

Subject to Mumbai Jurisdiction

# Everlon Financials Limited

(Formerly Known as Everlon Synthetics Limited)

CIN No. L65100MH1989PLC052747

Date: 03<sup>rd</sup> August, 2023

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

Dear Sir/Ma'am,

Ref No: - Company Code No. - 514358

Sub: Submission of Notice of 34<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23.

This is to inform you that 34<sup>th</sup> Annual General Meeting (AGM) of Members of the Company will be held on Saturday, August, 26, 2023 at 11.00 a.m through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) inter alia, to transact the business as stated in the Notice convening the said Annual General Meeting of the Company.

Further, Pursuant to Regulation 34 (1) and Regulation 30 and other applicable Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments made thereunder, we are submitting herewith Notice of 34<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23.

The Annual Report for the financial year 2022-23 is also available on the website of the Company i.e. [www.everlon.in](http://www.everlon.in)

Kindly take the same on your records and oblige.

Thanking you.

Yours faithfully,

For Everlon Financials Limited  
(Formerly Known as Everlon Synthetics Limited)

JITENDRA  
KANTILAL  
VAKHARIA

Jitendra K. Vakharia  
Managing Director  
DIN: 00047777

Encl:- Notice & Annual Report 31.03.2023



**EVERLON  
FINANCIALS  
LIMITED**

**34 th  
Annual Report  
(2022-2023)**

**EVERLON FINANCIALS LIMITED**  
**(Formerly Known As Everlon Synthetics Limited)**

Financial Year  
(2022-2023)

**C O N T E N T S**

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**EVERLON FINANCIALS LIMITED**  
**CIN L65100MH1989PLC052747**

**BOARD OF DIRECTORS**

SHRI. JITENDRA K. VAKHARIA	(DIN 00047777)	MANAGING DIRECTOR
SMT. VARSHA J. VAKHARIA	(DIN 00052361)	DIRECTOR
SHRI. NITIN I. PAREKH	(DIN 00087248)	INDEPENDENT DIRECTOR
SHRI. KIRON B. SHENOY	(DIN 08582581)	INDEPENDENT DIRECTOR
SHRI. NEERAJ R. SHARMA	(DIN 00071579)	DIRECTOR

**KEY MANAGERIAL PERSONNEL**

SHRI. VIVEK M. MANE	CHIEF FINANCIAL OFFICER
SHRI. KIRAN A. SAWANT	COMPANY SECRETARY

**AUDITORS**

**M/s. B.L. DASHARDA & ASSOCIATES**

(Chartered Accountants)

301, Vastubh Apartment, Near Hanuman Temple, Datta Pada,  
Cross Road No. 1, Borivali (East) Mumbai-400066

**BANKERS**

HDFC Bank Ltd.  
Indian Overseas Bank

**REGISTERED OFFICE**

67, Regent Chambers,  
208, Nariman Point,  
Mumbai – 400 021.  
E-Mail: [everlonfinancials@gmail.com](mailto:everlonfinancials@gmail.com)  
Website:- [www.everlon.in](http://www.everlon.in)

**LISTED AT**

BSE Limited, Mumbai

**REGISTRAR & SHARE TRANSFER AGENTS**

Purva Sharegistry (India) Pvt. Ltd.,  
Unit no. 9, Shiv Shakti Ind. Estt.  
J .R. Boricha Marg, Lower Parel (E)  
Mumbai 400 011.  
Tel: 022- 4961 4132  
Fax: 022-49186060  
E-mail: [support@purvashare.com](mailto:support@purvashare.com)

## NOTICE

**NOTICE** is hereby given that the Thirty Fourth Annual General Meeting of the Shareholders of **EVERLON FINANCIALS LIMITED** (CIN: L65100MH1989PLC052747) will be held on **Saturday, August, 26, 2023 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 31<sup>st</sup> March, 2023, 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.

### SPECIAL BUSINESS

3. **TO OFFER, ISSUE AND ALLOTMENT OF EQUITY SHARES ON PREFERENTIAL BASIS.**

To consider and to pass, the following resolution as a **SPECIAL RESOLUTION**:-

**“RESOLVED THAT** pursuant to the provisions of section 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 (the “Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date (the “Listing Regulations”), and subject to any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“MCA”), the Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority including BSE Limited, and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board of Director (the “Board”) in its absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot up to 5,77,760 ( Five Lacs Seventy Seven Thousand Seven Hundred Sixty) fully paid up equity shares of the Company having face value of INR 10.00/- (Indian Rupees Ten Only) each at a price of INR 25 /- (Indian Rupees Twenty Five only) per equity share {including a premium of INR 15/-(Indian Rupees Fifteen Only per share} “Issue Price” which is not less than the price determined in accordance with Chapter V of SEBI ICDR Regulations, to the proposed allottee for a cash consideration basis (“Preferential issue”) and on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws.

The details of the proposed allottees and the maximum number of Equity Shares of the Company to be allotted are set forth in the table below:

Sr. No.	Name of Proposed Allottees	Nature of Instruments	Category	No. of Equity shares proposed to be issued	Ultimate Beneficial owner (UBO)
1	Jitendra Kantilal Vakharia jointly with Varsha Vakharia and Maitri Yogesh Doshi	Equity Shares	Promoter	3,05,000	Not Applicable
2	Maitri Yogesh Doshi jointly with Yogesh Mukeshkumar Doshi and Mukesh Mahendrakumar Doshi	Equity Shares	Promoter Group	2,72,760	Not Applicable

**RESOLVED FURTHER THAT** in accordance with the provision of Chapter V of the SEBI (ICDR) Regulations the “**Relevant Date**” for determination of minimum price for the issue of equity share be and is hereby fixed as **Thursday, July 27, 2023** being the date 30 (Thirty) days prior to the date of shareholders meeting concerned for approving the Preferential Issue;

**RESOLVED FURTHER THAT** the Equity Shares being offered, issued and allotted to the proposed allottees by way of preferential issue shall inter-alia be subject to the following:

- a) The Equity Shares to be issued and allotted shall be fully paid up and rank pari passu with the existing equity shares of the Company in all respects (including with respect to dividend and voting rights);
- b) the equity shares so offered, issued and allotted the proposed allottees will be listed on the stock exchange where the existing equity shares of the Company are listed, subject to receipt of necessary regulatory permissions and approvals as the case may be.
- c) the equity shares so offered, issued and allotted shall not exceed the numbers of equity shares as approved herein above.
- d) the equity shares to be issued shall be subject to lock-in as per the SEBI ICDR Regulations;
- e) the equity shares being offered, issued and allotted to the proposed allottees, are being issued for a cash consideration;
- f) the equity shares shall be issued and allotted by the Company to proposed allottees in dematerialized form within a period of 15 (Fifteen) days from the date of passing of the special resolution, provided that where the issue and allotment of the said equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority (including but not limited to) the in- principle approval of the BSE Limited for the issuance of the equity shares to the proposed allottees on a preferential basis, the issue and allotment of the equity shares shall be completed within a period of 15 (Fifteen) days from the date of such approvals or such other extended period as may be permitted under the applicable provision of SEBI ICDR Regulations as amended from time to time;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deemed necessary, desirable or expedient for such purpose, including without limitation, issuing clarification on the offer, issue and allotment of the equity shares and listing of equity shares at the Stock Exchange as per the terms and conditions of Listing Regulations and other applicable guidelines, rules and regulations, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisor for the Preferential Issue), resolving all questions and doubt that may arise with respect to the offer, issued and allotment of equity shares, and to authorize all such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and that the decision of the Board shall be final and conclusive;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Directors or executive of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.”

**4. RATIFICATION OF CERTIFICATE ISSUED BY PRACTICING CHARTERED ACCOUNTANT WITH RESPECT TO CHANGE OF NAME OF THE COMPANY FROM EVERLON SYNTHETICS LIMITED TO EVERLON FINANCIALS LIMITED PURSUANT TO REG.45(3) OF SEBI LODR (SECOND AMENDMENT) REGULATIONS 2021.**

To consider and to pass, the following resolution as a **SPECIAL RESOLUTION**:-

**RESOLVED THAT** the certificate dated 24<sup>th</sup> February, 2023 issued by M/s. B .L. Dasharda & Associates, Chartered Accountant and the Auditors of the Company, pursuant to the Regulation 45(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming/certifying the compliance with conditions mentioned under sub regulation (1) of Regulation 45 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 by the Company, be and the same hereby noted and ratified for the purpose of compliance conditions put by BSE Limited while granting the Change of name permission to the Company.

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

**Place:- Mumbai  
Date:- 27/07/2023**

**Jitendra. K. Vakharia  
Managing Director  
(DIN-00047777)**

## NOTES

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020, 13th April, 2020, 13th January, 2021, 05<sup>th</sup> May 2022 and 28<sup>th</sup> December 2022 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) has vide its circular dated 12th May, 2020 read together with circular dated 15<sup>th</sup> January, 2021, 13<sup>th</sup> May 2022 & 05<sup>th</sup> January 2023 (collectively referred to as “SEBI Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, the SEBI Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
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, retires by rotation at the Meeting and being eligible for re-appointment, offers herself for re-appointment.
6. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards (SS2) 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 mail ([sanjayrd65@gmail.com](mailto:sanjayrd65@gmail.com)) by email through its registered email address with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> 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, Purva Sharegistry (India) Pvt. Ltd.
9. The Register of Members and Share Transfer Register of the Company will remain closed from **Wednesday, August, 23, 2023 to Saturday, August, 26, 2023 (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. Purva Sharegistry (India) Pvt. Ltd., Unit no. 9. Shiv Shakti Ind. Estt. J.R Boricha marg Lower Parel (E) Mumbai 400 011 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. Purva Sharegistry (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 , Notice of the AGM along with the Annual Report 2022-23 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 2022-23 will also be available on the Company's website [www.everlon.in](http://www.everlon.in) Website of Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://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 **Saturday, August 26, 2023, at 11.00 a.m.** .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 Wednesday, August 23, 2023 and shall close at 5.00 p.m. on Friday, August 25, 2023.** During this period, Members holding shares either in physical form or in dematerialized form, as on **Saturday, August 19, 2023** 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 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. **Saturday, August 19, 2023**.
20. The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. **August 19, 2023** 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 **Saturday, August 19, 2023** , may obtain the login ID and password by sending a request at email ID **evoting@nsdl.co.in**
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](http://www.evoting.nsdl.com) or contact at the following toll free no.: 1800-222-990.
23. Any queries/ grievances in relation to the voting by e-voting may be addressed to the Company Secretary of the Company through email at [everlonfinancials@gmail.com](mailto:everlonfinancials@gmail.com), or may be addressed to NSDL at [evoting.nsdl.co.in](http://evoting.nsdl.co.in).
24. The helpline number regarding any query/assistance for participation in the AGM through VC is 1800-222-990.
25. The Board of Directors has appointed Mr. 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.

**26. Instructions for e-Voting and joining the AGM are as follows:**

**A. VOTING THROUGH ELECTRONIC MEANS**

- i) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Saturday, August 19, 2023**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting).
- ii) The remote e-voting period will commence at **9.00 a.m. on Wednesday, August 23, 2023 and shall close at 5.00 p.m. on Friday, August 25, 2023**. The remote e-voting module shall be disabled by NSDL for voting thereafter In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.
- iii) The Company has appointed Mr. Sanjay Dholakia, Practicing Company Secretary (FCS 2655) to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given in the Notice. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions are requested to refer the instructions provided in the Notice.

iv) Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

v) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if he / she is already registered with NSDL for remote e-Voting then he /she can use his / her

existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system

In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

vi) The details of the process and manner for remote e-Voting are explained herein below:

### **How do I vote electronically using NSDL e-Voting system?**

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

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:-**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting</li> </ol>

2. period or joining virtual meeting & voting during the meeting.
3. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



App Store



Google Play



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option

	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.

4. 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***

5. Password details for shareholders other than Individual shareholders 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.**

6. 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](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

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

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

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**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 **everlonfinancials@gmail.com**
2. 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 **everlonfinancials@gmail.com**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
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 AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member 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.
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 [everlonfinancials@gmail.com](mailto:everlonfinancials@gmail.com). The same will be replied by the company suitably.

**General Guidelines and Other Instructions:**

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and 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 authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website at [www.everlon.in](http://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.
3. 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](http://www.evoting.nsdl.com) to reset the password.



4 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.ndsl.com](http://www.evoting.ndsl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

27. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Business under Item No.3 & 4 of the accompanying Notice is annexed hereto.

