

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

Corporate Identity Number: L17110MH1987PLC043970

220, Unique Industrial Estate, Off Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025

E mail: [shailesh@dalmiapolypro.in](mailto:shailesh@dalmiapolypro.in) Website: [www.sharadfibres.com](http://www.sharadfibres.com);

Tel no.: 022-66355800, 4322 6969.

\*\*\*\*\*

Date: 13<sup>th</sup> July, 2018

To,  
**BOMBAY STOCK EXCHANGE LTD.,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai- 400 001.

## Scrip Code:

Dear Sirs,

### Sub: 31<sup>st</sup> Annual General Meeting

We are enclosing herewith Annual Report of the Company for the Financial Year 2017-2018 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approved and adopted at the 31<sup>st</sup> Annual General Meeting of the Company held on Tuesday, June 26<sup>th</sup>, 2018 at 10.00 a.m. at office No.16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. The Annual General Meeting concluded at 10:45 a.m.

Kindly take the above on record.

Thanking you,

Yours faithfully,

FOR SHARAD FIBRES AND YARN PROCESSORS LIMITED



JYOTI NANKANI (DIN: 07145004)  
DIRECTOR



Encl: as above.

**SHARAD FIBRES & YARN**  
**PROCESSORS LIMITED**

31<sup>st</sup> ANNUAL REPORT 2017-18

## **SHARAD FIBRES & YARN PROCESSORS LIMITED**

### **BOARD OF DIRECTORS**

MR. RAVI AMARCHANDDALMIA	MANAGING DIRECTOR
MR. UNNI KRISHNAN NAIR	DIRECTOR
MR. SURENDRABAHADUR SINGH	DIRECTOR
MS. JYOTI CHANDERLALNANKANI	DIRECTOR

### **KEY MANAGERIAL PERSONNEL**

MR. ADITYA DALMIA	CHIEF FINANCIAL OFFICER
MRS. MADHUMATI RAJOL	COMPANY SECRETARY

### **REGISTERED OFFICE**

220, Unique Industrial Estate,  
Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai - 400 025.  
Tel : 022 - 43226969  
Website: [www.sharadfibres.com](http://www.sharadfibres.com)  
Email id : [accounts@sharadfibres.com](mailto:accounts@sharadfibres.com)

### **AUDITORS**

M/s. Darshil Doshi & Co., Chartered Accountants

### **SECRETARIAL AUDITORS**

M/s. GMJ & Associates, Company Secretaries

### **REGISTRAR & SHARE TRANSFER AGENT**

BIGSHARE SERVICES PRIVATE LIMITED  
E-2/3, Ansa Industrial Estate, Saki Vihar Road,  
Saki Naka, Andheri (East), Mumbai - 400 072.  
Tel. No. 022 2847 0652/ 4043 0200.  
Email id - info@bigshareonline.com

### **ANNUAL GENERAL MEETING**

26<sup>th</sup> June, 2018 at 10:00 a.m. at the registered office of the Company

*Shareholders are requested to bring their Copies of the Annual Report to the Meeting.*

## CONTENTS

SR.NO.	PARTICULARS	PAGE NO.
1.	Director's Report an Management Discussion and Analysis	1-35
	<b>Standalone Financial Statements:</b>	
2.	Independent Auditor's Report	36-43
3.	Balance Sheet	44-45
4.	Profit & Loss Account	46
5.	Cash Flow Statement	47-48
6.	Other Notes	49 -50
7.	Notes to the financial Statements	51 -64
	<b>Consolidated Financial Statements:</b>	
8.	Independent Auditor's Report	65-68
9.	Balance Sheet	69-70
10.	Profit & Loss Account	71
11.	Cash Flow Statement	72-73
12.	Other Notes	74 -75
13.	Notes to the financial Statements	76 -91
14.	Notice of the AGM	92-110

## **BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS:**

To,  
The Shareholders,

Your Directors have pleasure in presenting the Thirty First (31<sup>st</sup>) Annual Report, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2018. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

### **1. RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS:**

(Amount in Rs.)

