+ Addition	4196.94	0.25	0	4197.19
- Reduction	4110.59	26.25		4136.84
Net change	86.35	26.00		112.35
Indebtedness at the end of the financial year - 31.03.2020				
1) Principal Amount	233.30	0	0	233.30
2) Interest due but not paid	0	0	0	0
3) Interest accrued but not due	0	0	0	0
Total of (1+2+3)	233.30	0	0	233.30

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager: (Rs. In Lakhs)

Sl.No.	Particulars of Remuneration	Name of MD/ WTD/Manager	Total Amount
		Jitendra K. Vakharia	
1.	Gross salary	600000	600000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites 17( ) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary Under section 17(3) of Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify	Nil	Nil
5.	Others, please specify Total (A) Ceiling as per the Act	600000	600000

B. Remuneration of other directors:

I. Independent Directors:-

Particulars of Remuneration	Name of Directors			Total Amount
	Dinesh P. Turakhia	**Nitin I. Parikh**	**Kiron B. Shenoy (Appointed on 04th November, 2019)**	
Fee for attending board committee meetings	13500	12000	1500	27000
Commission	0	0	0	0
Others	0	0	0	0
Total (1)	13500	12000	1500	27000

II. Other Non-Executive Directors:-

Other Non-Executive Directors	Name of Non-Executive Directors	Total Amount
	Varsha J Vakharia	
Fee for attending board committee meetings	13500	13500
Commission	0	0
Others	0	0
Total (2)	13500	13500
Total B = (1+2)		**40500**

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

Sr. No	Particulars of Remuneration	Name of KMP			Total Amount
		Vivek M. Mane CFO	Sandeep S. Gupta Company Secretary (Resigned on 02nd May 2019)	Manish Heda Company Secretary (Appointed on 02nd May, 2019	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	371836	17000	270000	658836
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0		0	0
4	Commission - As % of Profit - Others, specify	0		0	0
5	Others, please specify Provident Fund & other Funds	0	0	0	0
	Performance Bonus	0	0	0	0
	Total (C)	**371836**	**17000**	**270000**	**658836**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on Behalf of the Board of Directors

Sd/ **Sd/-**

JITENDRA K. VAKHARIA
MANAGING DIRECTOR
(DIN 00047777)

VARSHA J. VAKHARIA
DIRECTOR
(DIN 00052361)

Place: Mumbai
Date: 21st July, 2020

ANNEXURE - D

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. **Industry Outlook:-**

The Company is engaged in the manufacturing of Polyester Texturised Yarn and having an installed capacity of 4560 tons per year. Currently the Indian economy and particularily the Textile Industry is facing a very challenging period. Moreover due to the current Pandemic, the economy is likely to suffer substantially.

B. **Opportunities:-**

Against the installed capacity of 4560 tons per year, the Company had produced 3971.39 tons i.e. about 87 % of its Capacity. The Company faced a lock down during March 2020 and hence the production suffered. However within the next few months due to the various steps taken by the Hon. Prime Minister, the economy is likely to improve. The abundant rainfall throughout the Country is also likely to help the revival of the economy and the Textile industry.

The Company also does not foresee any technological obsolesce of its products.

C. **Segment:-**

The Company has only one reporting segment, namely Textiles.

D. **Risk and Concerns:-**

The excess capacity in the country for manufacture of Synthetic Yarn is a matter of concern to the Company.

E. **Internal Control Systems:-**

The management reviews the control systems and procedures periodically to upgrade them.

Presently the Internal Control System are commensurate to the size and operations of the company.

F. **Performance:-**

During the year, the sales were Rs 3734.35 lakhs (net of GST) as compared to Rs. 3961.97 lakhs of the previous year..

G. **Industrial Relations:-**

Harmonious industrial relations continue to prevail during the year. Total numbers of employees as on 31st March, 2020 were 30.

H **Details of Key Financial Ratios and Significant Changes :**

Ratios	**FY.2019-20**	**FY.2018-19**
i) Debtors Turnover	37.99	18.74
ii) Inventory Turnover	26.00	16.42
iii) Interest Coverage Ratio	1.68	-0.27
iv) Current Ratio	2.17	1.74
v) Debt Equity Ratio	0.51	0.61
vi) Operating Profit Margin	1.12	1.00
vii) Net Profit Margin	0.43	-0.99
viii) Return on Net Worth	0.03	-0.07

Cautionary Statement :-.

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

Annexure E

FORM NO. AOC -2

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

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

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Teekay International (Partnership Firm in which Directors are Interested)
b)	Nature of contracts/arrangements/transaction	Lease Rent
c)	Duration of the contracts/arrangements/transaction	11 months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.25,000/- p.m.
e)	Date of approval by the Board	04th November, 2019
f)	Amount paid if any	Rs.3,00,000/-

For and on Behalf of the Board of Directors

Sd/- Sd/-

Jitendra K. Vakharia **Varsha J. Vakharia**
Managing Director **Director**
(DIN 00047777) (DIN 00052361)

Place: Mumbai
Date: 21st July,2020

ANNEXURE - F
Remuneration Policy

A. Remuneration Policy for Executive Directors

a) The remuneration paid to the Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Nomination & Remuneration Committee.

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

B. Remuneration Policy for Non-Executive Directors

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

Remuneration payable:

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

C. Remuneration Policy for Senior Managers

1. The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario, remuneration package prevailing in the industry and remuneration package of the managerial talent of other comparable industries.

2. The remuneration to senior management employees comprises of two broad terms – Fixed Remuneration and Variable remuneration in the form of performance incentive.