**28. ANNEXURE TO NOTICE:-**

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

<b>Name of Director &amp; Designation</b>	<b>Mrs. Varsha J. Vakharia Non-Executive Promoter Director</b>
Age	65 years
Date of First Appointment	29/10/1999
Qualification	M.A.
Expertise in specific areas	General Administration & Finance
Name of listed Companies in which holds Directorship as on 31 <sup>st</sup> March 2023	NIL.
Name of other Companies in Committees of which holds Membership/ Chairmanship As on 31 <sup>st</sup> March 2023	NIL
No. of equity shares held in Everlon Financials Limited As on 31 <sup>st</sup> March 2023	9,69,249
Inter-se Relations Among Directors	She is related to Jitendra K. Vakharia
Number of Board Meetings attended during the year.	Five
Details of last Remuneration Drawn	Sitting Fees Paid

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

Place:- Mumbai  
Date :-27/07/2023

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

**EXPLANATORY STATEMENT  
(Pursuant to Section 102 of the Companies Act, 2013)**

That following explanatory statement sets out the material facts referring to Item No. 3 of the Notice

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

**Item No.3 :-**

In accordance with section 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 (the “Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and in accordance with the SEBI ICDR Regulations and the Listing Regulations, as amended from time to time, subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority approval of shareholders of the Company by way of special resolution is required to issue equity shares by way of private placement on a preferential basis to the proposed allottees.

The proposed Preferential Issue is proposed to be issued to the persons belonging Promoter and Promoter Group Category. The preferential issue shall be made in terms of the provisions of Chapter V of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013. The said proposal has been considered and approved by the Board in their meeting held on Thursday, July 27, 2023

The information required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014 of Companies Act, 2013 and other details as required under 163 (1) SEBI ICDR Regulations, and other relevant details in respect of the proposed Preferential Issue of Equity Shares are as under:

**a) Particulars of the Preferential Issue including date of passing of Board resolution:-**

The Board of Directors of the Company, in its meeting held on Thursday, July 27 , 2023, subject to the approval of the members of the Company and such other necessary approvals as may be required, approved the proposal for raising funds by way of issuance and allotment of upto 5,77,760 ( Five Lacs Seventy Seven Thousand Seven Hundred Sixty) equity shares having face value of INR 10.00/- per Equity Share, at a price of INR 25 /- per (Indian Rupees Twenty Five Only) Equity Share {at a premium of INR 15 /- (Indian Rupees Fifteen Only) per Equity Share}, aggregating upto INR 1,44,44,000/- (Indian Rupees One Crore Forty Four Lacs Forty Four Thousand Only) on preferential basis to the proposed allottees as mentioned in the resolution no. 3.

**b) Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued:-**

Up to 5,77,760 Equity Shares of the face value of INR 10.00/- only per Equity Share of the Company, at a price of INR 25 /- (including a premium of INR 15 /-) per Equity Share aggregating upto INR 1,44,44,000/- (Indian Rupees One Crore Forty Four Lacs Forty Four Thousand Only) such price being not less than the minimum price as on the Relevant Date (as set out below) determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

**c) Objects of the preferential issue:-**

The object of the preferential issue is to raise fund through issuance of equity shares on preferential basis is to meet out the working capital requirement, business expansion, and other general corporate purposes of the Company.

**d) Maximum number of securities to be issued:-**

It is proposed to issue and allot in aggregate up to 5,77,760 fully paid-up equity shares having face value of INR 10.00/- each (Indian Rupees Ten only) to the proposed allottees on preferential basis. The price for the allotment of shares to be issued is based on the minimum price determined accordance with Chapter V of SEBI ICDR Regulations is fixed at INR 25 /- (Indian Rupees Twenty Five only) per equity share including a premium of INR 15/- (Indian Rupees Fifteen only).

**e) Basis on which the price has been arrived at along with report of the registered valuer:-**

The price of equity shares to be issued is fixed at INR 25 /- (Indian Rupees Twenty Five only) per equity share of INR 10.00/- (Face Value) each for preferential issue. The shares of the Company are infrequently traded on the BSE Limited, hence the price is determined in compliance with Regulation 165 of SEBI (ICDR) Regulations, 2018 for Preferential Issues taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares.

In terms of the provisions of Regulation 165 of the SEBI ICDR Regulations, the price shall be determined by the Valuation Report issued by the Independent Registered Valuer. Thus, the minimum price as determined through the Valuation Report dated July 27, 2023 issued by Mr. Sanka Hari Surya, Registered Valuer (SFA) IBBI Reg. No\_IBBI/RV/07/2019/12576, i.e., Rs. 24.89/- per Equity Shares The said report is available on the website of the Company at [www.everlon.in](http://www.everlon.in)

The Valuation was performed by Mr. Sanka Hari Surya, Registered Valuer (SFA) IBBI Reg. No\_IBBI/RV/07/2019/12576 having his office at Navi Mumbai, Certificate of Independent Valuer confirming the minimum price for preferential issue as per preferential issue guidelines of SEBI (ICDR) Regulations, 2018 is available for inspection at the Registered Office of the Company and also hosted on website of the company at .www.everlon.in.

**f) Relevant Date:-**

The relevant date as per the Regulation 161 of SEBI ICDR Regulations, for determination of minimum price for the issuance of equity shares of the Company shall be Thursday, July 27, 2023 (i.e. the date 30 (Thirty) days prior to the date of proposed Annual General Meeting which to be held on Saturday, August 26, 2023 to consider and approve the proposed Preferential Issue).

**g) The class or classes of persons to whom the allotment is proposed to be made:-**

The allotment is proposed to be made to the proposed allottees as mentioned at point no. (h) below.

**h) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issues that may be held by them and change in control, if any, in the issuer consequent to the preferential issues**

Sr. No.	Name of the Proposed Allottees	Category	Ultimate Beneficial Owner	Pre- Issue Shareholding & % of holdings	Number of Equity Shares to be issued	Post Issue Share Holding & % of holdings
1	Jitendra Kantilal Vakharia jointly with Varsha Vakharia and Maitri Yogesh Doshi	Promoter	Jitendra Kantilal Vakharia jointly with Varsha Vakharia and Maitri Yogesh Doshi	11,67,776 (20.77%)	3,05,000	14,72,776 (23.75%)

2	Maitri Yogesh Doshi jointly with Yogesh Mukeshkumar Doshi and Mukesh Mahendrakumar Doshi	Promoter Group	Maitri Yogesh Doshi jointly with Yogesh Mukeshkumar Doshi and Mukesh Mahendrakumar Doshi	NIL	2,72,760	2,72,760 (4.40%)
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**i) Intent of the promoters/ directors/ or key managerial personnel or Senior management to subscribe to the offer:-**

None of the promoter/directors/ key managerial personnel or Senior management shall be subscribed to the preferential issue except stated as under:

Sr. No.	Name of the Proposed Allottees	Promoter/ Director/ KMP	Number of Equity Shares to be Subscribed
1	Jitendra Kantilal Vakharia jointly with Varsha Vakharia and Maitri Yogesh Doshi	Promoter	3,05,000
2	Maitri Yogesh Doshi jointly with Yogesh Mukeshkumar Doshi and Mukesh Mahendrakumar Doshi	Promoter Group	2,72,760

**j) Time frame within which the Preferential Issue shall be completed:-**

As required under Chapter V of SEBI ICDR Regulations, the equity shares shall be issued and allotted by the Company to proposed allottees in dematerialised form within a period of 15 (Fifteen) days from the date of passing of the special resolution, provided that where the issue and allotment of the said equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority (including but not limited to the in-principle approval of the BSE Limited for the issuance of the equity shares to the proposed allottees on a preferential basis, the issue and allotment of the equity shares shall be completed within a period of 15 (Fifteen) days from the date of such approvals or such other extended period as may be permitted under the applicable provision of SEBI ICDR Regulations as amended from time to time

**k) Shareholding pattern before and after preferential issue would be as follows:-**

Sr. No.	Category	Shareholding before preferential issue		Shareholding After preferential issue	
		No. of equity shares held	% of Shares	No. of equity shares held	% of Shares
<b>A</b>	<b>Promoter &amp; Promoter Group Shareholding</b>				
a)	Indian Promoter	40,39,127	71.84	46,16,887	74.47
b)	Foreign Promoter	-	-	-	-
	Sub Total (A)	40,39,127	71.84	46,16,887	74.47
<b>B</b>	<b>Public Shareholding</b>				
a)	<b>Institutional Investor</b>	-	-	-	-
b)	<b>Non-Institutions</b>				
1	1. Individual Shareholders holding Nominal Share Capital Up to 2 Lacs	5,90,690	10.52	5,90,690	9.51
2	Individual Shareholders holding Nominal Share Capital Above 2 Lacs	5,04,532	8.97	5,04,532	8.14

3	Non-Resident Indians	3,16,085	5.62	3,16,085	5.10
4	Bodies Corporate	83,907	1.49	83,907	1.36
5	Resident Indian HUF	85,990	1.53	85,990	1.39
6	Clearing Members/ House	1,909	0.03	1,909	0.03
	Sub Total (B)	15,83,113	28.16	15,83,113	25.53
	<b>Total Shareholding (A+B)</b>	<b>56,22,240</b>	<b>100</b>	<b>62,00,000</b>	<b>100</b>

**Notes:-**

- 1) The pre-issue shareholding pattern is as on Friday, July, 21, 2023.
- 2) Post-shareholding structure may change depending upon any other corporate action in between

**l) Change in Control, if any, in the Company consequent to the preferential issue:-**

There will not be any change in the composition of the Board, the existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment. However, there will be corresponding changes in the shareholdings of the Promoter & Promoter Group consequent to preferential allotment.

**m) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price :-**

The Company has not made any allotments on preferential basis from April 01, 2023 to till date.

**n) Principal terms of assets charged as securities:-** Not applicable**o) Material terms of raising such securities :-**

The Equity Shares being issued shall be pari- passu with the existing Equity Shares of the Company in all respects, including dividend and voting rights.

**p) Monitoring of Utilization of Funds:-**

As the issue size does not exceed Rs. 100 Crore, the Company is not required to appoint a credit rating agency to monitor the issue in terms of the provisions of Regulation 162A of the SEBI ICDR Regulations

**q) Lock-In Period & Transferability:-**

The Equity Shares shall be locked-in for such minimum period as specified under regulation 167 of the SEBI ICDR Regulations. Further the entire pre-preferential allotment shareholding of the allottees if any shall be locked-in from the relevant date up to a period of 90 (Ninety) trading days from the date of trading approval.

**r) The current and proposed status of the allottee(s) post Preferential Issue namely, promoter or non promoter:-**

S. No.	Name of The Proposed Allottees	Current Status	Post Status
1	Jitendra Kantilal Vakharia jointly with Varsha Vakharia and Maitri Yogesh Doshi	Promoter	Promoter
2	Maitri Yogesh Doshi jointly with Yogesh Mukeshkumar Doshi and Mukesh Mahendrakumar Doshi	Immediate Relative of Promoter	Promoter Group

- s) the percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue:-

Name of proposed allottees	Pre issue Shareholding Structure		No. of Equity Shares to be allotted	Post Issue Shareholding Structure	
	No. of Shares	%		No. of Shares	%
Jitendra Kantilal Vakharia jointly with Varsha Vakharia and Maitri Yogesh Doshi	11,67,776	20.77	3,05,000	14,72,776	23.75
Maitri Yogesh Doshi jointly with Yogesh Mukeshkumar Doshi and Mukesh Mahendrakumar Doshi	Nil	Nil	2,72,760	2,72,760	4.40

Post issue shareholding is calculated assuming allotment of maximum 5,77,760 (Five Lacs Seventy Seven Thousand Seven Hundred Sixty) nos. of Equity shares of the Company, proposed to be issued under present Preferential Issue

- t) Amount which the company intends to raise by way of such securities:-

Aggregating upto INR 1,44,44,000/- (Indian Rupees One Crore Forty Four Lacs Forty Four Thousand Only)

- u) Certificate of Practicing Company Secretary:-

The copy of certificate from M/s Sanjay Dholakia & Associates (FCS No. 2655, C.P. No.: 1798, P.R. No. 2036/2022), Practicing Company Secretaries, as required under regulation 163(2) of the SEBI (ICDR) Regulations, 2018, shall be placed before the Annual General Meeting of the shareholders through electronic means, to be held through Video Conferencing / Other Audio Visual Means. The said certificate shall be hosted on the Company's website and is accessible at link: [www.everlon.in](http://www.everlon.in)

- v) Undertaking:-

- i. The Company, its Directors and none of our Promoters have been declared as willful defaulter are categorized as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India and a fraudulent Borrower.
- ii. The Company is eligible to make the Preferential Issue to its Investor under Chapter V of the SEBI ICDR Regulations.
- iii. As the Equity Shares have been listed for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable
- iv. The company undertakes to re-compute the price of the Equity share in terms of the provisions of SEBI (ICDR) Regulations, 2018 where it is required to do so.
- v. that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.
- vi. The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and circulars and notifications issued by the SEBI thereunder.
- vii. None of its Directors or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations

**v) Other Disclosures:-**

- i. The Proposed Allottees have confirmed that they have not sold or transferred any equity shares of the Company during the 90 trading days preceding the relevant date.
- ii. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of Equity Shares under the Preferential Issue is for a cash consideration.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its members. The Board of Directors recommends the passing of the resolution as set out in Item No. 3 as Special Resolution for your approval.