Particulars	Standalone		Consolidated	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Revenue from Operations	4,38,06,368	4,77,28,032	4,38,06,368	4,77,28,032
Other Income	33,119	2,86,343	1,96,088	4,78,152
<b>Total Income</b>	<b>4,38,39,487</b>	<b>4,80,14,375</b>	<b>4,40,02,456</b>	<b>4,82,06,184</b>
<b>Total Expenses</b>	<b>4,21,52,638</b>	<b>4,67,72,850</b>	<b>4,22,73,661</b>	<b>4,67,90,225</b>
<b>Profit / (Loss) before tax</b>	<b>16,86,849</b>	<b>12,41,525</b>	<b>17,28,795</b>	<b>14,15,959</b>
<b>Tax Expense:</b>				
Current tax expense for current Year	--	--	--	--
Deferred tax	--	--	--	--
Tax expense for Earlier Years	--	--	40,500	--
<b>Profit / (Loss) after tax</b>	<b>16,86,849</b>	<b>12,41,525</b>	<b>16,88,295</b>	<b>14,15,959</b>
<b>Earning per Equity Share</b>				
Basic	0.39	0.28	0.39	0.32
Diluted	0.39	0.28	0.39	0.32

### **2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:**

#### **Revenues- Standalone**

Your Company earned a Total Income of Rs. 4,38,39,487/- as against Rs. 4,77,28,032/- in the previous Year. The total expenditure incurred during the Year under review was Rs. 4,21,52,638/- as against Rs. 4,67,72,850 /- in the previous Year. The Net Profit after tax was Rs. 16,86,849/- as against Rs. 12,41,525/- in the previous Year.

#### **Revenues- Consolidated**

Your Company earned a Total Income of Rs. 4,40,02,456/- as against Rs. 4,82,06,184/- in the previous Year. The total expenditure incurred during the Year under review was Rs. 4,22,73,661/- as against Rs. 4,67,90,225/- in the previous Year. The Net Profit after tax was Rs. 16,88,295/- as against Rs. 14,15,959/- in the previous Year.

### **3. WITHDRAWAL OF SCHEME OF AMALGMATION:**

The Board of Directors at their Meeting held on 23<sup>rd</sup> September, 2017, at its sole discretion has withdrawn the Scheme of Amalgamation between BST Exports Private Limited (the First Transferor Company), Dalmia Exim Limited (the Second Transferor Company) and Sharad Fibres and Yarn Processors Limited (the Company) and their respective shareholders filed with the Hon'ble Tribunal.

### **4. OUTLOOK:**

The priority of the Company for the current Year will be to consolidate its position in terms of Sales & Profitability by adopting various means of improving sales. Your Company is undertaking active efforts towards accelerating the growth speed and is optimistic about better performance in the future.

### **5. DIVIDEND:**

In view of carry forward losses, the Board does not propose any dividend for the Year ended March 31, 2018.

### **6. TRANSFER TO RESERVES:**

No amount is proposed to be transferred to Reserves out of the profits earned during the Financial Year 2017-2018.

### **7. DEPOSITS:**

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

### **8. SHARE CAPITAL OF THE COMPANY:**

The Paid up Equity Share Capital, as at 31<sup>st</sup> March, 2018 was Rs. 4,36,64,000/- divided into 43,66,400 Equity shares, having face value of Rs. 10/- each fully paid up. During the Year under review, the Company has not issued any shares with differential voting rights nor granted any stock options or sweat equity.

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

The details of loans, advances and/or guarantee provided by the Company and investments as per section 186 of the Companies Act, 2013, which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34 (3) read with Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) are provided in the Notes of the standalone Financial statements.

### **10. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

#### **a) DIRECTORS**

**i) Composition:**

The Board of Directors includes the Executive, Non-Executive and Independent Directors so as to ensure proper governance and management. The Board consists of Four (4) Directors comprising of One (1) Executive Director, Two (2) Non-Executive Independent Directors and One (1) Non-Executive Woman Director as on March 31, 2018.

**ii) Re-appointments:**

Based on evaluations and recommendations of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, the Board recommends re-appointment of Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Directors for another term of five consecutive years with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024, for the approval of Members.