3. Annual increase in fixed remuneration is reviewed and then approved by the HR and Remuneration Committee.

Annexure – G

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

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

S.NO.	Name	Designation	Remuneration Paid Rs. F.Y.2019-20	Director Sittings Fees Paid Rs F.Y.2019-20
1	Shri Jitendra K.Vakharia	Managing Director	6,00,000/-	----
2	Smt Varsha J.Vakharia	Director	---	13,500/-
3	Shri Dinesh P.Turakhia	Independent Director	---	13,500/-
4	Shri Nitin I. Parekh	Independent Director	---	12,000/-
5	Shri Kiron B. Shenoy	Independent Director	---	1,500/-
6	Shri Vivek M. Mane	Chief Financial Officer	3,71,836/-	----
7	Shri Sandeep S. Gupta* Upto 02nd May, 2019	Company Secretary	17,000/-	----
8	Shri Manish P.Heda From 2th May. 2019	Company Secretary	2,70,000/-	------

(B) MANAGERIAL REMUNERATION

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2020 is given in a separate Annexure to this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company before the 31st Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

The Company doesn't have any employee within the purview of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence, no such details to be provided

INDEPENDENT AUDITORS' REPORT

To the Members,

EVERLON SYNTHETICS LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Everlon Synthetics Ltd. ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act,2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note no. 24 (3.4) to the standalone financial result which explains COVID-19 that has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories for the year end 31st march 2020 due to government having health travel and safety concerns.

The Company`s management however, conducted physical verification of inventories on dates other than the date of financial statement but prior to the date of the board meeting to be held for the purpose of adopting the financial results at (factories) and has made available the document in confirmations thereof. Inventories being material to the financial statements/results of the Company, the standard on auditing (SA) 501,*Audit Evidence – specific considerations for selected items* cast a duty us to obtain sufficient appropriate audit evidence regarding the existence end condition of inventories.

We have performed alternate audit procedures based on documents and other information made available to us, to audit the exitance of inventories as per the guidance provide by the standard of auditing (SA)501, Audit Evidence – Specific considerations for selected items and have obtained sufficient appropriate audit evidence to issues our unmodified opinion in these standalone financial results.

We draw attention to note no. 24 (3.3) to the standalone financial result regarding downfall in market value of shares of listed companies as on 31.03.2020

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion, and we do not provide a separate opinion on these matters.

Other Information

The Company`s Board of Directors is responsible for the other information. The other information comprise the information include in the annual report, but does not include the standalone financial statements and our auditor`s report thereon.

Our opinion on the standalone financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of standalone financial statements, our responsibility is to read the other information and,in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If ,based on the work we have performed, we conclude that there is a material statement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis and using going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SA`s we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedure responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting, in error, as fraud may involve collusion forgery, intentional omission misrepresentation, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design the procedure that are appropriate in the circumstances. Under section 143(3) (i)of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate and related disclosures made by management.

- Conclude on the appropriateness of management`s use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainly exists related to events or conditions that may cast significant doubt on the Company`s ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor`s report to the related disclosures in the standalone financial statements or if, such disclosure are inadequate to modify our opinion. Our conclusions are based on the audit evidence upto the date of our auditor`s report. However future events or conditions may causes the Company to cease to continue as going concern; and

- Evaluate the overall presentation, structure and content of the financial statements , including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

  Materially is magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decision of reasonably knowledgable user of the financial statements may be influenced. We considered quantitative materiality and qualitative factors in (i)planning the scope of our work and in evaluating the result of work in(ii) to evaluate the effect of any identified misstatement in the financial statements.

  We communicate with this those charged with governance regarding, among other matters the planned scope and timing of the audit and significant audit findings including any significant deficiencies in the internal control that we identify during our audit.

  We also provide those charged with governance with statements that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, and related safeguards.

  From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the standalone financial statements of the

current period and are therefore the key audit matters. We describe these matters in our Auditor's Report wherever applicable and unless law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of the doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in its terms of sub-section (11) of section 143 of Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.;

   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

   e) on the basis of written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.

   f) with respect to the adequacy of the internal Financial Controls over Financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure "B".

   g) With respect to the other matters to be included in the auditor`s report in accordance with the requirements of section 197(16) of the Act ,as amended , in our opinion and to the best of our information and according to the explanations given to us , the remunerations paid by the Company to its directors is in accordance with the provisions of the section 197 of the Act and

   h) With respect to the other matters included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014 as amended and to best of our information and according to the explanation given to us.

      a. The Company does not have any pending litigations which would impact its financial position.

b. The Company did not have any long-term contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **K.S. MAHESHWARI & CO.**
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)

Sd/-

K.S MAHESHWARI
PARTNER
M NO.39715
UDIN 20039715AAAABJ8675

Place : Mumbai
Dated: 21st July, 2020

EVERLON SYNTHETICS LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH 2020
Annexure "A" to the Independent Auditors' Report

The Annexure 'A' referred to in paragraph 1 under "Report on Other Regulatory Requirements" section of our report of even date

(i) In Respect of its Fixed Assets:

(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the Company.

(ii) In Respect of its inventory:
As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and the book records.(Refer Note 24 (3.3) to the standalone financial statements and our observations under paragraph Emphasis of Matter of our main report).

(iii) According to information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited to Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.

(iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year.

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of 148 of the Companies Act, 2013.

(vii) According to the information and explanation given to us, in respect of statutory dues;

a. The Company is generally regular in depositing undisputed statutory dues including provident fund employees' state insurance, income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable.

b. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of exercise, value added tax, cess and any other statutory dues in arrears as at March 31, 2019 for period of more than six months from the date they became payable.

(viii) The Company has not defaulted in repayment of loans or borrowing from any financial institution, bank, Government or dues to debenture holders.

(ix) The Company has not raised any money by way of further public offer by Right Issue to the shareholder and Term loans during the year.

(x) We have not noticed or reported any fraud by the Company or any fraud on the Company by its officers or employees during the year.