Except, Mr. Jitendra Kantilal Vakharia, Promoter & Managing Director and their relatives, none of the Directors, Key Managerial Personnel or their relatives thereof are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 3 of this Notice except and to the extent of their shareholding in the Company. Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

**Item No.4 :-**

As the members are aware that the Company had changed the name of the Company from “Everlon Synthetics Limited ” to “Everlon Financials Limited” pursuant to the special resolution passed at the 32<sup>nd</sup> Annual general meeting held on 28th August 2021 and obtained Fresh Certificate of Incorporation pursuant consequent on change of name from Ministry of Corporate Affairs dated 22<sup>nd</sup> September 2021.

At the time of granting the permission for change of name, BSE had insisted that the Company should place the Certificate dated 24<sup>th</sup> February, 2023 issued by M/s. B .L. Dasharda & Associates, Chartered Accountant and the Auditors of the Company, pursuant to the Regulation 45(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming/certifying the compliance with conditions mentioned under sub regulation (1) of Regulation 45 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 by the Company before the Members of the Company at the time of General Meeting of Shareholders. The said Certificate is available on website of the company at [www.everlon.in](http://www.everlon.in) and the copy of the same is also made available for inspection at the Registered Office of the Company during business hours of the Company. Further the same is given by way of Annexure-G to this Report and is forming part of this Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives in any way concerned or interested, in the said resolution. The board recommends the said resolution to be passed as a Special resolution.

**Place:- Mumbai**  
**Date :-27/07/2023**

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

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

**EVERLON FINANCIALS LIMITED**  
**DIRECTOR'S REPORT**

To,  
The Members,

The Board of Directors present their 34<sup>th</sup> Annual report together with Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023.

**1. OPERATIONS AND FINANCIAL RESULTS**

Particulars	Year Ended 31/03/2023 (Rs. in Lakhs)	Year Ended 31/03/2022 (Rs. in Lakhs)
Revenue from Operation	514.78	3497.96
Other Income	14.20	42.63
<b>Total Income</b>	<b>528.98</b>	<b>3540.59</b>
Less :- Expenses:-		
a)Cost of materials Consumed	-	2968.05
b)Purchase of stock-in-trade	660.57	-
c)Changes in Inventoried of finished goods, work-in progress and stock-in-trade	(418.04)	119.72
d)Employees benefits expense	15.99	134.88
e)Finance Cost	0.47	24.14
f) Depreciation & amortization expenses	6.95	22.41
g)Other Expenses	53.39	238.69
Profit /(Loss) before Tax & Exceptional items	209.65	<b>32.68</b>
Add : Exceptional items	-	197.85
Less : Provision for Tax	75.47	33.40
Add : Deferred Tax	0.65	-
<b>Profit /(Loss) after tax</b>	<b>134.83</b>	<b>197.13</b>

**2. SIGNIFICANT DEVELOPMENT**

Your company had received Certificate of Registration (COR) as Non-Banking Financial Company (NBFC) without accepting public deposits from Reserve Bank of India ("RBI") on 19<sup>th</sup> December, 2022. Accordingly the Company has commenced the operations of funding of solar plant with effect from 2<sup>nd</sup> June, 2023.

**3. DIVIDEND**

The Board of Directors of your Company has not recommended any dividend for the Financial Year 2022-23.

**4. DIRECTORS & KEY MANAGERIAL PERSONNEL**

**A) Retirement by rotation**

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



## **B) Re-Appointment of Shri. Jitendra. K.Vakharia as Managing Director of the Company:-**

During the year under review, Shri. Jitendra. K.Vakharia (DIN 00047777) was re-appointed as Managing Director of the Company without any remuneration for a period of Three years with effect from October 01, 2022 pursuant to the resolution passed at the 33<sup>rd</sup> Annual General meeting of the Company held on September 29, 2022.

## **C) Regularisation of an appointment of Mr. Neeraj Sharma (DIN:- 00071579) as the Director of the Company:**

Mr. Neeraj Sharma (DIN:- 00071579) was appointed as an Additional Director (Non-executive & Non-Independent Director ) by the Board of Directors of the Company with effect from 26th August 2022 and thereafter was regularized as an Director (Non-executive & Non-Independent Director ) at the 33rd Annual General Meeting of the Company held on September 29, 2022.

<b>Sr. No.</b>	<b>Name of Director and Key Managerial Personnel</b>	<b>Category and Designation</b>
1.	Mr. Jitendra K. Vakharia	Promoter and Managing Director
2.	Mrs. Varsha J. Vakharia	Promoter and Non Executive Director
3.	Mr. Nitin I. Parikh	Non-Executive Independent Director
4.	Mr. Kiron Bastya Shenoy	Non-Executive Independent Director
5.	Mr. Neeraj Sharma	Non-Executive –Non Independent Director
6.	Mr. Vivek M.Mane	Chief Financial Officer
7.	Mr. Kiran A.Sawant	Company Secretary & Compliance Officer

## **5 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 Leadership initiative Initiative in terms of new ideas and planning for the Company, Timely inputs on the minutes of the meetings of the Board and Committee etc. The same is found to be satisfactory.

## **6. DECLARATION BY AN INDEPENDENT DIRECTOR(S)**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and provisions of Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 (“Listing Regulations”)and based on the declarations received from the Independent directors, the Board of directors are of the opinion that the directors have the requisite integrity, expertise and experience including the proficiency to be the independent directors of the Company. The Board is of the opinion that the Independent Directors of the Company holds highest standards of integrity, expertise and experience (including the proficiency) required to fulfil their duties as Independent Directors

## **7. STATUTORY AUDITORS**

M/s. B. L. Dasharda and Associates, Chartered Accountants (Firm Registration No. 112615W) were appointed as statutory auditors of the company for a period of Three Years at the 32<sup>nd</sup> Annual General meeting of the company held on August 28, 2021. There are no qualifications, reservations, observations, disclaimers or adverse remarks contained in the Auditors Report

## **8. DEPOSITS**

During the period under review, the company has not received or accepted any deposit from Public and retained its non- acceptance of Public deposit NBFC status. The financials does not contain any figures that comes under the classification of deposits as specified under clause V of the Companies Act, 2013.

The Company is registered as NBFC- ND (MFI) and does not accept any deposit. Hence, no deposit was accepted from the public during the period ended on 31<sup>st</sup> March, 2023.

## **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

## **10. DETAIL OF FRAUD AS PER AUDITORS REPORT**

There was no fraud reported during the F.Y. ended 31<sup>ST</sup> March, 2023. This is also being supported by the report of the auditors of the Company. There are no adverse observations/ qualifications in the Statutory Auditors report

## **11 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, 2023, 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, 2023 and of the profit 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.

## **12. 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.

## **13. 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 two Independent Directors namely Mr. 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. Kiron Bastya Shenoy, 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. Kiran Shenoy, Independent Director is the Chairman of the said Committee and Mr. Nitin I. Parekh, Independent Director and Mr. Jitendra K. Vakharia 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. Jitendra K.Vakharia, Managing Director and Mrs. Varsha J. Vakharia, Non Executive 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.

#### **14. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Board has appointed M/s. Sindhu Nair & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2022-23, 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, 2023 is annexed herewith marked as **Annexure B** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **15. MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors duly met 5 times during the financial year from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023. The dates on which the meetings were held are as follows:-

30<sup>th</sup> May 2022, 05<sup>th</sup> August 2022, 26<sup>th</sup> August 2022, 14<sup>th</sup> November 2022 and 07<sup>th</sup> February 2023.

#### **16. ANNUAL RETURN**

The Annual Return as provided under Section 92 of the Act is available on the website of the Company at <http://www.everlon.in>.

#### **17. SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company has been increased from Rs. 10,00,00,000/- (Rupees Ten Crores) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten) each to Rs. 25,00,00,000/- (Rupees Twenty Five Crores) consisting of 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each pursuant to the resolution passed by the shareholders at the 33<sup>rd</sup> Annual General Meeting of the Company held on September 29, 2022.

#### **18. 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.

#### **19. CORPORATE SOCIAL RESPONSIBILITY**

The Company, being a responsible organization, recognizes its social responsibility to contribute towards the activities for the benefit and development of the Society although, the CSR Act is not applicable on the Company as per the provisions of the Act.

## **20. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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) and (t) 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 Discussion and Analysis Report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed as **Annexure C**

## **21.PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED 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 D**. All related party transactions are presented to the Audit Committee and the Board, if required for approval.

## **22. INTERNAL FINANCIAL CONTROL**

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its business operations. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Internal Auditor monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

## **23. INTERNAL AUDITORS**

The company has appointed M/s. R. Thakkar and Co., Chartered Accountants, Mumbai, as Internal Auditors for financial year 2023-24.

## **24. PARTICULARS OF EMPLOYEES AND DIRECTORS REMUNERATION**

Shri. Jitendra K. Vakharia ( DIN : 00047777) was re-appointed as Managing Director of the Company without any remuneration for a period of Three years with effect from October 01, 2022 pursuant to the resolution passed at the 33<sup>rd</sup> Annual General meeting of the Company held on September 29, 2022.

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

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 F**.

## **25. CHANGE IN NATURE OF BUSINESS**

The company had sold its manufacturing facilities situated at Silvassa in Dec.2021 and hence the company exited the business of manufacturing Polyester Texturized Yarn.

The company has commenced Non-Banking Financial business and received Certificate of Registration (COR) as Non-Banking Financial Company (NBFC)- – Micro Finance Institution without accepting public deposits from Reserve Bank of India ("RBI") on 19" December, 2022.

## **26. COMPLIANCE WITH NBFC REGULATIONS**

Your Company has complied and continues to comply with all the regulatory requirements applicable to Non- Banking Financial Institutions as per Reserve Bank of India's guidelines pertaining to Non-Performing Assets, Know Your Customer, Loan to Value, Fair Practices Code, Capital Adequacy, Leverage Ratios etc.

## **27 CODE OF CONDUCT**

The Company has obtained declaration from Managing Director under Para D of Schedule V of Listing Regulations 2015 in respect of compliance of Code of conduct during the year under review.

## **28. FAMILIARISATION PROGRAMME FOR DIRECTORS**

The Members of the Board of the Company are afforded many opportunities to familiarise themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors provide an overview of the operations and familiarise the new Independent and Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organisation structure, constitution of various committees, board procedures, risk management strategies, etc The policy on Company's familiarization program for Independent Directors is posted on Company's website at [www.everlon.in](http://www.everlon.in)

## **29. 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 Equity Shares of Rs.10/- each
No. of outstanding shares at the beginning of the year	71820
No. of shareholder's request received for transfer of shares during the year	1
No. of shareholders to whom shares transferred during the year	1
No. of outstanding shares at the end of the year	71700

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

## **30. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has duly complied with the applicable provisions of Secretarial Standard – 1 on meetings of Board of Directors and Secretarial Standard–2 on General Meetings issued by the Institute of Company Secretaries of India.

**31. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

w) **GENERAL DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year:-

- (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 is not applicable.
- (i) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016

**32 ACKNOWLEDGEMENT**

Your Directors are pleased to place on record their sincere gratitude to the Government, Financial Institutions, Bankers, Business Constituents and Shareholders for their continued and valuable co-operation and support to the Company and look forward to their continued support and co-operation in future too. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

**For and on behalf of the Board of Directors**

**Place:- Mumbai  
Date:- 27/07/2023**

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

**Varsha. J. Vakharia  
Director  
(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                       | : Not Applicable since the company stopped manufacturing activity. |
| (ii) the steps taken by the company for utilising alternate sources of energy | Not Applicable since the company stopped manufacturing activity.   |
| (iii) the capital investment on energy conservation equipment                 | Not Applicable since the company stopped manufacturing activity    |

**(B) TECHNOLOGY ABSORPTION**

NIL

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

Foreign Exchange earned :	NIL
Foreign Exchange outgo :	NIL

**For and on behalf of the Board of Directors**

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

**Varsha. J. Vakharia**  
**Director**  
**(DIN 00052361)**

**Place:- Mumbai**  
**Date:- 27/07/2023**



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the financial year ended March 31, 2023

[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 FINANCIALS LIMITED**  
**67, 6<sup>th</sup> Floor, Regent Chambers,**  
**208, Nariman Point,**  
**Mumbai - 400 021**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EVERLON FINANCIALS 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, 2023, 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, 2023, 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.
- vi. Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking NBFC/ Core Investment Company which are specifically applicable to the Company.

During the year under review, the Company has obtained the Certificate of Registration (COR) as Non-Banking Financial Institution (NBFI) without accepting public deposits from Reserve Bank of India ("RBI") on 19<sup>th</sup> December, 2022 and has become Non-Banking Finance Company (NBFC).

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 & confirm that the company has maintained Structured Digital Database in compliance with the Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for the year ended 31.03.2023.