The Board of Directors on recommendation of the Nomination and Remuneration Committee has approved the re-appointment of Mr. Ravi Dalmia as Managing Director of the Company for a term of 3 Years commencing from 1<sup>st</sup> June, 2018 in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule "V" and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended time to time and subject to approval of members at the ensuing Annual General Meeting of the Company.

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Jyoti Nankani, Director of the Company, retires by rotation, and being eligible, has offered herself for reappointment.

**iii) Resignations:**

Mr. Aditya Dalmia resigned as Director and Chief Financial Officer with effect from July 1, 2017. The Board of Directors has placed on record its warm appreciation for the rich contribution made by Mr. Aditya Dalmia and the leadership provided by him during his tenure as Chief Financial Officer & Director of the Company.

**iv) Inductions / Appointments:**

During the Year under review, on the recommendation of the Nomination and Remuneration Committee and Audit Committee, Mr. Aditya Dalmia was appointed as the Chief Financial Officer of the Company effective from March 27, 2018.

**b) Key Managerial Personnel:**

The Company is having the following persons as the Key Managerial Personnel.

<b>Sr. No.</b>	<b>Name of the person</b>	<b>Designation</b>
1.	Mr. Ravi Dalmia	Managing Director
2.	*#Mr. Aditya Dalmia	Chief Financial Officer
3.	Ms. Madhumati Rajol	Company Secretary

\* Mr. Aditya Dalmia resigned w.e.f. July 1, 2017.

#Mr. Aditya Dalmia appointed w.e.f. March 27, 2018.

#### **11. INDEPENDENT DIRECTORS:**

The Independent Directors hold office for a fixed period of five Years from the date of their appointment at the Annual General Meeting held on September 27, 2014 and are not liable to retire by rotation.

The Company has received necessary declarations from each independent Director under Section 149 (7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

#### **12. SUBSIDIARIES & ASSOCIATE COMPANIES:**

During the reporting period, the Company has two subsidiary Company i.e. BST Exports Private Limited (Wholly Owned Subsidiary Company) and Dalmia Exim Limited (Step-down Subsidiary Company) within the meaning of Section 2(87) of the Companies Act, 2013. There has been no change in the number of subsidiaries Company or in the nature of business during the year under review.

Pursuant to provisions of Section 129(3) of the Act read with rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's Associate Company in Form AOC-1 is appended as **Annexure 'A'** and forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Audited Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, [www.sharadfibres.com](http://www.sharadfibres.com). Further, as per fourth proviso of the said section, Audited Annual Accounts of each of the subsidiary companies have also been placed on the website of the Company, [www.sharadfibres.com](http://www.sharadfibres.com). Shareholders interested in obtaining a copy of the Audited Annual Accounts of the subsidiary Company may write to the Company at the Company's registered office.

The Company does not have joint venture or associate companies within the meaning of Section 2(6) of the Companies Act, 2013.

#### **13. DIVESTMENTS (SALE OF SHARES OF SIBSIDARY COMPANIES):**

Your Company announced its intention to divest its 100% shareholding held in BST Exports Private Limited i.e. wholly owned subsidiary and Dalmia Exim Limited i.e. Step down Subsidiary of the Company. The decision to divest from this business is in line with our strategy focus on core business.

#### **14. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as '**Annexure B'** and forms an integral part of this Report.



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

The Board of Directors of your Company met 7 (Seven) times during the Year on May 30, 2017, July 1, 2017, August 14, 2017, September 23, 2017, December 14, 2017, February 14, 2018 and March 27, 2018 and the gap between two meetings did not exceed the statutory period laid down by the Companies Act, 2013 and the Secretarial Standard-I issued by the Institute of Company Secretaries of India i.e. One hundred twenty days. The necessary quorum was present for all the meetings.