(xi) The Company is not a Nidhi Company hence clause is not applicable during the year.

(xii) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act..

(xiii) According to the information given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **K.S. MAHESHWARI & CO**.
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)

Sd/-

K. S.MAHESHWARI
PARTNER
M .NO.39715
UDIN 20039715AAAABJ8675

Place : Mumbai
Dated: 21st July, 2020

EVERLON SYNTHETICS LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EVERLON SYNTHETICS LIMITED

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

We have audited the internal financial controls over financial reporting of Everlon Synthetics Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financing Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements, for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financing Reporting

Because of the inherent limitations of internal financial controls over financing reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subjected to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **K.S. MAHESHWARI & CO**.
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)

Sd/-

K. S. MAHESHWARI
PARTNER
M.NO.39715
UDIN 20039715AAAABJ8675

Place : Mumbai
Dated: 21st July, 2020

EVERLON SYNTHETICS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

(Rupees)

PARTICULARS	Note No.	As at 31st March 2020	As at 31st March 2019
I. ASSETS			
1. Non-Current assets			
a) Property, Plant and Equipment	1	31072216	33387296
b) Capital Work-In-Progress		-	-
c) Goodwill		-	-
d) Other Intangible Assets		-	-
e) Financial Assets		-	-
(i) Non-Current Investments		-	-
(ii) Non-Current Loans		-	-
(iii) Other Non-Current Financial Assets	2	1337290	195744
f) Non-Current Tax Assets (net)		-	-
g) Other Non-Current Assets	3	1154185	576222
Total Non-Current Assets		**33563691**	**34159262**
2. Current Assets			
a) Inventories	4	44573104	42760635
b) Financial Assets		-	-
(i) Current Investments		-	-
(ii) Trade Receivables	5	9827932	21141472
(iii) Cash and cash equivalents	6	1147310	501412
(iv) Bank balances other than (iii) above	7	72750	548500
(v) Other Current Financial Assets	8	1098290	361193
c) Other Current Assets	9	6210670	7156841
Total Current Assets		**62930056**	**72470053**
TOTAL ASSETS		**96493747**	**106629315**
II. EQUITY AND LIABILITIES			
Equiry			
a) Equity Share Capital	10	56241000	56241000
b) Other Equity	11	7872078	6300968
Total Equity		**64113078**	**62541968**
LIABILITIES			
1. Non-Current Liabilities			
a) Financial Liabilities			
(i) Non Current Borrowings		**-**	**-**
b)Non Current Provisions	12	3328703	2371786
c) Deferred tax liabilities (Net)		**-**	**-**
		3328703	**2371786**
2. Current Liabilties			
a) Financial Liabilities			
(i) Short Term Borrowings	13	23329628	34564697
(ii) Trade Payables	14	4545866	4361639
(iii) Other Current financial Liabilities	15	749621	2366665
b) Other Current liabilities	16	426851	422560
		29051966	**41715561**
TOTAL EQUITY & LIABILITIES		**96493747**	**106629315**

The accompanying notes are an integral part of the financial statements 1 to 24

As per our report of even date
for K .S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO.105846W)

For and on behalf of the

Sd/-
K. S. MAHESHWARI
(PARTNER)
M.No.39715
UDIN 20039715AAAABJ8675

Sd/-
MANISH P.HEDA
Company Secretary
(ACS No.A51012)

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

Place : Mumbai
Date : 21st July, 2020

EVERLON SYNTHETICS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees)

PARTICULARS	Note No.	Year Ended 31 March 2020	Year Ended 31 March 2019
I. Revenue from Operations	17	373434596	396197568
II. Other Income	18	347408	372996
III. Total Revenue (I+II)		373782004	396570564
IV. Expenses			
Cost of Material Consumed	19	319821839	355426575
Purchase of stock-in-Trade		-	-
Changes in inventories of finished goods-work-in-progress and stock-in-trade	20	3843409	478327
Employee benefits expenses	21	10323180	7173196
Finance Costs	22	2357143	3084415
Depreciation & amortisation expenses	1	2315080	2491284
Other Expenses	23	33517479	31849291
Total Expenses		372178130	400503088
V. Profit before exceptional items and tax (III-IV)		1603874	(3932524)
VI. Exceptional Items		-	-
VII. Profit before tax (V-VI)		1603874	(3932524)
VIII. Tax Expense :			
(1) Current Tax		(54000)	-
(2) Deferred Tax		-	-
(3) Tax adjustments for earlier years		21236	-
IX. Profit / (Loss) for the year		1571110	(3932524)
X. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit & loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit & loss		-	-
Other Comprehensive Income for the year (net of tax)		-	-
XI Total Comprehensive Income for the year (net of tax) (IX+X)		1571110	(3932524)
XII Earning per euity share of face value of Rs.10/- each			
(Previous year Rs.10/- each)			
1) Basic		0.27	(0.70)
2) Diluted		0.27	(0.70)
The accompanying notes are an integral part of the financial statements	1 to 24		

As per our report of even date
for K .S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO.105846W)

For and on behalf of the
Board of Directors

Sd/-
K. S. MAHESHWARI
(Partner)
M.No.39715
UDIN 20039715AAAABJ8675

Sd/-
MANISH P.HEDA
Company Secretary
(ACS No.A51012)

Sd/-
J. K. VAKHARIA
Managing Director
(DIN00047777)

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

Place : Mumbai
Date : 21st July, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2020 **(Rupees)**