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. Further, the Authorised Share Capital of the Company is increased from Rs.10 Crore to Rs.25 Crore with effect from September 29, 2022. The Company has made the necessary resolutions and filed the e-Forms with the Ministry of Corporate Affairs and complied 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**

**(SINDHU G NAIR)**  
**Practicing Company secretary**  
**Proprietor**  
**(FCS- 7938, CP- 8046)**  
**UDIN: F007938E000689124**

**Place: Mumbai**  
**Date : 27-07-2023**

**ANNEXURE I TO SECRETARIAL AUDIT REPORT**

To,  
The Members  
**EVERLON FINANCIALS LIMITED**  
**67, 6<sup>th</sup> Floor, Regent Chambers,**  
**208, Nariman Point,**  
**Mumbai - 400 021**

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 on our 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**

**(SINDHU G NAIR)**  
**Practicing Company Secretary**  
**Proprietor**  
**(FCS- 7938, CP- 8046)**

**Place:** Mumbai  
**Date :** 27-07-2023

**ANNEXURE - C****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A. Industry Outlook:-**

NBFCs will play a larger role in supporting the socio economic structure of the Indian economy. The opportunity for credit penetration still remains very high in India. The NBFCs can set a new benchmark by tying up with fintechs and introducing new business models with personalized offerings. NBFCs are the players in the lending space which categorically focus on those at the lower end of the pyramid and are the backbone of any developing economy. They cater to a variety of sectors including renewable energy, vehicles, home, and MSMEs etc.

**B. Opportunities:-**

The future of NBFCs in India looks promising. with expected growth driven by various factors like digital transformation, innovative products, and a robust regulatory framework. The sector is expected to grow at a CAGR of about 15 % every year.

**C. Segment:-**

The company is a non deposit-taking Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India . EFL is engaged in the business of funding Solar plants , investment activities, asset finance and providing of finance by giving loans or advances.

**D. Risk and Concerns:-**

NBFC and its efficient working is not as easy as it seems. Despite of the opportunities provided to the NBFCs, they face a lot of challenges. While starting the NBFC and even in its smooth working, NBFC has been facing a lot of problems such as Refinancing / NBFC Funding, non flexibility in classification of Loans NPA, absence of statutory tools for recovery of loans, lack of capacity of building, lack of education among people, rising interest rates and intense competition from banks etc.

**E. Internal Control Systems:-**

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate system will be implemented to safeguard company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well defined procedures to execute financial transactions. Internal audit is being conducted by an independent firm of Chartered Accountants. The internal auditor monitors and evaluates the efficiency and adequacy of internal control systems in the organization, its compliance with operating systems, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective actions and improvements in their respective areas. Significant audit observations and corrective actions thereupon are presented to the Audit Committee 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 Revenue from operations sales were Rs 514.78 lakhs (net of GST) as compared to Rs 3497.96 lakhs of the previous year. In the previous year, the revenue included the sale of Polyester yarn manufactured by the Company. Since the factory and the production facilities were sold off during the F.Y.2021-22, the figures F.Y.2022-23 are not comparable to the figures of F.Y. 2021-2022.

**G. Industrial and Human Relations:-**

Harmonious industrial relations continue to prevail during the year. The Company believes that the manpower and business network consisting of human being is the primary and most valuable resources to the growth of organization. Your Company put all its efforts for sound and healthy human relation for development of trade and organization.

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

<b>Ratios</b>	<b>FY.2022-23</b>	<b>FY.2021-22</b>
i) Trade Payable Ratio	388.63	90.54
ii) Inventory Turnover	0.41	8.06
iii) Trade Receivable Ratio	0.00	0.00
iv) Current Ratio	7.39	50.75
v) Debt Equity Ratio	0.00	0.00
vi) Debt Service Coverage Ratio	0.00	0.00
vii) Return on Equity Ratio	14.45	27.75
viii) Net Capital Ratio	4.43	10.74
ix) Net Profit Ratio	25.49	5.96
x) Return on Capital Employed	22.53	8.38
xi) Return on Investment	5.88	3.73

**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.

**For and on behalf of the Board of Directors**

**Place:- Mumbai**  
**Date:- 27/07/2023**

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

**Varsha J. Vakharia**  
**Director**  
**(DIN 00052361)**

**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.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
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	Rent
c)	Duration of the contracts/arrangements/transaction	3 Years (01/08/2022 to 31/07/2025)
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.1,00,000/- p.m.
e)	Date of approval by the Board	05/08/2022
f)	Amount paid if any	Rs. 8,80,000/-

**For and on Behalf of the Board of Directors**

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

**Varsha J. Vakharia**  
**Director**  
(DIN 00052361)

Place: Mumbai  
Date: 27/07/2023

## ANNEXURE - E

### 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.

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 – F

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

- a.) 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.2022-23	Director Sittings Fees Paid Rs F.Y.2022-23
1	Shri Jitendra K.Vakharia	Managing Director	NIL	NIL
2	Smt Varsha J.Vakharia	Director	NIL	25,000/-
3	Shri Nitin I. Parekh	Independent Director	NIL	20,000/-
4	Shri. Kiron B. Shenoy	Independent Director`	NIL	25,000/-
5	Shri.Neeraj Sharma	Director	NIL	10,000/-
6	Shri Vivek M. Mane	Chief Financial Officer	4,35,178/-	NIL
7	Shri. Kiran A. Sawant	Company Secretary	6,75,100/-	NIL

Shri. Jitendra K.Vakharia, Managing Director of the company had stopped drawing remuneration with effect from July 01, 2021

- b.) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

.Sl. No	Name of the Directors/KMP	Designation	Remuneration of Directors/ KMP for the year 2022-2023	% Increase in Remuneration in the year 2022-2023	Ratio of Remuneration of each Director to median remuneration of employee
1.	Shri. Jitendra K.Vakharia	Managing Director	Nil	Nil	Nil
2	Smt Varsha J.Vakharia	Non Executive Director	25,000/-*	Nil	N.A.
3	Shri Nitin I. Parekh	Independent Director	20,000/-*	Nil	N.A.
4	Shri. Kiron B. Shenoy	Independent Director	25,000/-*	Nil	N.A.
5	Shri.Neeraj Sharma	Non Executive Director	10,000/-*	Nil	N.A
6	Shri Vivek M. Mane	Chief Financial Officer	4,35,178 /-	6%	1.25
7	Shri. Kiran A. Sawant	Company Secretary	6,75,100/-	6%	1.93

\* Sitting fees paid to Non-executive Directors during the year is not considered as remuneration for ratio calculation purpose.

Shri. Jitendra K.Vakharia, Managing Director of the company had stopped drawing remuneration with effect from July 01, 2021.

c) The median remuneration of employees of the Company during the year was Rs. 3,49,204/-

d) There were 04 permanent employees on the rolls of the Company as at March 31, 2023

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average Percentile Increase for other than managerial personnel: (6%)

Average Percentile Increase for managerial personnel: (6%).

f) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

## (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, 2023 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 from the date of circulation of this notice up to the date of AGM during the business hours on working days.

As required under Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company does not have any employees who:

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate was not less than 1 Crore and 2 Lakh rupees;

(ii) if employed for a part of the financial year were in receipt of remuneration of not less than Eight Lakh and Fifty Thousand per month;

(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. hence, no such details to be provided.

**For and on behalf of the Board of Directors**

**Place:- Mumbai**  
**Date:- 27/07/2023**

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

**Varsha. J. Vakharia**  
**Director**  
**(DIN 00052361)**

## Annexure G

Date: - 24/02/2023

### TO WHOMSOEVER IT MAY CONCERN

#### Auditor's Certificate for change of name of Everlon Synthetics Limited to Everlon Financials Limited

We, M/s. B.L. Dasharda & Associates, Statutory Auditor of **EVERLON FINANCIALS LIMITED (Formerly Known as Everlon Synthetics Limited)** have verified the books of account and other relevant documents and record of the Company in relation to issue a certificate for compliance with the conditions of sub regulation (1) of Regulation 45 of Securities And Exchange Board Of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015 for Change of Company's name from **EVERLON SYNTHETICS LIMITED** to **EVERLON FINANCIALS LIMITED**.

Based on our verification and pursuant to the requirement of provisions of Regulation 45 of Securities And Exchange Board Of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015, we do hereby confirm that:-

- a. A time period of at least one year has elapsed from the last name change;

**The Company has not changed its name since incorporation of the company.**

- b. At least fifty percent of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name.

**Detailed Quarter wise Bifurcation of Income earned in the preceding 1 year period  
January to December 2022 by the company under various activities as per the format  
given below:-**

Particulars		Income (Rs. in Lakhs)		Total Income	Percentage %	
Quarter	period	Old Activity	New Activity	(Rs. in Lakhs)	Old Activity	New Activity
First	Jan – Mar.2022	31.02	5.44	36.46	85.08%	14.92%
Second	Apr – Jun.2022	0	8.49	8.49	0	100%
Third	Jul – Sept.2022	0	22.62	22.62	0	100%
Fourth	Oct- Dec. 2022	0	452.11	452.11	0	100%
		<b>31.02</b>	<b>488.66</b>	<b>519.68</b>	<b>5.97%</b>	<b>94.03%</b>

Total Income from Old Activity -- Rs. 31.02 Lakhs 5.97%

Total Income from New Activity -- Rs. 488.66 Lakhs 94.03%

-----  
Rs. 519.68 Lakhs 100%  
=====

**c. the amount invested in the new activity / project is at least fifty percent of the assets of the listed entity**

The Company has invested entire sale consideration in Investment Activity.

Detailed Bifurcation of amount invested by the company under various activities as per the format given below:-

<b>Particulars</b>	<b>Amount in Rupees</b>
Total Assets of the company	10,77,61,825
50% Total Assets of the company	5,38,80,912
Amount invested in the new activity /project	10,77,61,825
Percentage of Amount invested in the new activity / project to the assets of the listed entity	100 %

We M/s. B.L.Dasharda & Associates, Chartered Accountant hereby confirm and certify that the company has complied with conditions mentioned under sub regulation (1) of Regulation 45 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

**For & on behalf of**  
**B.L.Dasharda & Associates**  
**Chartered Accountants**  
**F. R.No :- 112615W**

**Sushant Mehta**  
**Partner**  
**M. No. 112489**  
**Certificate No.:-52J:019:332**  
**Unique Document Identification Number (UDIN):-23112489BGVKKOQ1961**  
**Dated:-24<sup>th</sup> February 2023**

## INDEPENDENT AUDITORS' REPORT

To the Members,

### EVERLON FINANCIALS LIMITED

(Formerly Known as 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 31<sup>st</sup> March 2023, 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 ("the Act") 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, 2023, 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 Act. 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 Act 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

Attention is invited to the fact that during the year the Company is registered as a Non-Banking Finance Company with the Reserve Bank of India (RBI) vide registration certificate No. N-13.02443 issued on 19th December, 2022. Due to closure of manufacturing operations during the financial year 2021-2022 and commencement of the new business during the financial year 2022-23 the stock of shares are valued, at fair market value as on 31st March, 2023 in accordance with Ind AS 109, Financial Instruments. Had the method of valuation not changed the profit for the year would have been lower by Rs. 64.19 lakhs and the Inventories would have been lower by the same amount.

Our opinion is not modified in respect to the above Emphasis of 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 year. 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 misstatement 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 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. That Board of Directors is 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 uncertainty 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.

Materiality is magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decision of reasonably knowledgeable 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 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 year 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, 2020 ("the Order") issued by the Central Government of India in its terms of sub-section (11) of section 143 of Act, 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 purposes 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 the written representation received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- g) With respect to the 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 explanation given to us, the remuneration paid/ payable by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- 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.
  - d. As per the management representation we report,
    - a) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.
    - b) no funds have been received by the company from any person(s) or entities, including foreign entities (“Funding Parties”), with the understanding that the such company shall whether directly or indirectly lend or invest in other persons or entities identified in any



manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

- c) Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) of Rule 11( e ) by the management contain any material mis-statement.
- i) Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Act does not arise.

For **B.L.Dasharda & Associates**  
*Chartered Accountants*  
**Firm Registration No. :112615W**

**CA Sushant Mehta**  
*Partner*  
**Membership No.112489**

Place : Mumbai  
Dated: 29<sup>th</sup> May, 2023  
**UDIN: 23112489BGVKS2853**

### **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 has maintained proper records showing full particulars including quantitative details, wherever applicable, and situation of Property, Plant and Equipment and Intangible assets;
  - (b) As explained to us, a major portion of the Plant and Equipment and Intangible Assets has been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies were noticed on such verification.
  - (c) The Company does not own any immovable property. Hence this clause of the Order is not applicable to the Company
  - (d) The Company has not revalued any of its Plant and Equipment hence the provision of Clause 3 (i) (d) of the Order is not applicable to the Company.
  - (e) No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.
- (ii) In Respect of its inventory:
 

As explained to us, inventories constitute Stock in trade of Shares. Thus The provisions of clause 3(ii) of the Order is not applicable since the Company does not have any inventory of goods.