The Attendance of the Directors of the Company at the Board meetings is as under:

Name of Director / Category	Board Meeting dates(2017-2018)							No. of meetings entitled to attend	Attended	Last AGM Attended
	May 30	July 01	Aug 14	Sept 23	Dec 14	Feb 14	March 27			
Mr. Ravi Dalmia (Managing Director)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes
*Mr. Aditya Dalmia (Director&CFO)	Yes	-	-	-	-	-	-	1	1	Yes
Mr. Unnikrishnan Nair (Independent Director)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes
Mr. Surendra Singh (Independent Director)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes
Ms. Jyoti Nankani (Women Director)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes

\* Mr. Aditya Dalmia resigned as CFO & Director of the Company w.e.f. 1<sup>st</sup> July, 2017. He was re appointed as CFO w.e.f. 27<sup>th</sup> March, 2018.

### **16. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 of the Act, with respect to Directors responsibility statement it is hereby confirmed that:

- i. that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent

- so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
  - iv. the Directors had prepared the annual accounts on a going concern basis;
  - v. the Directors, had laid down internal Financial controls to be followed by the Company and that such internal Financial controls are adequate and were operating effectively.
  - vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **17. COMMITTEES OF THE BOARD:**

Currently the Board has 3 (three) Committees: the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

##### **17.1 Audit Committee:**

The Company has re-constituted the existing Audit Committee on July 1, 2017. The Committee now comprises of three qualified members (i.e. 2 Non-Executive Independent Directors and 1 Executive Director) in accordance with the section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the Companies Act, 2013. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Internal Auditors, the Statutory Auditors and the Board of Directors of the Company. The recommendations of the Audit Committee are always welcomed and accepted by the Board and all the major steps impacting the Financials of the Company are undertaken only after the consultation of the Audit Committee.

The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

The Committee met Five (6) times during the year on May 30, 2017, August 14, 2017, September 23, 2017, December 14, 2017, February 14, 2018 and March 27, 2018 and the gap between two meetings did not exceed one hundred twenty days. The necessary quorum was present for all the meetings.

The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of the Members	Category	Audit Committee Meetings Dates (2017-2018)						No. Meetings Entitled to Attended	No. of Meetings Attended
		May 30	Aug 14	Sept 23	Dec 14	Feb 14	March 27		
Mr. Unnikrishnan Nair	Chairperson Non-Executive Independent	Yes	Yes	Yes	Yes	Yes	Yes	6	6
*Mr. Aditya Dalmia	Executive Director	Yes	-	-	-	-	-	1	1
Mr. Surendra Bahadur Singh	Non-Executive Independent	Yes	Yes	Yes	Yes	Yes	Yes	6	6
#Mr. Ravi Dalmia	Executive Director	-	Yes	Yes	Yes	Yes	Yes	5	5

\*Mr. Aditya Dalmia resigned w.e.f. July 1, 2017.

# Mr. Ravi Dalmia appointed as a Member of Audit Committee w.e.f. July 1, 2017.

#### 17.2 Nomination and Remuneration Committee:

The Company has re-constituted the existing Nomination and Remuneration Committee on July 1, 2017. The Committee now comprises of three qualified members (i.e. 2 Non-Executive Independent Directors and 1 Non-Executive Director) in accordance with the section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the Companies Act, 2013.

The role of the committee has been defined as per section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Committee met Two (2) times during the year on May 30, 2017 and March 27, 2018. The necessary quorum was present at the meeting.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of the Members	Category	Nomination & Remuneration Committee Meetings Number (2017-2018)		No. of Meetings Entitled to Attended	No. of Meetings Attended
		May 30	March 27		
Mr. Unnikrishnan Nair	Chairperson Non-Executive Independent	Yes	Yes	2	2
*Mr. Aditya Dalmia	Executive Director	Yes	-	1	1
Mr. Surendra Bahadur Singh	Non-Executive Independent	Yes	Yes	2	2

Ms. Jyoti Nankani	Non-Executive Director	-	Yes	1	1
-------------------	---------------------------	---	-----	---	---

\*Mr. Aditya Dalmia resigned w.e.f. July 1, 2017.