	2019-2020 (Rs.)	2018-2019 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit/(loss) before Tax and Extraordinary items	1603875	(3932524)
Adjustment for :		
Depreciation	2315080	2491284
Dividend Received	(139996)	(142476)
Interest Received	(93534)	(96475)
Other Non-operating Income	(44796)	(134045)
Interest Paid	2357143	3084415
(Excess) /Short provision for income tax provided	(32764)	0
(Profit)/Loss on Sale of Assets	0	(6961)
(Profit)/Loss on Sale of Shares	(69082)	244489
Operating profit before working capital charges	5895926	1507707
Adjustment for :		
Trade and Other Receivables	17530617	4309335
Inventories	(1812469)	4680406
Trade Payable	(8199121)	4240401
NET CASH USED FROM OPERATING ACTIVITIES	13414953	14737849
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	0	(1246751)
Sale of Fixed Assets	0	1331663
Dividend Received	139996	142476
Interest Received	93534	96475
Other Non operating Income	44796	134045
Profit/ (Loss) on Sale of Shares	69082	(244489)
Profit/ (Loss) on Sale of Assets	0	6961
NET CASH USED FROM INVESTING ACTIVITIES	347408	220380
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Secured Loans	(11235070)	(12073564)
Proceeds from Unsecured Loans	0	0
Interest Paid	(2357143)	(3084415)
NET CASH FROM INVESTING ACTIVITIES	(13592213)	(15157979)
Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	170148	(199750)
CASH & CASH EQUIVALENTS :-		
Opening Balance in the begning of the year	1049912	1249662
Closing Balance at the end of the year	1220060	1049912
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	170148	(199750)

As per our Report of even date

For and on behalf of the Board of Directors

FOR K.S.MAHESHWARI & CO
CHARTERED ACCOUNTANTS
(FIRM REGN NO.105846W)

Sd/-
MANISH P.HEDA
Company Secretary
(ACS No.A51012)

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

Sd/-
K.S.MAHESWARI
(Partner)
M.No.39715
UDIN 20039715AAAABJ8675

Sd/-
VIVEK M.MANE
Chief Financial Officer

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

Place: Mumbai
Date : 21st July, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

(A) Equity share capital

Particulars	No.of Shares	Rupees
Balances as at 31st March 2019	5622240	56222400
Changes during the year	-	-
Balances as at 31st March 2020	**5622240**	**56222400**

(B) Other equity

Rupees

Particulars	Reserves & Surplus	Securities Premium	Total Equity
	Retained Earnings		
Balances as at 1st April 2019	(1483539)	7784507	6300968
MAT Credit	-	-	-
Provision for Taxation	(54000)		(54000)
Tax adjustment for earlier years	21236		21236
Profit for the year	1603874	-	1603874
Other Comprehensive Income/ (Loss)	-	-	-
Total Comprehensive Income for the year	87571	7784507	7872078
Transfer from retained earnings	-	-	-
Dividends (including dividend distribution tax)	-	-	
Balances as at 31st March 2020	**87571**	**7784507**	**7872078**

Rupees

Particulars	Reserves & Surplus	Securities Premium	Total Equity
	Retained Earnings		
Balances as at 1st April 2018	(3196549)	7784507	4587958
MAT Credit	5645534	-	5645534
Loss for the year	(3932524)	-	(3932524)
Other Comprehensive Income/ (Loss)	-	-	-
Total Comprehensive Income for the year	(1483539)	7784507	6300968
Transfer from retained earnings	-	-	-
Dividends (including dividend distribution tax)	-	-	-
Balances as at 31st March 2019	**(1483539)**	**7784507**	**6300968**

The accompanying notes are an intergal part of the financial statements

As per our report of even date

for **K.S. MAHESHWARI & CO**.
CHARTERED ACCOUNTANTS
(FIRM REGN. NO.105846W)

For and on behalf of the Board of Directors

Sd/-
K.S. MAHESHWARI
(PARTNER)
M.No.39715
UDIN 20039715AAAABJ8675

Sd/-
MANISH P. HEDA
Company Secretary
(ACS No.A51012)

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

Sd/-
VIVEK M. MANE
Chief Financial Officer

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

Place : Mumbai
Date : 21st July, 2020

NOTE 1 - Property, Plant and Machinery and Other Intangible Assets

PARTICULARS	GROSS CARRYING VALUE				DEPRECIATION / AMORTISATION					NET CARRYING VALUE	
	As at 01.04.2019	Additions	Deductions / Adjustments	As at 31.03.2020	As at 01.04.2019	Adjustments	For the year	Deductions / Written Back	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Tangible Assets											
Land at Dadra	2078580	-	-	2078580	-	-	-	-	-	2078580	2078580
Factory Building	16167514	-	-	16167514	12547869	-	343866	-	12891735	3275779	3619645
Plant & Machinery	42755972	-	-	42755972	16229650	-	1624727	-	17854377	24901595	26526324
Computer	581887	-	-	581887	578340	-	2239	-	580579	1308	3545
Furniture & Fixtures	1015528	-	-	1015528	692252	-	83696	-	775948	239580	323276
Vehicles	1251360	-	-	1251360	415434	-	260552	-	675986	575374	835926
Total Tangile Assets (a)	63850841	-	-	63850841	30463545	-	2315080	-	32778625	31072216	33387296
Total Intangible Assets (b)	-	-	-	-	-	-	-	-	-	-	-
Total (a+b)	**63850841**			**63850841**	**30463545**		**2315080**		**32778625**	**31072216**	**33387296**
Previous Period	63935755	1246751	1331663	63850843	29062413	-	2491284	1090152	30463545	33387296	34873340

NOTE 2 - Other Non-Current Financial Assets

Particulars	As at 31st March 2020	As at 31st March 2019
Security Deposits	195744	195744
Fixed Deposits	1141546	0
TOTAL	**1337290**	**195744**

NOTE 3 - Other non-current assets

Particulars	As at 31st March 2020	As at 31st March 2019
Others	1154185	576222
TOTAL	**1154185**	**576222**