During the year the Company has not been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, hence the provision of Clause 3(ii) (b) of the Order is not applicable to the Company.
- (iii) a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any guarantee or security or made investments or granted any loans or advances in the nature of loans, secured or unsecured to subsidiaries, joint venture and associates. The company has not made investments in Companies, Firms, Limited Liability Partnerships and other parties. According to the information and explanations given to us and based on the audit procedures performed by us, the company has granted Unsecured loans ("Loans") to one company and two employees. The aggregate amount of Loans given during the year is Rs 101.68 lakhs and balance outstanding at the Balance sheet date is Rs 101.68 lakhs.
- b) According to the information and explanations given to us and based on the audit procedures conducted by us, the terms and conditions of the Loans granted by the company are prima-facie not prejudicial to the company’s interest;
- c) According to the information and explanations given to us and based on the audit procedures conducted by us, the repayment of the principal amounts of Loans and receipt of interest is regular during the year and the schedule of repayment of principal and interest of all Loans granted by the company have been stipulated;

- d) According to the information and explanations given to us and based on the audit procedures conducted by us, there is no amount overdue in respect of any Loans granted by the company;
  - e) According to the information and explanations given to us and based on the audit procedures conducted by us, the total Loans renewed during the year amounted to Rs NIL.
  - f) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has not granted any Loans repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loan(s) to any party covered under Section 185 and 186 of the Act. In respect of Investments made in Body Corporate by the Company, the provisions of Section 186 of the Act, has been complied with.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified..
- (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 Act.
- (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, GST, custom and excise duty, 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, GST, custom and excise duty, value added tax, cess and any other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given by the management and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account, and which have been surrendered or disclosed as Income in the tax assessments under the Income Tax Act, 1961
- (ix) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence paragraphs (a), (b) ,(c), (d) , (e) & (f) of Clause 3 (ix) of the Order are not applicable.
- (x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and has not availed any term loans during the year under audit. Hence the provisions of clause 3 (x) of the Order is not applicable to the Company.

- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to information and explanations given to us, no material fraud by the company or on the company has been noticed or reported during the course of our audit. Hence the provisions of Clause 3 (xi) of the Order is not applicable to the Company.
- (b) There has been no report filed under sub-Section (12) of Section 143 of the Act by the auditors as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management there were no whistle blower complaints received during the year under audit.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company, hence the provisions of Clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to information and explanations given to us, transactions with related parties are in compliance with Section 177 and 188 of Act, wherever applicable, and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) a) The company has an Internal audit system commensurate with the size and nature of its business.
- b) We have considered the Internal Auditor reports of the company issued till date for the period under audit.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of Clause 3 (xv) the Order is not applicable to the Company.
- (xvi) During the year the company has obtained the NBFC registration under section 45 IA of the Reserve Bank of India Act, 1934 vide Registration Certificate no.- N-13.02443, issued dated 19<sup>th</sup> December, 2022.
- (xvii) The Company has not incurred any cash losses during the current financial year and in the immediately preceding financial year and hence the provision of clause 3 (xvii) is not applicable to the company.
- (xviii) There has not been any resignation of the Statutory auditors during the year. Hence the provision of Clause 3 (xviii) is not applicable to the company.
- (xix) According to the information and explanations given to us on the basis of our examination of the records of the company, no material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date on the financial ratios, ageing, expected dates of realisation of financial assets, payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans. We further state that our reporting is based on the facts up to date of audit report and we neither give any guarantee nor any assurance that all

liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) According to the information and explanations given to us and on the basis of our examination of the records the Company was not required to spend any amount under Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Act;

**For B.L.Dasharda & Associates**  
*Chartered Accountants*  
**Firm Registration No. :112615W**

**CA Sushant Mehta**  
*Partner*  
**Membership No.112489**

Place : Mumbai  
Dated: 29<sup>th</sup> May, 2023  
**UDIN: 23112489BGVKS2853**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EVERLON FINANCIALS 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, 2023 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 Act.

### **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 Act, 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, 2023, 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 **B.L.Dasharda & Associates**  
*Chartered Accountants*  
**Firm Registration No. :112615W**

**CA Sushant Mehta**  
*Partner*  
**Membership No.112489**

Place : Mumbai  
Dated: 29<sup>th</sup> May, 2023  
**UDIN: 23112489BGVKS2853**

EVERLON FINANCIALS LIMITED			
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)			
Standalone Balance Sheet as at 31st March, 2023			
(₹ in lakhs)			
Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022
<b>A - Assets</b>			
<b>1) Financial Assets</b>			
(i) Cash and cash equivalents	4	14.96	88.67
(ii) Bank balances other than (ii) above	5	-	236.80
(iii) Loans	6 (i)	101.68	0.04
(iv) Non-current investments		-	-
(v) Other financial assets	7(i)	-	-
(vi) Other current assets	8(i)	17.66	6.88
<b>Total Financial Assets</b>		<b>134.30</b>	<b>332.39</b>
<b>2) Non Financial Assets</b>			
(i) Inventories	9	834.32	416.28
(ii) Deferred Tax Assets (Net)	10	0.65	-
(iii) Property, Plant & Equipment	11	15.29	20.88
(iv) Loans	6 (ii)	-	-
(v) Other financial Assets	7(ii)	0.03	3.14
(vi) Other non-current assets	8(ii)	44.61	108.80
<b>Total Non Financial Assets</b>		<b>894.90</b>	<b>549.10</b>
<b>Total Assets</b>		<b>1,029.20</b>	<b>881.48</b>
<b>B- Liabilities &amp; Equity</b>			
<b>Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Trade payables	12		
a) total outstanding dues of micro and small enterprises		-	-
b) total outstanding dues of creditors other than micro and small enterprises		1.54	1.86
(ii) Short term borrowings	13(i)	-	-
(iii) Other Financial Current liabilities	14(i)	-	-
(iv) Provisions	15(i)	-	-
(v) Current tax liabilities (Net)		16.62	4.69
<b>Total Financial Liabilities</b>		<b>18.16</b>	<b>6.55</b>
<b>(b) Non Financial Liabilities</b>			
(i) Long term borrowings	13(ii)	-	-
(ii) Other Non Financial Current liabilities	14(ii)	-	-
(iii) Provisions	15(ii)	10.63	9.25
(iv) Other current liabilities	16	0.17	0.28
<b>Total Non Financial Liabilities</b>		<b>10.80</b>	<b>9.53</b>
<b>Equity</b>			
(a) Equity share capital	17	562.41	562.41
(b) Other Equity	18	437.83	303.00
<b>Total Equity</b>		<b>1,000.24</b>	<b>865.41</b>
<b>Total Liabilities and Equity</b>		<b>1,029.20</b>	<b>881.48</b>
The accompanying notes are an integral part of the financial statements.			
As per our report of even date attached			
For and on behalf of		For and on behalf of the Board of Directors	
<b>B L Dasharda &amp; Associates</b>			
Chartered Accountants			
F.R.No: 112615W			
Sushant Mehta		J.K.Vakharia	V.J.Vakharia
Partner		Managing Director	Director
M. No. 112489		Din:00047777	Din:00052361
		Vivek Mane	Kiran A Sawant
		Chief Financial Officer	Company Secretary
Place: Mumbai		Place: Mumbai	
Dated : 29th May ,2023		Dated : 29th May ,2023	
UDIN NO:23112489BGVKS2853			



EVERLON FINANCIALS LIMITED (FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED) Standalone Statement of Profit and Loss for the Year ended 31st March, 2023			
(₹ in lakhs)			
Particulars	Note No	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>CONTINUING OPERATIONS</b>			
<b>I. Income:</b>			
Revenue from operations	19	514.78	3,497.96
Other Income	20	14.20	42.63
<b>Total Income</b>		<b>528.98</b>	<b>3,540.58</b>
<b>II. Expenses:</b>			
Cost of materials consumed	21	-	2,781.57
Purchase of Traded goods	22	660.57	-
Changes in inventories	23	(418.04)	119.72
Employee benefit expense	24	15.99	136.38
Finance costs	25	0.47	24.14
Depreciation and amortization expense	11	6.95	22.41
Other Expenses	26	53.39	423.67
<b>Total Expenses</b>		<b>319.32</b>	<b>3,507.90</b>
<b>III. Profit / (Loss) before exceptional items tax (I -II)</b>		<b>209.66</b>	<b>32.68</b>
IV. Exceptional Items		-	197.85
<b>IV. Profit / (Loss) before Tax (III+IV)</b>		<b>209.66</b>	<b>230.53</b>
<b>V. Tax expense:</b>			
Current tax		35.00	33.40
Earlier Year Tax		-	-
Mat credit		40.48	(13.76)
Deferred Tax		(0.65)	-
<b>VI. Profit / (Loss) from continuing operations (IV -V)</b>		<b>134.83</b>	<b>210.89</b>
<b>VII: Other Comprehensive Income</b>			
<b>a) Items that will not be reclassified to profit or loss</b>			
Changes in fair value of investments in equities carried at Fair value through OCI		-	-
Income tax on items that will not be reclassified Subsequently to the statements of profit and loss		-	-
<b>b) Items that will be reclassified to profit or loss</b>			
Changes in fair value of investments other than equity share carried at Fair value through OCI		-	-
Income tax on items that will be reclassified Subsequently to the statements of profit and loss		-	-
<b>Other Comprehensive Income / (Loss), net of tax</b>		-	-
<b>VIII. Total Comprehensive Income / (Loss) for the Year (VI-VII)</b>		<b>134.83</b>	<b>210.89</b>
<b>IX: Earnings per equity share of ₹ 10 each (for continuing operation):</b>			
Basic (₹)		2.40	3.75
Diluted (₹)		2.40	3.75
The accompanying notes are an integral part of the financial statements.			
As per our report of even date attached For and on behalf of <b>B L Dasharda &amp; Associates</b> Chartered Accountants F.R.No: 112615W		<b>For and on behalf of the Board of Directors</b>	
Sushant Mehta Partner M. No. 112489		J.K.Vakharia Managing Director Din:00047777	V.J.Vakharia Director Din:00052361
Place: Mumbai Dated : 29th May ,2023 UDIN NO: 23112489BGVKS2853		Vivek Mane Chief Financial Officer	Kiran A Sawant Company Secretary
		Place: Mumbai Dated : 29th May ,2023	

EVERLON FINANCIALS LIMITED (FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED) Standalone Statement of Cash Flow for the Year ended 31st March, 2023 (₹ in lakhs)		
Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Cash flows from operating activities</b>		
<b>Profit before tax and Extraordinary items as per statement of profit and loss</b>	209.66	32.68
Adjustments to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	6.95	22.41
Amortisation of Intangible Assets	-	-
Profit on Disposal/Write Off of Fixed Assets (Net)	-	-
Net (Gain)/Loss on Sale of Investments	-	(31.63)
Interest income	(9.01)	(5.23)
Dividend income	-	(5.08)
Finance Cost	0.47	24.14
Unrealised (Gain)/Loss	-	-
<b>Operating profit before working capital changes</b>	<b>208.07</b>	<b>37.29</b>
Movement in Working Capital:		
Decrease / (increase) in Inventories	(418.04)	35.77
Decrease / (increase) in Trade and other receivables	-	296.02
Decrease / (increase) in other non-current financial assets	-	-
Decrease / (increase) in other current financial assets	3.11	(1.32)
Decrease / (increase) in Other current assets	(10.78)	6.47
Decrease / (increase) in Other non current assets	64.19	(39.26)
Increase / (Decrease) in Trade payable	(0.32)	(55.87)
Increase / (Decrease) in Provision	1.38	(26.92)
Increase / (Decrease) in financial liabilities	-	-
Increase / (Decrease) in Other current liabilities	(0.11)	(10)
<b>Cash generated from/(used in) operations</b>	<b>(152.49)</b>	<b>242.02</b>
Direct taxes paid, net of refunds	(63.54)	(15.65)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(216.03)</b>	<b>226.37</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, plant and equipment including CWIP	(1.37)	(107.91)
Proceeds from sale of Property, plant and equipment	-	574.29
Fixed Deposits placed	236.80	(193.39)
Proceeds from Sale of Investment	-	31.63
Dividend income	-	5.08
Interest income	9.01	5.23
<b>Net cash from/(used in) investing activities (B)</b>	<b>244.44</b>	<b>314.93</b>
<b>Cash flows from financing activities</b>		
Finance costs	(0.47)	(24.14)
Proceeds from Secured Loan	-	(402.57)
Proceeds from Long Tern Loan	-	(32.39)
Loans Given	(101.68)	-
Loans Returned	0.04	3.76
Dividend on equity shares (including dividend distribution tax)	-	-
<b>Net cash from/(used in) financing activities (C)</b>	<b>(102.12)</b>	<b>(455.33)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(73.71)</b>	<b>85.97</b>
Cash and Cash equivalents at the beginning of year	88.67	2.70
<b>Cash and Cash equivalents at the end of the year</b>	<b>14.96</b>	<b>88.67</b>
Notes:		
1. The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS-7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.		
2. Previous year's figures have been regrouped and rearranged wherever necessary.		
<b>As per our report of even date attached</b>		
<b>For and on behalf of</b>	<b>For and on behalf of the Board of Directors</b>	
<b>B L Dasharda &amp; Associates</b>		
<b>Chartered Accountants</b>		
<b>F.R.No: 112615W</b>		
	<b>J.K.Vakharia</b>	<b>V.J.Vakharia</b>
	<b>Managing Director</b>	<b>Director</b>
	<b>Din:00047777</b>	<b>Din:00052361</b>
<b>Sushant Mehta</b>		
<b>Partner</b>		
<b>M. No. 112489</b>	<b>Vivek Mane</b>	<b>Kiran A Sawant</b>
	<b>Chief Financial Officer</b>	<b>Company Secretary</b>
<b>Place: Mumbai</b>	<b>Place: Mumbai</b>	
<b>Dated : 29th May ,2023</b>	<b>Dated : 29th May ,2023</b>	
<b>UDIN NO: 23112489BGVKS2853</b>		