#### **Nomination and Remuneration Policy:**

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No Director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:-
  - Responsibilities and duties;
  - Time & efforts devoted;
  - Value addition;
  - Profitability of the Company& growth of its business;
  - Analyzing each and every position and skills for fixing the remuneration yardstick;
  - Standards for certain functions where there is a scarcity of qualified resources.
  - Ensuring tax efficient remuneration structures.
- Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification / reasons should also be indicated / disclosed adequately.

#### **17.3 Stakeholders Relationship Committee:**

The Company has re-constituted the existing Stakeholders Relationship Committee on July 1, 2017 in accordance with the Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The role and functions of the Stakeholders Relationship Committee are the effective redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt

of declared dividends. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

The Company has designated the e-mail ID: [aditya@sdalmia.com](mailto:aditya@sdalmia.com) exclusively for the purpose of registering complaint by investors electronically. This e-mail ID is displayed on the Company's website i.e. [www.sharadfibres.com](http://www.sharadfibres.com)

The following table shows the nature of complaints received from the shareholders during the years 2017-2018.

	Nature of Complaints	Received	Pending	Disposed
1.	Non receipt of Annual Report	-	-	-
2.	Non Receipt of Share Certificates after transfer	-	-	-
3.	Non Receipt of Demat Rejected S/C's	-	-	-
4.	Others	-	-	-
	<b>Total</b>	-	-	-

There was no complaint pending for action as on 31<sup>st</sup> March 2018.

The Committee met Four (4) times during the year on May 30, 2017, August 14, 2017, December 14, 2017 and February 14, 2018. The necessary quorum was present at the meeting.

The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below

Name of the Members	Category	Stakeholder Relationship Committee Meetings Number (2017-2018)				No. of Meetings entitled to Attended	No. of Meetings Attended
		May 30	Aug 14	Dec 14	Feb 14		
Mr. Unnikrishnan Nair	Chairperson Non-Executive Independent	Yes	Yes	Yes	Yes	4	4
*Mr. Aditya Dalmia	Executive Director	Yes	-	-	-	1	1
Mr. Surendra Bahadur Singh	Non-Executive Independent	Yes	Yes	Yes	Yes	4	4
#Mr. Ravi Dalmia	Executive Director	-	Yes	Yes	Yes	3	3

\*Mr. Aditya Dalmia resigned w.e.f. July 1, 2017.

# Mr. Ravi Dalmiawas appointed as a Member of Stakeholders Relationship Committeew.e.f. July 1, 2017.

## **INDEPENDENT DIRECTORS MEETING:**

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year without the presence of Non Independent Directors and members of the management. All the independent Directors shall strive to be present at such meeting.

The independent Directors in their meeting shall, inter alia-

- (a) review the performance of non-independent Directors and the board of Directors as a whole;
- (b) review the performance of the chairman of the listed entity, taking into account the views of executive Directors and non-executive Directors;
- (c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of Directors that is necessary for the board of Directors to effectively and reasonably perform their duties.

Independent Directors met 1 (one) time during the year on 23<sup>rd</sup> October, 2017 and attended by all Independent Directors.

## **18. BOARD EVALUATION:**

The Board of Directors carried out an annual evaluation of its own performance, committees and individual Directors pursuant to the provisions of the Act and as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria as under:

- Board composition and structure
- Effectiveness of Board processes, information and functioning

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as:

- Composition of committees
- Effectiveness of committee meetings
- Achievements during the Year based on their duties
- Reviewing the terms of reference of the committees

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as;

- Contribution of the Director to the Board's strategic thinking
- Leadership and commitment of the Director
- Participation in Board and Committee meetings
- Communication and interpersonal skills of the Director
- Ethical issues and dilemmas faced by the Director

- Relationship of the Director with the senior management.

In addition, the Chairperson was also evaluated on the key aspects of his role. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent Director being evaluated.