NOTE 4 - Inventories

Particulars	As at 31st March 2020	As at 31st March 2019
Raw Material	4336502	6331907
Stock in Process (Work in Progress)	5449994	2875421
Stock of Finished Goods	4572244	10990226
Stock of Stores & Spares	1396101	1447812
Stock in Trade (Equity Shares)	28818263	21115269
TOTAL	**44573104**	**42760635**

NOTE 5 - Trade Receivables

(Rupees)

Particulars	As at 31st March 2020	As at 31st March 2019
Unsecured considered good	9827932	21141472
TOTAL	**9827932**	**21141472**

NOTE 6 - Cash and cash equivalents

Particulars		As at 31st March 2020	As at 31st March 2019
Balances with Banks			
i) In Current Accounts		788415	46778
ii) In Unpaid Dividend Account		-	-
Cheques and drafts on hand		-	-
Cash-on-hand		358895	454634
	TOTAL	**1147310**	**501412**

NOTE 7 - Other Bank Balances

Particulars		As at 31st March 2020	As at 31st March 2019
Balances with Banks			
iii) In Fixed Deposits		72750	548500
	TOTAL	**72750**	**548500**

NOTE 8 -Other Current Financial Assets

Particulars		As at 31st March 2020	As at 31st March 2019
Unsecured considered good			
Loans & Advances to related parties		-	-
Others		499919	-
Interest Accrued		49232	84285
Staff & Prepaid Expenses		549139	276908
	TOTAL	**1098290**	**361193**

NOTE 9 - Other Current Assets

Particulars		As at 31st March 2020	As at 31st March 2019
Unsecured considered good			
Prepaid Expenses		168992	90890
GST Mumbai		396145	298684
MAT Credit		5645533	5645533
TDS Receivable		0	8924
VAT Receivable		0	1112810
	TOTAL	**6210670**	**7156841**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees)

NOTE - 10 SHARE CAPITAL	**Current Year Ended 31 March 2020**	**Previous Year Ended 31 March 2019**
AUTHORISED		
1,00,00,000 Equity Shares of Rs.10/- each	100000000	100000000
	100000000	100000000
ISSUED		
56,22,240 Equity Shares of Rs.10/- each	56222400	56222400
	56222400	56222400
SUBSCRIBED AND PAID UP		
56,22,240 Equity Shares of Rs.10/- each fully paid up	56222400	56222400
Add:Paid up value of Shares Forfeited 3120 Equity Shares of Rs.10/-each (Previous year Forfeited 31200 Shares of Rs.1/-each)	18600	18600
TOTAL	**56241000**	**56241000**

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

Following are the rights attached to 5622240 equity shares:

(I) Rights to receive dividend as may be approved by the Board/Annual General Meeting.

(II) Rights to attend the Annual General Meeting of the Company and right to vote.

Apart from the above, the Equity shares rank pari passu and are subject to the rights, preference and restrictions under the companies Act.

b) There are Nil number of shares (Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or subsidiary or assoicates of the holding company or the ultimate holding company in aggregate

c) Shares in the company held by each shareholders holding more than 5% shares

Name of the Shareholder	**31st March, 2020**		**31st March, 2019**	
	No of Shares	**%**	**No of Shares**	**%**
Jitendra K.Vakharia -HUF	1221320	21.72	1221320	21.72
Jitendra K.Vakharia	1137750	20.24	1137750	20.24
Varsha J.Vakharia	960940	17.09	918904	16.34

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

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

Particulars	**No of Shares**
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being being received in cash	Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	Nil
Aggregate number and class of shares brought back.	Nil

f) There are no securities (Previous year Nil) convertible into Equity/Preferential Shares.

g) There are no calls unpaid (Previous year Nil) including calls unpaid by Directors and Officers as on balance sheet date.

h) Reconcialiation of Number of Shares outstanding at the beginning and at the end of the year.

	Current Year 31.03.2020	**Previous Year 31.03.2019**
(a) Shares outstanding at the beginning of the year	5622240	5622240
(b) Right Shares issued during the year	--	--
(c) Shares brought back during the year	--	--
(b) Shares outstanding at the end of the year	**5622240**	**5622240**

NOTE 11 - Other Equity

Particulars	As at 31st March 2019	As at 31st March 2019
Securities Premium Reserve	7784507	7784507
Retained Earnings	87571	(1483539)
	7872078	**6300968**

NOTE 12 - Provisions - Non current

Particulars		As at 31st March 2020	As at 31st March 2019
Provisions for Taxdation (Net of Advance Tax)		52548	0
Provisions for employees benefits (Gratuity)		3275390	2371786
Unclaimed Fractional Shares		765	0
	TOTAL	**3328703**	**2371786**

NOTE 13 - Short Term Borrowings

Particulars	As at 31st March 2020	As at 31st March 2019
Secured Repayable on demand from Banks		
Overdraft from Bank (Secured) (Secured by way of hypothecation of Stock,Book Debts & further secured by mortgage of factory land & bldg situated at Survey No.265/7/1 of Village Dadra in the Union Territtory of Dadra,Nagar & Haveli)	23329628	31964697
Loan from related parties (Unsecured)	0	2600000
TOTAL	**23329628**	**34564697**

NOTE 14 - Trade Payables

Particulars	As at 31st March 2020	As at 31st March 2019
Due to Micro,Small & Medium Enterprises	-	-
Others	4545866	4361639
TOTAL	**4545866**	**4361639**

NOTE 15 - Other Current Financial Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
Other Liabilities	749621	2366665
TOTAL	**749621**	**2366665**

NOTE 16 - Other Current Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
Other Liabilities	426851	422560
TOTAL	**426851**	**422560**

NOTE 17 - Revenue from operations

(RUPEES)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Sale of Products	373434596	396197568
Other Operating Income	-	-
TOTAL	**373434596**	**396197568**