**EVERLON FINANCIALS LIMITED**  
**(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)**  
**Statement of Changes in Equity**

**(A) Equity Share Capital**

(₹ in lakhs)

Particulars	Number of Shares	Amount
<b>At 1st April, 2022</b>	56,22,240	562.22
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	56,22,240	562.22
Changes in Equity Share Capital during the Year	-	-
<b>At 31st March, 2023</b>	<b>56,22,240</b>	<b>562.22</b>
Particulars	Number of Shares	Amount
<b>At 1st April, 2021</b>	56,22,240	562.22
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	56,22,240	562.22
Changes in Equity Share Capital during the Year	-	-
<b>At 31st March, 2022</b>	<b>56,22,240</b>	<b>562.22</b>

**(B) Other Equity**

Particulars	Reserves and Surplus		Other Comprehensive Income		Total
	Retained Earnings (Note 18)	Securities Premium (Note 18)	Equity Instrument through OCI (Note 18)	Debt Instrument through OCI (Note 18)	Total Equity
<b>Balance as at 1st April, 2021</b>	14.26	77.85	-	-	<b>92.11</b>
Profit for the Year	210.89	-	-	-	<b>210.89</b>
Non Current Financial Assets	-	-	-	-	-
Deferred Tax (Charges)/ Credit	-	-	-	-	-
<b>Balance as at 31 st March, 2022</b>	<b>225.15</b>	<b>77.85</b>	-	-	<b>303.00</b>
Profit for the Year	134.83	-	-	-	<b>134.83</b>
Mat Credit	-	-	-	-	-
Non Current Financial Assets	-	-	-	-	-
Deferred Tax (Charges)/ Credit	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>359.98</b>	<b>77.85</b>	-	-	<b>437.83</b>

As per our report of even date attached

For and on behalf of  
**B L Dasharda & Associates**  
Chartered Accountants  
F.R.No: 112615W

**Sushant Mehta**  
Partner  
M. No. 112489

Place: Mumbai  
Dated : 29th May ,2023  
UDIN NO:23112489BGVKS2853

For and on behalf of the Board of Directors

**J.K.Vakharia**                      **V.J.Vakharia**  
Managing Director                  Director  
Din:00047777                      Din:00052361

**Vivek Mane**                      **Kiran A Sawant**  
Chief Financial Officer              Company Secretary

Place: Mumbai  
Dated : 29th May ,2023

**EVERLON FINANCIALS LIMITED**  
**(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)**  
**Notes to the Standalone financial statement**

**1 Corporate Information**

**Everlon Financials Limited (Formerly known as Everlon Synthetics Limited)** ("the Company") is a listed entity incorporated in India under the Companies Act, 1956 and register vide CIN L65100MH1989PLC052747 on July 26, 1989. The Company is now registered as a Non-Banking Finance Company with the Reserve Bank of India (RBI) vide registration certificate No.N-13.02443 issued dated December 19, 2022 after closure of its entire manufacturing operations during the current year.

The company is now in the business of providing financial services, trading and investment in the securities market.

**2 Statement of Compliance**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

**3 Summary of Significant Accounting Policies**

**(a) Basis of preparation and Presentation**

The Ind AS Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the guidelines issued by the RBI, wherever applicable and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ("RBI Notification") issued by RBI as applicable to NBFC. The Company uses accrual basis of accounting except in case of significant uncertainties.

**(b) Basis of Measurement**

The Ind AS Financial Statements have been prepared as a going concern on historical cost basis using Indian Rupees as its functional and reporting currency, which is depicted as "Rs", "INR" or "₹". The Management has followed the going concern as it is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

**(c) Fair Value Measurement**

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial assets and liabilities are measured at fair value based on quoted market prices in active markets, or in its absence thereof, using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(d) Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Such estimates have inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on Management's estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustments to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, fair value of financial assets/liabilities and impairment of investments, etc.

**(e) Financial Instruments**

A Financial Instruments (assets and liabilities) is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Instruments are recognised when the Company becomes a party to the contractual provisions of the instruments. For tradable securities, the company recognizes the financial instruments on settlement date.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

**Financial Assets:**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivable and cash and cash equivalents.

Financial assets are classified into various measurement categories as per Ind AS 109 "Financial Instruments" and Ind AS 32 "Financial Instruments: Presentation" as follows.

**i) Financial Assets measured at Amortized Cost:**

A financial asset is subsequently measured at Amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**EVERLON FINANCIALS LIMITED**  
**(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)**  
**Notes to the Standalone financial statement**

- ii) Debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI):**  
A debt instrument is subsequently measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.  
Debt instruments included within the FVTOCI category are measured at each reporting date at fair value with such changes being recognized in Other Comprehensive Income (OCI).  
The interest income on these assets is recognized in the Statement of Profit and Loss.
- iii) Equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI):**  
An unquoted equity asset, not held for trading, is subsequently measured at FVTOCI at each reporting date at fair value with such changes being recognized in the Statement of Profit and Loss.  
The dividend income on these assets is recognized in the Statement of Profit and Loss.
- iv) Equity instruments through Fair Value Through Profit and Loss Account (FVTPL):**  
Equity investments that are not classified to be measured through FVTOCI are measured through FVTPL. Subsequent changes in fair value are recognized in the Statement of Profit and Loss.
- v) The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.  
On derecognition of the asset, cumulative gain or loss previously recognized in OCI or gains and loss on sale is reclassified from OCI to the Statement of Profit and Loss.**
- vi) Financial Liabilities and Equity Instruments:**  
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the company is recognized at the proceeds received, net of directly attributable transaction cost.  
Financial liabilities are liabilities that represent a contractual obligation to deliver cash or another financial asset to another entity, or a contract that may or will be settled in the entity's own equity instruments. Trade payables, debt securities and other borrowings and subordinated debts are various types of financial liabilities.  
After initial recognition, all financial liabilities are subsequently measured at amortized cost. Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.  
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.
- f Impairment of Financial Assets:**  
The carrying values of Financial Assets are reviewed for any possible impairment at each balance sheet date. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have asset or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the Statement of Profit and Loss.
- g Property, Plant & Equipment**  
Property, Plant & Equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 "Property, Plant & Equipment".
- h Depreciation**  
The Company has provided for depreciation using the written down value method over the estimated useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 as per the useful life specified therein.
- i Revenue Recognition**  
Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.  
Sale of shares and securities is accounted on execution of contract notes.  
Dividend income on equity shares is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend. Dividends on trading inventory are recognized as operating income, while dividends on investment are classified as "other income".
- j Cash, cash equivalents and other bank deposits**  
Cash and cash equivalents include cash on hand and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.  
Bank deposits with maturity exceeding three months are disclosed in "Bank balance other than above" i.e. other than cash and cash equivalents.
- k Inventories**  
Inventories comprise of Shares and are valued at fair value as per Ind AS 109 "Financial Instruments". Cost for the purpose of closing stock valuation has been taken as per the closing Market Value of the respective scrip.
- l Employee Benefits**  
Employee benefits are provided in the books in the following manner:  
Defined Contribution Plans : Company's contributions paid/ payable during the year to provident fund, ESIC, Labour Welfare Fund and Superannuation Fund are recognised in the Statement of Profit & Loss.  
Defined Benefit Plans: The company's liabilities towards gratuity and leave encashment, a defined benefit obligation, has been made on the basis of actual amount due as against the past practice of actuarial valuation due to significant reduction in the number of employees.

**EVERLON FINANCIALS LIMITED**  
**(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)**  
**Notes to the Standalone financial statement**

**m Direct Taxes**

**Current Tax**

Current 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 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax law used to compute the amounts are those that are enacted or substantively enacted, at the reporting date.

**Minimum Alternate Tax (MAT)**

MAT paid in accordance with the tax laws, which gives future economics benefits in the form of adjustment to future income tax liability, is considered as an asset if it is probable that the Company will pay normal income tax against which the MAT paid will be adjusted.

**Deferred Tax**

Deferred income tax is provided, using the liability method, on all temporary difference at the balance sheet date between the tax bases of asset and the carrying amount liabilities used in the computation of taxable profit and their carrying amounts in the financial statements for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax asset and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in OCI or in Other Equity.

Deferred tax asset and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**n Provision for Doubtful Debts and Written-off of bad debts**

Provision are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Debts specifically considered fully or partially irrecoverable are written-off and provision against sub-standard and doubtful asset is made in accordance with the guidelines issued by RBI under the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. Sums recovered against debts earlier written off and provision no longer considered necessary in the context of the current status of the borrower are written back.

**EVERLON FINANCIALS LIMITED**  
**(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)**  
**Notes to the Standalone financial statement**

**o Contingent Liabilities & Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not have any contingent assets in the financial statements.

**p Earning per share (EPS)**

The Company report basic and diluted earnings per share in accordance with Ind AS 33 "Earning per Share". The Basic EPS is computed by dividing the profit after taxes by the weighted number of equity shares outstanding during the accounting period. The diluted EPS is computed using the weighted average number of the aggregate of equity shares outstanding at the end of the year and those that may be possible issued in the near future.

**q Effective Amendments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022 as below.

**(i) Ind AS 103- Business Combination**

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not have any significant impact in this standalone financial statements.

**(ii) Ind AS 16-Property, Plant and Equipment (PPE)**

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Company has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its standalone financial statements.

**(iii) Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets**

The amendments specify that the 'cost of fulfilling ' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Company does not have any significant impact in its standalone financial statements.

**(iv) Ind AS 109-Financial Instruments**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Company does not have any significant impact in its standalone financial statements.

**3 Use of Judgment's, Estimates and Assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialize. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised .

**EVERLON FINANCIALS LIMITED**  
**(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)**  
**Notes to the Standalone financial statement**

	(₹ in lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents consist of the following:		
(i) Balances with banks		
In current accounts	4.13	43.86
In Fixed Deposits Accounts with Original Maturity upto 3months	10.00	43.21
(ii) Cash on hand	0.83	1.59
	<b>14.96</b>	<b>88.67</b>
<b>NOTE 5: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
(i) Earmarked balance towards dividend	-	-
(ii) In Fixed Deposits Accounts with Original Maturity more than 3 months	-	236.80
	-	<b>236.80</b>
<b>NOTE 6: LOANS</b>		
<b>(i) Short-term loans</b>		
(a) Loans & advances to employees	2.54	0.04
(b) Loans Receivables considered good – Secured;	99.14	-
(c) Loans Receivables considered good – Unsecured;	-	-
(d) Loans Receivables which have significant increase in Credit Risk; and	-	-
(e) Loans Receivables – credit impaired.	-	-
	<b>101.68</b>	<b>0.04</b>
<b>(ii) Long-term loan</b>		
(a) Loans & advances to employees		
(b) Loans Receivables considered good – Secured;	-	-
(c) Loans Receivables considered good – Unsecured;	-	-
(d) Loans Receivables which have significant increase in Credit Risk; and	-	-
(e) Loans Receivables – credit impaired.	-	-
	-	-



**EVERLON FINANCIALS LIMITED**  
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**Notes to the Standalone financial statement**