#### **Evaluation criteria for Independent Directors**

- |                         |   |
|-------------------------|---|
| Role & Accountability   | <ul style="list-style-type: none"> <li>• Understanding of nature and role of independent Directors' position</li> <li>• Understanding of risks associated with the business</li> <li>• Application of knowledge for rendering advice to Management for resolution of business issues</li> <li>• Active engagement with the Management and attentiveness to progress of decisions taken</li> </ul> |
| Objectivity             | <ul style="list-style-type: none"> <li>• Own recommendations given professionally without tending to majority views</li> </ul>  |
| Leadership & Initiative | <ul style="list-style-type: none"> <li>• Heading Board Sub Committees</li> <li>• Leading the functions of the Committees based on knowledge and experience</li> </ul>   |

#### **19. RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies act, 2013 and Listing Regulations, your Company has formulated a Policy on related party transactions. All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the Ordinary course of business and on arm's length.

The Company has entered into material related party transactions i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements. Particulars of contracts of arrangements with Related Parties referred to in sub section 1 of Section 188 read with Rule 8(2) of the (Companies Accounts) Rules, 2014 are attached in Form No. AOC - 2 as Annexure- C.

#### **20. AUDITORS:**

##### **a) Statutory Auditor**

M/s. Darshil Doshi & Co., Chartered Accountants have given the Company a notice in writing of their unwillingness to be re-appointed as Statutory Auditors for the Financial Year 2018-19. Your Board proposes to appoint M/s. J.H. Bhandari & Co., Chartered Accountants, Mumbai (Firm Registration No. 138960W with the Institute of Chartered Accountants of India) from the conclusion of the ensuing AGM until the conclusion of the 36<sup>th</sup> to be held in 2023. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. J. H. Bhandari & Co., Chartered

Accountants that their appointment, if made, would be in conformity with the limits specified in the said Section.

The Report given by M/s. Darshil Doshi & Co., Chartered Accountants, on the financial statements of the Company for the financial year 2017-2018 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

#### **b) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. GMJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is appended as Annexure 'D' which forms a part of this report.

#### **Qualification by Secretarial Auditor as follows:**

*The Chief Financial Officer of the Company has resigned w.e.f. July 1, 2017*

*In accordance with the provision of Section 203(4) of the Companies Act, 2013, any vacancy caused by resignation of whole time key managerial person shall be filled-up by the Board of Directors within the Six Month from the date of such vacancy.*

*The Company has appointed Chief Financial officer w.e.f. 27<sup>th</sup> March, 2018; it is observed that there is inadequate compliance of Section 203(4) of the Companies Act, 2013.*

#### **Board's Explanation on Qualified Remark given by Secretarial Auditor:**

The Company has appointed Chief Financial officer w.e.f. 27<sup>th</sup> March, 2018.

#### **21. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of Section 135 of the Companies Act, 2013 read with the Rules made thereunder, in respect of Corporate Social Responsibility policy were not applicable the Company for the Financial Year 2017-2018.

#### **22. CODE OF CONDUCT:**

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code with revision made in accordance with the requirements of SEBI (LODR) Regulations, 2015 has been posted on the Company's website ([www.sharadfibres.com](http://www.sharadfibres.com))

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.



### **23. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

### **24. PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as 'Annexure E' to this Report.

None of the employees of the Company fall within the purview of the information required under Section 197 read with rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year.

### **25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee & to the Chairperson of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### **26. RISK MANAGEMENT:**

The Company has in place a Risk Management Policy (a) to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management. (b) to establish a framework for the Company's risk management process and to ensure its implementation. (c) to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices (d) to assure business growth with Financial stability.

**27. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company([www.sharadfibres.com](http://www.sharadfibres.com)).

**28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the Year under review, no complaints were received by the Committee for redressal.

**29. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in 'Annexure F to this Report.

**30. ENVIRONMENT AND SAFETY:**

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances, environmental regulations and preservation of natural resources at the Factory at Silvassa.

**31. INDIAN ACCOUNTING STANDARD:**

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, your Company and its subsidiaries has adopted "IND AS" with effect from April 01, 2017, with the comparatives for the periods ending March 31, 2017.

**32. DEPOSITORY SERVICES:**

The Company's Equity Shares have been admitted to the depository mechanism of the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialized form with the Depositories. The Company has been allotted ISIN No. INE638N01012

Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

**33. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no significant / material orders passed by the Regulators or courts or Tribunals impacting the going concern status of your Company and its operations in future.