NOTE 18 - Other Income

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest Income	93534	96475
Dividend Income	139996	142476
Gain on sale of Investments	69082	-
Misc Income	44796	134045
TOTAL	**347408**	**372996**

NOTE 19 - Cost of Materials Consumed

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Raw Materials Consumed		
Opening Stock	6331907	9714794
Add : Purchases	298539698	332329489
	304871605	342044283
Less: Closing Stock	4336502	6331907
	300535103	335712376
Packing and Other Materials Consumed		
Opening Stock	1156069	1223214
Add: Purchases	19202613	19647054
	20358682	20870268
Less: Closing Stock	1071946	1156069
	19286736	19714199
TOTAL	**319821839**	**355426575**

NOTE 20 - Changes in inventories of Finished Goods, Work-In-Progress & Stock in Trade

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Opening Stock:		
Finished Goods	10990226	11354157
Work-in-process	2875421	2989817
	13865647	14343974
Less: Closing Stock:		
Finished Goods	4472244	10990226
Work-in-process	5549994	2875421
	10022238	13865647
TOTAL	**3843409**	**478327**

NOTE 21 - Employee Benefit Expenses

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Salaries,Wages & Bonus	9080598	6753858
Gratuity Paid	903604	86881
Mediclaim Expenses	5251	0
Contribution to Provident Fund	333727	332457
TOTAL	**10323180**	**7173196**

NOTE 22 - Finance Cost

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Bank Interest on Overdraft Facility	2195630	2886871
Bank Commission / Interest Paid	54013	90044
Bank Loan Renewal Charges	107500	107500
TOTAL	**2357143**	**3084415**

NOTE 23 - Other Expenses

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Repairs & Maintenance		
-Plant & Machinery	1517422	1722235
-Others	43916	551138
Manufacturing Expenses	1833251	3635623
Auditor Remuneration	75000	75000
Annual Listing Fees	300000	250000
Bank charges & commission	6998	10318
Commission Paid on Sale	3968	11076
Director Remuneration	600000	600000
Director Sitting Fees	22500	18000
Insurance	157010	129228
Legal & Professional Fees	1016019	477006
Loss on Sale of Shares	0	244489
Power & Fuel	25609866	21314770
Postage,Telephone & Telegram Expenses	176893	235314
Preliminary Exp W/off	567394	567388
Printing & Stationery	61438	74488
Rent Paid	300000	300000
Conveyance & Travelling Expenses	224818	270283
Vehicle Expenses	135782	116999
Miscellaneous Expenses	865204	1245936
TOTAL	**33517479**	**31849291**

NOTE : 24

Notes Forming Part of the Financial Statements.

1. Corporate Information

Everlon Synthetics Limited (the Company) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchanges in India. The registered office of the Company is located at 67, Regent Chambers, 208, Nariman Point, Mumbai – 400 021.

The Company is principally engaged in the business of Manufacturing of polyester yarn.

The financial Statements were authorised for issue in accordance with a resolution for the Board of Directors on July 21, 2020.

2. Significant Accounting Policies

2.1 **Basis of preparation**

a) Statement of compliance and of preparation and presentation

The Company`s financial Statement have been prepared in compliance with Indian Accounting Standards (the `Ind AS`) notified under the section 133 of the Companies Act 2013(the `Act`)read with rule 3 of the companies (Indian Accounting Standard) Rules 2015 as amended and other relevant provisions of the Act.

b) Basis of presentation

The Balance sheet and the Statement of profits and loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Act. The Statement of Cash Flow has been prepared and presented as per the requirements of Ind AS 7 Statement of Cash Flows. The disclosure requirements with respect to items in the balance sheet and Statement of profit and loss as prescribed in the schedule III to the Act are presented by the way of notes forming part of the financial Statement along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (listing obligations and disclosure requirements) regulations 2015 as amended.

The financial Statements of the Company for the year ended 31 march 2020 were approved for issue in accordance with the resolution of the Board of Directors on 21st July, 2020.

c) Basis of preparation

The financial Statement have been prepared under the historical cost convention .

d) Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification. An assets is treated as current when it is.

- Expected to be realised or intended to be sold or consumed in normal operating cycle .
- Held primarily for the purpose of trading.

- Expected to realised within months after the reporting period or;
- Cash and Cash equivalent unless restricted for being exchanged or used to settle a liability for at least 12months after the reporting period .

All other assets are classified as non-current.

A liability is current when

- It is expected to settle in normal operating cycle.
- It is held primarily for the purpose of trading .
- It is due to be settled within 12 months after reporting period or;
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classified all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e) The operating cycle is the time between the acquisition of asset for processing and their realisation Cash and Cash equivalents .The Company has identified 12 months operating as its operating cycle.

2.2 **Significant Accounting Judgements, Estimates And Assumptions**

The preparation of financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect reported amounts of revenue, expenses, assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial Statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and Actions, Actual results could differ from these estimates.

Sales return

Revenue from sale of good is recongnised when significant risks and reward of ownership are transferred to customer , which coincides with dispatch of goods to customers. However the company needs to accepts goods returned from its customers towards expiry, breakages and damages. Accordingly the company has made on the historical sale return.

Impairment of financial assets.

The company recongnises loss allowance on financial assets using expected credit loss model which is equal to the 12 months expected credit losses or fill time expected credits losses.

Income taxes

Significant judgements are involved in estimating budgeted profits for the calculation of advance tax and deferred tax, and determining provision for income taxes and uncertain tax positions.

2.3 **Property Plant & Equipment**

Plant and machinery and computer are stated at cost less accumulated depreciation.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss.

Depreciation

Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on useful life of Fixed Assets as per part 'C' of Schedule II of the Companies Act, 2013.

Impairment of Assets.