	As at 31st March, 2023	As at 31st March, 2022
<b>NOTE 7: OTHER FINANCIAL ASSETS</b>		
Other financial assets consist of the following:		
<b>(i) Current financial assets</b>		
(a) Advances recoverable in cash or kind (Unsecured Considered good)	-	-
(b) Interest accrued on deposits	-	-
	<u>-</u>	<u>-</u>
<b>(ii) Non-current financial assets</b>		
(a) Advances recoverable in cash or kind (Unsecured Considered good)	-	-
(b) Interest accrued on deposits	0.03	3.14
	<u>0.03</u>	<u>3.14</u>
<b>NOTE 8: OTHER ASSETS</b>		
Other assets consist of the following:		
<b>(i) Other current assets</b>		
Considered good unless otherwise stated		
(a) Security deposits	-	-
(b) Prepaid expenses	0.05	0.05
(c) Balance with statutory/government authorities	17.57	6.83
(d) Other Receivables	0.04	-
	<u>17.66</u>	<u>6.88</u>
<b>(ii) Other non-current assets</b>		
Considered good		
(a) Security deposits	0.01	17.54
(b) Prepaid expenses	-	-
(c) Balance with statutory/government authorities	44.60	15.96
(d) Other Receivable	-	75.30
	<u>44.61</u>	<u>108.80</u>
<b>NOTE 9: INVENTORIES</b>		
Stock in Trade of Shares	834.32	416.28
	<u>834.32</u>	<u>416.28</u>
<b>NOTE 10: DEFERRED TAX ASSETS (NET)</b>		
Deferred Tax Assets		
Carry Forward Losses	-	-
Impact of difference between tax depreciation and Depreciation/ Amortisation charge for the financial reporting	0.65	-
Deferred Tax Liability	-	-
	<u>0.65</u>	<u>-</u>

EVERLON FINANCIALS LIMITED  
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)  
Notes to the Standalone financial statement

**NOTE 11: Property Plant and Equipment-As at 31st March,2023**

(₹ in lakhs)

Particulars	Gross Block			Depreciation and Amortisation				Net Block		
	As at 1st April, 2022	Additions	Deductions	As at 31st March, 2023	As at 1st April, 2022	For the Year	Deductions	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Computer	7.88	-	-	7.88	7.09	0.50	-	7.59	0.29	0.79
Vehicles	34.24	-	-	34.24	14.16	6.27	-	20.43	13.81	20.09
Air Conditioners	-	1.37	-	1.37	-	0.18	-	0.18	1.19	-
<b>Total</b>	<b>42.13</b>	<b>1.37</b>	<b>-</b>	<b>43.50</b>	<b>21.25</b>	<b>6.95</b>	<b>-</b>	<b>28.20</b>	<b>15.29</b>	<b>20.88</b>
<b>Previous Year</b>	<b>661.46</b>	<b>107.91</b>	<b>727.24</b>	<b>42.13</b>	<b>349.64</b>	<b>22.41</b>	<b>350.80</b>	<b>21.25</b>	<b>20.88</b>	

**EVERLON FINANCIALS LIMITED**  
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)

Notes to the Standalone financial statement

(₹ in lakhs)

	As at 31st March,2023	As at 31st March,2022
<b>NOTE-12: TRADE PAYABLES</b>		
(i) MSME		
Not Due	-	-
(ii) Others		
Not Due	1.54	1.86
(iii) Disputed dues MSME	-	-
(iv) Disputed dues Others	-	-
	<b>1.54</b>	<b>1.86</b>
All Trade Payables are not due and hence detailed ageing not given.		
<b>NOTE-13: BORROWINGS</b>		
<b>(i) Short-term Borrowing</b>		
<b>Unsecured-At amortised Cost</b>		
Loans from Related parties	-	-
	-	-
<b>(ii) Long -Term Borrowing</b>		
<b>Unsecured-At amortised Cost</b>		
Loans from Related parties	-	-
	-	-
<b>NOTE-14: OTHER FINANCIAL LIABILITIES</b>		
Other financial liability consist of the following:		
<b>(i) Other Financial Current Liabilities</b>		
Employee Dues	-	-
Other Dues	-	-
	-	-
<b>(ii) Other Financial Non- Current Liabilities</b>		
Employee Dues	-	-
Other Dues	-	-
	-	-
<b>NOTE-15 : PROVISIONS</b>		
Provisions consist of the following:		
<b>(i) Long term provisions</b>		
(a) Provision for gratuity	10.63	9.24
(b) Unclaimed Fractional Shares	0.01	0.01
	<b>10.63</b>	<b>9.25</b>
<b>(ii) Short term provisions</b>		
(a) Provision for gratuity	-	-
(b) Unclaimed Fractional Shares	-	-
	-	-
<b>NOTE-16: OTHER CURRENT LIABILITIES</b>		
Statutory Dues	0.14	0.28
Provision for Expenses	0.03	-
	<b>0.17</b>	<b>0.28</b>

**EVERLON FINANCIALS LIMITED**  
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Notes to the Standalone financial statement

(₹ in lakhs)

As at 31st March, 2023	As at 31st March, 2022
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**NOTE 17 : SHARE CAPITAL****Authorised Share Capital**

2,50,00,000 (P.Y. 1,00,00,000) Equity Shares of ₹.10/- each

2,500.00	1,000.00
<b>2,500.00</b>	<b>1,000.00</b>

**Issued, subscribed and fully paid-up**

56,22,240 (P.Y. 56,22,240) Equity Shares of ₹.10/- each fully paid up

562.22                      562.22

Add: Paid up value of Shares

0.19                              0.19

Forfeited 3120 Equity Shares of ₹.10/- each

( Previous Year Forfeited 3120 Equity Shares of ₹.10/- each)

<b>562.41</b>	<b>562.41</b>
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**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	As at 31st March, 2023		As at 31st March, 2022	
	Nos.	Amount	Nos.	Amount
At the beginning of the Year	56,22,240	562.22	56,22,240	562.22
Changes during the year	-	-	-	-
Outstanding at the end of the period	<b>56,22,240</b>	<b>562.22</b>	<b>56,22,240</b>	<b>562.22</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Nos.	% holding in the class	Nos.	% holding in the class
Jitendra K Vakharia-HUF	12,21,320	21.72%	12,21,320	21.72%
Jitendra K Vakharia	11,67,776	20.77%	11,67,776	20.77%
Varsha J. Vakharia	9,69,249	17.24%	9,60,958	17.09%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**(d) Details of Shareholding of Promoters**

Promoter's Name	Shares held by Promoter at the end of the year				% of Change During the year
	As at 31st March,2023		As at 31st March,2022		
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Jitendra K Vakharia-HUF	12,21,320	21.72%	12,21,320	21.72%	NA
Jitendra K Vakharia	11,67,776	20.77%	11,67,776	20.77%	NA
Varsha J. Vakharia	9,69,249	17.24%	9,60,958	17.09%	0.86%
Prachi J. Vakharia	2,35,031	4.18%	2,35,031	4.18%	NA
Vakharia Synthetics LLP	2,28,192	4.06%	2,28,192	4.06%	NA
Everest Yarn Agency Pvt Ltd	1,79,783	3.20%	1,79,783	3.20%	NA
Kantilal V.Vakharia-HUF	32,400	0.58%	32,400	0.58%	NA
Tarun K.Vakharia	4,560	0.08%	4,560	0.08%	NA
Tarun K.Vakharia-HUF	816	0.01%	816	0.01%	NA

## EVERLON FINANCIALS LIMITED

(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)

Notes to the Standalone financial statement

(₹ in lakhs)

	As at 31st March,2023	As at 31st March,2022
<b>NOTE-18 : OTHER EQUITY</b>		
<b>Securities Premium Reserve</b>		
Opening balance	77.85	77.85
<b>Closing balance</b>	<b>77.85</b>	<b>77.85</b>
<b>Retained Earning</b>		
Opening balance	225.15	14.26
Profit for the year	134.83	210.89
<b>Closing Balance</b>	<b>359.98</b>	<b>225.15</b>
<b>Other Comprehensive Income</b>		
Opening balance	-	-
Add: Movement in OCI (Net) During the year	-	-
	-	-
<b>Total Other Equity</b>	<b>437.83</b>	<b>303.00</b>
<b>Nature and purpose of reserves</b>		

EVERLON FINANCIALS LIMITED		
(FORMERLY KNOWN AS EVERLON SYNTHETICS LIMITED)		
Notes to the Standalone financial statement		
(₹ in lakhs)		
	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>NOTE 19 : REVENUE FROM OPERATIONS</b>		
Sales of Products	-	3,497.96
Sales of Shares	509.02	-
Dividend from Shares	5.76	-
	<b>514.78</b>	<b>3,497.96</b>
<b>NOTE 20 : OTHER INCOME</b>		
Interest on Others	2.38	-
Interest on Fixed Deposit	6.62	5.23
Dividend Income	-	5.08
Profit on Sale of Investment	-	31.63
Interest Recd on Overdue Ac	0.94	-
Miscellaneous Income	4.26	0.68
	<b>14.20</b>	<b>42.63</b>
<b>NOTE 21 : COST OF MATERIALS CONSUMED</b>		
Raw Material		
Inventory at the beginning of the Year	-	83.89
Purchases	-	2,697.68
	-	2,781.57
Less: Inventory at the end of the Year	-	-
	-	<b>2,781.57</b>
<b>NOTE 22 : PURCHASE OF STOCK IN TRADE</b>		
Purchase of Shares & Securities	660.57	-
	<b>660.57</b>	-
<b>NOTE 23 : CHANGE IN INVENTORIES OF FINISHED GOOD, WORK IN PROGRSS &amp; STOCK IN TRADE</b>		
<b>Inventories at the end of the Year:</b>		
Stock in Trade of Shares	834.32	-
	<b>834.32</b>	-
<b>Less: Inventories at the beginning of the Year:</b>		
Finished Goods (Manufacturing)	-	89.45
Work in Progress (Manufacturing)	-	30.28
Stock in Trade of Shares	416.28	-
	<b>416.28</b>	<b>119.72</b>
	<b>(418.04)</b>	<b>119.72</b>
<b>NOTE 24 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages and bonus	15.07	132.36
Contributions to Provident Fund etc.	0.84	2.70
Staff welfare expenses	0.08	1.32
	<b>15.99</b>	<b>136.38</b>
<b>NOTE 25 : FINANCE COSTS</b>		
Bank Interest	-	20.89
Bank Charges	-	3.25
Interest Paid-Others	0.07	-
Interest Paid on GST/TDS	0.40	-
	<b>0.47</b>	<b>24.14</b>
<b>NOTE 26 : OTHER EXPENSES</b>		
Packing Materials Consumed	-	186.48
<b>Repairs &amp; Maintenance :</b>		
Plant & Machinery	-	15.48
Others	0.45	1.54
Manufacturing Expenses	-	9.45
Export Charges	-	0.26
<b>Auditor's Remuneration:</b>		
Audit Fees	1.00	1.00
Audit Fees-Certification	0.70	0.40
Annual Listing Fees	3.23	3.00
Advertisement Expenses	1.02	-
Bank Charges & Commission	0.39	0.09
Commission Paid on Sale	-	2.28
Discount Paid	-	0.28
Director Sitting Fees	0.80	0.75
Insurance	0.50	3.12
Legal & Professional Charges	9.31	10.06
Share Transaction Expenses	2.03	-
Power & Fuel	2.74	160.44
Communication Expenses	0.72	1.02
Printing & Stationery	0.43	0.32
Rent, Rates & Taxes	8.80	2.40
Travelling & Conveyance	2.25	4.82
Donation	0.50	-
Speculation Profit / Loss	0.10	-
Taxes Paid	14.25	11.51
Miscellaneous Expenses	4.17	8.97
	<b>53.39</b>	<b>423.67</b>

**EVERLON FINANCIALS LIMITED**  
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**Notes to the Standalone financial statement**

**27 Leases****Operating Lease**

The leasing arrangements are in most cases renewable by mutual consent, on mutually agreeable terms.

The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other Expenses".

Future lease rentals payable in respect of residential and office premises is as follows:

(₹ in lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
i. Payable Not later than one year	8.80	2.40
ii. Payable Later than one year but not later than Three years	36.00	24.80
<b>Total</b>	<b>44.80</b>	<b>27.20</b>

**28 Contingent liabilities & Capital Commitments: NIL****29 Forward contracts outstanding as at the Balance Sheet date**

There are no forward contracts outstanding as at balance sheet date.

**30 Gratuity and other post-employment benefit plans.****30.1 Defined Contribution Plans :**

The Company has recognised the following amounts in the Statement of Profit and Loss :

(₹ in lakhs)

Particulars	As at 31st March,2023	As at 31st March,2022
Employer's contribution to Provident Fund	0.84	2.70

**30.2 Defined Benefits Plans :**

The provision for Gratuity has been done on the basis on entitlements, due to insignificant number of employees, being employed . The provision for gratuity includes Gratuity dues of Director Mr. Jitendra K. Vakharia of Rs 8.65 lakhs and Employee's Gratuity dues of Rs 1.97 Lakhs.

**31 Details of foreign Exchange Earning and Outgo: NIL****32 Corporate Social Responsibility (CSR)**

The company is not liable to incur any expenditure under the CSR guidelines notified by The Ministry of Company Affairs.

**33 Earnings per share****Basic and Diluted earnings per share**

The following reflects the income and share data used in the Basic and Diluted EPS computation:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit for the year attributable to equity holders for Basic and Diluted Earnings (₹ in lakhs)	134.83	210.89
Number of equity shares for Basic/ Diluted EPS	56,22,240	56,22,240
Earnings per share - Basic/ Diluted (in ₹) (face value of ₹ 10 per share)	2.40	3.75

**34 Segment Reporting**

The Company's business activity during the current year is only dealing in Shares . Thus, in the context of Indian Accounting Standard - 108 "Segment Reporting", issued by the Institute of Chartered Accountants of India, there is only one identified reportable segment.

**35 Loans & Advances**

The company has granted Unsecured loans to Companies, Firms, Limited Liability Partnerships and various other parties other than those covered under section 185 of the Act. The aggregate amount of Loans given during the year is ₹.101.68 lakhs and balance outstanding at the Balance sheet date is ₹.101.68 lakhs (P.Y.₹.0.04 lakhs).

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**36 Ratios:**

Sr No.	Particulars	Current Year	Previous Year	Difference	Change %	Reason for Variance
1	Current Ratio (Current Assets/Current Liability)	7.39	50.75	-43.35	-85.43%	Due to investments in Shares the ratio has declined.
2	Debt-Equity Ratio	-	-	-	-	The Company is debt free hence not applicable.
3	Debt Service Coverage Ratio	-	-	-	-	
4	Return on Equity Ratio (Net Profit after Taxes/ Average Net Worth)	14.45%	27.75%	-13.30%	-47.91%	Due to lower Net Profits the ratio has declined.
5	Inventory Turnover Ratio (Cost of Goods Sold /Average Inventory )	0.41	8.06	(7.65)	-94.89%	Due to change in the nature of business the ratio has declined.
6	Trade Receivables Ratio (Revenue from Operation/Average Trade receivables)	-	-	-	-	
7	Trade Payables Ratio (Net Credit Purchases / Average Trade Payable)	388.63	90.54	298.09	329.23%	Due to change in the nature of business the ratio has improved.
8	Net Capital Turnover Ratio ( Revenue from Operations / Average Working Capital)	4.43	10.74	(6.30)	-58.71%	Due to change in the nature of business the ratio has declined.
9	Net Profit Ratio (Net profit After Tax /Total Income )	25.49%	5.96%	19.53%	327.92%	Due to change in the nature of business the ratio has improved.
10	Return on Capital employed (EBIT /Average Capital Employed)	22.53%	8.38%	14.15%	168.87%	Due to change in the nature of business the ratio has improved.
11	Return on Investment (Interest Income/Average Loans & Fixed Deposit Investment)	5.88%	3.73%	2.14%	57.44%	Due to Increase in Interest Income the ratio has been improved.

**37** According to the information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to micro and small enterprises under the said Act as at 31st March,2023 as follows:

Particulars	(₹ in lakhs)	
	As at 31st March,2023	As at 31st March,2022
Principle Amount Not Due	-	-
Interest due on above	-	-
Amount of interest paid in terms of section 16 of the MSME Act,2006	-	-
Amount of interest due and payable for the period of delay	-	-
Amount of interest accrued and remaining unpaid as at year end	-	-
Amount of further interest remaining due and payable in the succeeding year	-	-



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**38 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximise the shareholder value and to safeguard the companies ability to remain as a going concern.

The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The current capital structure of the company is equity based with no financing through borrowings. The company is not subject any externally imposed capital requirement.

No changes were made in the objectives, policies or processes during the year ended 31st March, 2023 and 31st March, 2022 respectively.

**39 Fair value Measurements****39.1 Financial assets & Liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below.

As at 31st March 2023	Fair Value through other comprehensive income	Amortised Cost
<b>Financial assets</b>		
(i) Investments	-	-
(ii) Cash and Cash equivalents	-	14.96
(iii) Loans	-	101.68
(iv) Other financial assets	-	-
(v) Other current assets	-	17.66
<b>Total</b>	-	<b>134.30</b>
<b>Financial Liabilities</b>		
(i) Trade payables	-	1.54
(ii) Other Financial liabilities	-	-
<b>Total</b>	-	<b>1.54</b>

As at 31st March 2022	Fair Value through other comprehensive income	Amortised Cost
<b>Financial assets</b>		
(i) Investments	-	-
(ii) Cash and Cash equivalents	-	88.67
(iii) Loans	-	0.04
(iv) Other financial assets	-	-
(v) Other current assets	-	6.88
<b>Total</b>	-	<b>95.59</b>
<b>Financial Liabilities</b>		
(i) Trade payables	-	1.86
(ii) Other Financial liabilities	-	-
<b>Total</b>	-	<b>1.86</b>

The carrying value of all the financials assets and financial liabilities are a reasonable approximation of their fair values. Accordingly the fair values of such financial assets and liabilities have not been disclosed separately.

**39.1 Financial Risk Management- Objectives And Policies**

The company's activities exposes it to variety of financial risk viz. credit risk, liquidity risk and market risk. The company has various financial assets such as deposits, Loans & Advances, trade and other receivables and cash and bank balances directly related to their business operations. The Company's principal financial liabilities comprise of trade and other payables. The company's senior management focus is to foresee the unpredictability and minimise the potential adverse effects on the company's financial performance. The company's overall risk, management procedures to minimize the potential adverse effect of the financial market on the company's performance are as follows:

**39.2 Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily from trade receivables, cash and cash equivalents, and financial assets measured at amortised cost.

**A Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

**B Other financial assets measured at amortised cost**

Other financial assets measured at amortised cost includes loans and advances, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously and is based on the credit worthiness of those parties.

**39.3** Liquidity risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments. The company manages its liquidity risk by maintaining sufficient bank balance .

As on 31st March, 2023, the company's financial liabilities of ₹ 1.54lakhs (31st March, 2022 ₹ 1.86 lakhs) are all current and due in the next financial year.

Particulars	31st March,2023	31st March,2022
Current Ratio	7.39	50.75
Liquid Ratio	0.82	49.69

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**39.4 Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The company is not exposed to other price risk whereas the exposure to currency risk and interest risk is given below:

**A Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate due to change in market interest rates. The company's investments are primarily in fixed rate interest bearing investments and Loans.

Particulars	(₹ in lakhs)	
	31st March,2023	31st March,2022
Loans	101.68	0.04
Fixed Deposits	-	236.80

Particulars	31st March,2023		31st March,2022	
	(₹ in lakhs)		(₹ in lakhs)	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Loans	0.02	(0.02)	-	-
Fixed Deposits	0.07	(0.07)	0.05	(0.05)
<b>Increase /(Decrease) in Profit or Loss</b>	<b>0.09</b>	<b>(0.09)</b>	<b>0.05</b>	<b>(0.05)</b>

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**40 Related Party Disclosures:**

**A Related Parties:**

As per Accounting Standard 18 issued by the Institute of Chartered Accountants of India the company's related parties and transactions are disclosed below:

(i) List of related parties where control exists and with whom transactions have taken place and

Sr No	Name	Relationship
1	Mr.Jitendra K.Vakharia (Managing Director)	Key Managerial Personnel
2	Mrs. Varsha J.Vakharia (Non Executive Director)	
3	Mr.Vivek M. Mane (Chief Financial officer)	
4	Mr. Kiran A.Sawant (Company Secretary)	
5	Mr. Nitin I.Parekh (Independent Director)	
6	Mr. Kiron B.Shenoy (Independent Director)	
7	Mr. Neeraj Sharma (Additional Director)	
8	Teekay International	Enterprise over which Key Managerial Personnel are able to exercise significant Control

**B Transactions with related parties**

Nature of transactions	Enterprises over which key Managerial Personnel are able to exercise significant control		Key Managerial Personnel	
	2022-23	2021-22	2022-23	2021-22
<b>(i) Remuneration</b>				
(a) Mr.Jitendra K.Vakharia	-	-	-	1.50
(b) Mr.Vivek Mane	-	-	4.33	4.07
(c) Mr.Kiran Sawant	-	-	6.73	5.88
<b>(ii) Rent Paid</b>				
(a) Teekay International	8.80	2.40	-	-
<b>(iii) Interest paid</b>				
(a) Mr.Jitendra K.Vakharia	-	-	0.07	0.32
<b>(iv) Loan Given</b>				
(a) Mr.Vivek Mane	-	-	2.30	-
<b>(v) Loan Taken</b>				
(a) Mr.Jitendra K.Vakharia	-	-	27.80	48.70
<b>(vi) Loan Repaid</b>				
(a) Mr.Jitendra K.Vakharia	-	-	27.80	48.70
<b>(vii) Director's Sitting Fees</b>				
(a) Mrs. Varsha Vakharia	-	-	0.25	0.25
(b) Mr. Nitin I.Parekh	-	-	0.20	0.25
(c) Mr. Kiron B.Shenoy	-	-	0.25	0.25
(d) Mr. Neeraj Sharma	-	-	0.10	-

**C Balance with related parties**

Nature of transactions	Enterprises over which key Managerial Personnel are able to exercise significant control		Key Managerial Personnel	
	2022-23	2021-22	2022-23	2021-22
<b>(viii) Loan Receivable</b>				
(a) Mr.Vivek Mane	-	-	2.30	-

**EVERLON FINANCIALS LIMITED**  
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**Notes to the Standalone financial statement**

**41 Income Taxes****A Income taxes recognised in Statement of Profit and Loss**

(₹ in lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Recognised in Profit and Loss account:</b>		
<b>Current tax</b>		
In respect of the current year	35.00	33.40
In respect of prior years	-	-
<b>Deferred tax</b>		
In respect of the current year	(0.65)	-
<b>Recognised in Other comprehensive income:</b>		
Deferred tax liabilities on Employee benefit Expense	-	-
<b>Total</b>	<b>34.35</b>	<b>33.40</b>

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognise income tax expense for the year is as follows :

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Accounting profit before income tax</b>	<b>209.66</b>	<b>230.53</b>
Statutory income tax rate	27.82%	27.82%
IncomeTax @ 27.82%	58.33	64.13
<b>Tax Effect of:</b>		
Non Deductible business Expenses	5.40	(18.99)
Deduction on Exempt Income	-	-
Mat Credit Set Off	(28.73)	(11.74)
Taxes from prior period	-	-
<b>Deferred tax:</b>		
Property, plant and equipment	(0.65)	-
Doubtful Loans & Advances	-	-
<b>Income taxes recognized in the statement of income</b>	<b>34.35</b>	<b>33.40</b>

**B Deferred tax Assets and Liabilities**

Significant components of deferred tax liabilities / (assets) recognized in the financial statements are as follows :  
(₹ in lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax Assets (net)	0.65	-
<b>Total</b>	<b>0.65</b>	<b>-</b>

Deferred tax balances in relation to	As at 31st March, 2022	Recognized / reversed during the year	As at 31st March, 2023
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
Property, plant and equipment	-	0.65	0.65
<b>Total deferred tax for the year</b>	<b>-</b>	<b>0.65</b>	<b>0.65</b>

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**42 Additional regulatory information required by Schedule III of Companies Act,2013**

**42.1 Details of Benami property:**

No proceeding have been initiated or are pending against the Company for holding any Benami property under the Benami Transaction (Prohibition) Act,1988 (45 of 1988) and the rules made thereunder.

**42.2 Utilisation of borrowed funds and share premium:**

(a) The Company has not advanced or loaned or invested funds to any other person (s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- i) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like or on behalf of the ultimate beneficiaries.

(b) The Company has not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like or on behalf of the ultimate beneficiaries.

**42.3 Compliance with number of layers of companies:**

The Company has complied with the number of layers prescribed under the Companies Act,2013.

**42.4 Compliance with approved scheme (s) of arrangements:**

The Company has not entered into any scheme or arrangement which has an accounting impact on current or previous year.

**42.5 Undisclosed income:**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**42.6 Details of crypto currency or virtual currency:**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**42.7 Valuation of Property, Plant and Equipment:**

The Company has not revalued its property, plant and equipment (including right-of-use-assets) during the current or previous year.

**42.8 Wilful Defaulter:**

The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

**42.9 Details of Transaction with Struck of Companies:**

There are no Transactions with Struck of Companies during the Current and Previous Year.

**43** The previous year figures have been regrouped/ reclassified, wherever necessary to confirm to the current year presentation.

**As per our report of even date attached**

**For and on behalf of**  
**B L Dasharda & Associates**  
**Chartered Accountants**  
**F.R.No: 112615W**

**Sushant Mehta**  
**Partner**  
**M. No. 112489**

**Place: Mumbai**  
**Dated : 29th May ,2023**  
**UDIN NO: 23112489BGVKSR2853**

**For and on behalf of the Board of Directors**

**J.K.Vakharia**  
**Managing Director**  
**Din:00047777**

**Vivek Mane**  
**Chief Financial Officer**

**Place: Mumbai**  
**Dated : 29th May ,2023**

**V.J.Vakharia**  
**Director**  
**Din:00052361**

**Kiran A Sawant**  
**Company Secretary**