If internal / external indications suggest that an asset of the Company may be impaired, the recoverable amount of asset/ Cash generating unit is determined on the Balance Sheet date and it is less than its carrying amount of the asset / Cash generating unit is reduced to the said recoverable amount. The recoverable amount is measured as the higher of net selling price and value in use of such assets / Cash generating unit, which is determined by the present value of the estimated future Cash Flows.

2.4 **Valution of Inventories**

1. Raw materials ,consumables	At cost and other expenditure incurred inclusive of excise duty to bring the inventories to tis present location and condition. Cost is based on FIFO basis
2. Work-in-progress	At cost of material and together with relevant factory overheads.
3. Finish goods	At Cost of material and labour together with factory overheads (inclusive of excise duty) or net relisable value whichever is lower.
4. Stock-inTrades(Shares)	Valued at cost

2.5 **Cash & Cash Equivalents**

Cash and Cash equivalent in the balance sheet comprise Cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, Cash and Cash equivalents consist of Cash and short –term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's Cash management.

2.6 **Financial Instruments**

Financial assets and liabilities are recongnised when the company becomes a party to the contractual provision of the instruments. All the financial assets and liabilities are measured initially at fair value. Transactions costs that are directly attributed to the acquisition or issues of financial assets and liabilities(other than financial asset and liabilities carried at fair value through profit and loss) are added or deducted from the fair value measured on intial recongnisation of financial assets and liability.

Financial Assets

Classification and measurements

All the financial assets are initially measured at fair value. Transactions costs that are directly attributed to the attributable to the acquisition o financial assets(other than financial assets carried at fair value through profits and loss) are added to or deducted from the fair value measured on initial recognition of financial assets.

Subsequent measurement of a financial assets depends on its classifications i.e financial assets carried at amortised cast or fair value (either through other comprehensive income or through profit and loss). Such classifications is determined on the basis of the company`s business model for managing the financial assets and the contractual terms of the cash flows.

The company`s financial assets primarily consist of cash and cash equivalent trade receivable loans to employee and security deposits etc. which are classified as financial assets carried at amortised cost**.**

Amortised cost

Assets that are held for collection of contractual cash flow where those cash flow represent solely payment of principal and interest are measured at amortised cost. A gain or loss on a financial assets that is subsequently measured at amortised cost is recognised in profit or loss when the assets is derecognised or impaired. Interest income from these financial asset is recognsied using the effectiveness interest rate method.

Impairment of financial assets

The company assess on a forward looing basis the expected credit losses associated with its assets at amortised cost. For trade receivable, the company provides for lifetime expected credit losses recognised from initial recognition the receivables.

Derecognition of Financial Assets and Liabilities

The Company derecognizes a financial asset when the contractual rights to the Cash Flows from the financial asset expire or when the Company transfers the contractual rights to receive the Cash Flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

2.7 **Provisions ,contingent liabilities ,contingent assets and commitments**.

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provision are recognised at the estimate of the expenditure required to settle the present obligations at the reporting date. If the effect of time value of money is material provisions and determined by discounting the expected future cash flows.

A contingent liability is disclosed when there is a possible but not portable obligations arising from past events or a present obligations whose amount cannot be estimated reliably. Contingent liabilities do not warrant provision but are disclosed unless the outflow of resources is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is portable. However when the realisation of income is virtually certain then the assets us not a contingent assets and the recognitions is appropriate.

Commitments are future liabilities for contractual expenditure classified and disclosed as estimated amount of contracts remaining to be extracted on capital account and provided and not provided for.

.

2.8 **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will Flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from sale of goods is recognized upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with dispatch of goods to customer. It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.

Dividend

Revenue is recognized when the Company's right to receive the payment is established, which generally when shareholders approve the dividend.

Other Income

Other income is accounted for on accrual basis except where the receipt income is uncertain.

2.9 **Employee Benefits**

Provision for gratuity is not made in accounts assuming that all the employees retire at the end of the year.

The Company has carried out valuation of Retirement Benefits during the year.

2.10 **Taxation**

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961, The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

The Company ahs not recognised "Deferred Tax Assets" as required by Accounting Standard 22, (Accounting for Taxes on Income) issued by Institute of Chartered Accountants of India as Company is not certain that sufficient taxable income will be available against which such "Deferred Tax Assets" can be realised.

Current tax for the year

Current tax are recognised in profit or loss, except when they relate to items that are recgonised in other comprehensive income or directly in equally, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in Equity respectively.

.

2.11 **Cash Dividend To Equity Holders**

The Company recognises a liability to make Cash distribution to Equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the law, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in Equity.

3. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARDS (IND AS) 107

FINANCIAL INSTRUMENTS DISCLOSURE

ACCOUNTING CLASSIFICATION

The following table shows the carrying amounts of financial assets and liabilities.

FINANCIAL ASSETS	AMORTISED COST AS ON 31.03.2020 Rs	AMORTISED COST AS ON 31.03.2019 Rs
OTHER NON CURRENT FINANCIAL ASSETS		
Security deposits	195744	195744
Bank deposits	1141546	-----
Others	----	----
Cash and cash equivalent	1147310	501412
Bank balance other than cash and cash equivalent.	72750	548500
Trade Receivable	9827932	21141472
Other financial assets	1098290	361193
Total Financial Assets	**13483572**	**22748322**

FINANCIAL LIABILITIES	AMORTISED COST AS ON 31.03.2020 Rs	AMORTISED COST AS ON 31.03.2019 Rs
Short Term Borrowings	23329628	34564697
Trade Payable	4545866	4361639
Other current financial liabilities	749621	2366665
Total Financial Liabilities	**28625115**	**41293001**

FINANCIAL RISK MANAGEMENT

The company has exposure to the following risk arising from financial instruments

Market risk

Liquidity risk

Credit risk

In the course of its business, the Company is exposed aforesaid risk ,which may impact the fair value of its financial instruments. The company has risk management system which not only covers the foreign exchange risk but also other risks associated with the financial liabilities such as credit risk. The risk management strategies is approved by Board of Directors which is implemented by company management. The risk management framework aims to create a stable business planning environment by reducing the impact of market related, credit risk and currency fluctuations on the company earnings.

The risk identified through the risk management system by analyze and evaluated by the company management and reported to the Board of Directors periodically along with report of planned mitigations measures.

A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair value or in future cash flows that may result from a change in the price financial instruments , liquidty and other market changes. Future market movements cannot be normally predicted with reasonable accuracy.

B) Liquidity risk

The company`s principal sources of liquidity are cash and cash equivalent and cash flow Generated from operations . The Company regularly monitors actual cash flow and forecast to ensure the company maintains sufficient liquidity to met the operation needs.

C) Credit risk

Credit risk is the unexpected loss in financial instruments if the counter parties fail to discharge its contractual obligations in entirely and timely. The Company is exposed to credit risk arising from its operation and financing activities such as trade receivable, loans and advances and other financial instruments. The carrying amounts of financial assets represent the maximum credit exposure.

Trade Receivables :

Credit risk on trade receivables is limited due to the Company's diversified customer base.

Other Financial Assets

The Company does not have significant credit risk from loans and advances given.

3.1 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARDS (IND AS) 108 OPERATING STATEMENT:

The Company is engaged in the business of Manufacturing of Polyester Yarn which as Per Ind AS-108. On Segment Reporting is considered to be the only reportable business segment, Company is operating in the same geographical segment. Therefore Segment wise reporting is not applicable.

DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARDS (IND AS) 24 RELATED PARTY TRANSACTIONS:

i) Related party disclosure (as identified by the management)

(i) related party relationships

(a) where control exists	Teekay International
(b)100% subsidiary	NIL
(c) key management personnel	Mr. Jitendra K vakharia Mr. Varsha J Vakharia Mr. Vivek M Mane
(d) relative of key management personnel	NIL
(e) other related parties	NIL

ii) Transactions with Related Parties (Rupees)

Type of Parties	Description of of the nature of the transaction	Volume of Trans. 2019-20	2019-20 Outstanding Receivable	2019-20 Outstanding Payable	Volume of Trans. 2018-19	2018-19 Outstanding Receivable	2018-19 Outstanding Payable
Where Control Exists	1) Loans	-----	-----	-----	--------	-----	-----
	2) Rent Paid	300000	-----	-----	300000	-----	-----
Key Managerial Personnel	1) Director's Remuneration and Sitting Fees and KMP Remuneration	1038816	-----	22500	1370658	------	-------
	2) Loans	2650038	-----	-----	10367948	-----	-----

3.2 Disclosure pursuant to Indian accounting standards (IND AS) 33. Earnings per share.

Equityholders of the company by the weighted average number of Equity share outstanding during Basic EPS amounts are calculated by dividing the profits for the year attributable to the year.

	Year Ended March 2020	**Year Ended March 2019**
Profit / (Loss) attributable to the Equity shareholders (Rupees)	1571110	(3932524)
Number of Equity Shares Outstanding during the year	5622240	5622240
Nominal value of Equity Shares (Rupees per Share)	10	10
Basic/diluted earnings per share on face value of Rs.10/- Each.	0.27	(0.70)

Auditors Remuneration	Year Ended March 2020	Year Ended March 2019
Audit Fees	75000	75000
Certification Work	25000	15000
Tax Audit Fees	25000	0
	125000	90000

3.3 The Value of Shares held as Stock in Trade as on 31.03.2020
The Company is holding shares as Stock in Trade, valued at cost. The Stock of shares (in Listed companies as on 31.3.2020 is Rs.2,49,60,263/-. The Market value of these shares as on 31.03.2020 is Rs.85,19,846/-. The Management of the Company is of opinion that this downfall in market value of shares of Listed companies is temporary phenomenon, and the management is hopeful about corrections in the market will regain the value of shares. The Market value of shares as on 21.07.2020 is Rs.1,45,47,622/-

3.4 COVID-19 has caused significant disruptions to business across India. The management has considered the possible effects that carrying amounts of inventories receivable and intangible (including goodwill). In making the assumptions and estimates relating to the uncertainties as the balance sheets date in relations to the recoverable amounts, the management has considered subsequent events , internal and external information and evaluated economic conditions prevailing as at the date of approval of these financial result. The management expects no impairments to the carrying amounts of these assets. The management will continue to closely monitor any changes to the future economic conditions and assets its impact on the operations.

3.5 In the opinion of the Board, Current Assets, Loans and Advances are as approximately of the same value as stated in the Balance Sheet if realised in the ordinary course of business.

3.6 The Company has called for complete information from all vendors regarding their status as all-scale/micro industrial undertaking. Company is yet to receive information from vendor. Accordingly no additional disclosures have been made.

3.7 Trade Payable are subject to confirmation.

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

---

SIGNATORIES TO NOTES 1 TO 24

As per our report of even date
for **K.S. MAHESHWARI & CO**.
CHARTERED ACCOUNTANTS
(FIRM REGN. NO. 105846W)

For and on behalf of
Board of Directors

Sd/-

K.S. MAHESHWARI
(Partner)
M.No.39715
UDIN 20039715AAAABJ8675

Sd/-

MANISH P.HEDA
Company Secretary
(ASC No.A51012)

Sd/

J.K. VAKHARIA
Director
(DIN00047777)

Sd/-

VIVEK M.MANE
Chief Financial Officer

Sd/-

V.J. VAKHARIA
Director
(DIN00052361)

Place: Mumbai
Date: 21st July, 2020