**34. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There were no material changes and commitments, 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 related i.e. 31<sup>st</sup> March, 2018 and the date of the report i.e. 28<sup>th</sup> May, 2018.

**35. STATUS OF PENDING LEGAL CASES:**

The following legal cases are pending against the Company and the same are being defended by the Company:

An Appeal Filed by the Company before the commissioner of Central Excise (Appeal) the order on the same has been passed in favor of the Company against demand of Rs. 3,61,537/- (already Paid) plus Rs. 16,32,382/- (already paid ) and imposed penalty of Rs. 3,61,537/- and Rs. 1,00,000/- and Interest thereon. However the Excise Department has filed appeal before the CEGAT (case No. 103/adj/2001 ADC dated 31.10.2001). The Case is being defended by the Company.

**36. GOODS AND SERVICE TAX:**

During the Financial Year, the Company has migrating to GST and has accelerate economic growth in the long run by simplifying the tax structure, enhancing tax compliances and facilitating the ease of doing business in a unified common market.

**37. CORPORATE GOVERNANCE REPORT:**

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, compliance with the corporate governance provisions are not applicable to your Company as the Company's paid up Equity Share Capital does not exceed of Rs.10 Crores and net worth does not exceed of Rs.25 Crores as on March 31, 2018.

**38. BUSINESS RESPONSIBILITY REPORTING**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to the Company for the financial year ending March 31, 2018.

**39. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

The Management's Discussion and Analysis Report for the Year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.

**40. FINANCIAL YEAR:**

The Company and all its subsidiary companies, in India which has been following the April to March as the Financial Year.

**41. LISTING:**

The shares of the Company are listed on BSE Ltd. The Company has paid Listing fees for the Financial Year 2017-2018.

**42. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:**

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

**43. ACKNOWLEDGMENT:**

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai  
Date: May 28, 2018**

**RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

**JYOTI NANKANI  
[DIN: 07145004]  
DIRECTOR**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report for the year under review as stipulated under Regulations 34 and Schedule V of the SEBI (LODR) Regulations, 2015 is as under.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

SharadFibres And Yarn Processors Limited was incorporated in the state of Maharashtra on 2nd July, 1987. The company was engaged in processing, texturising, crimping, spinning, twisting, knitting, manufacturing, exchanging, trading, commission agents, importing and exporting or dealing in fibres, yarn cloth and fabrics made from cotton, wool, silk, artsilk, rayon, nylon, polyester, acrylic or any other natural or manmade and synthetic fibres and yarns.

### **OPPORTUNITIES AND THREATS**

During last decades, the drastic increase in population worldwide together with the need of people to adopt improved conditions of living led to a dramatically increase of the consumption of polymers (mainly plastics). Materials appear interwoven with our consuming society where it would be hard to imagine a modern society today without plastics which have found a myriad of uses in fields as diverse as household appliances, packaging, construction, medicine, electronics, and automotive and aerospace components. A continued rise in the use of plastics has led to an increase in the waste stream, which motivated more interest in the plastic recycling and reusing. We believe our strengths give us the competitive advantage to our position.

We experience intense competition in traditional services and see a rapidly-changing marketplace with new competitors arising in new technologies who are focused on agility, flexibility and innovation.

### **SEGMENT WISE PERFORMANCE**

The Company operates only in one segment viz manufacturing of manufacturing recycling of plastic wastes.

### **QUALITY & FUTURE OUTLOOK**

The domestic market continued to be affected by, Macro economic problems, high inflation, high petroleum product prices, high interest rates and poor consumer sentiments, volatility in foreign exchange rates. In spite of all this, your company was able to sustain its market share.

### **THREATS & CONCERNS**

We have an active risk management strategy in place where we identify potential risks, create mitigation strategies and monitor the occurrence of risk.

The risks that may affect us include, but are not limited to:

- Economic Conditions.
- Inflation pressures and other factors affecting demand for our products.
- Increasing cost of Raw Material, transport and storage.
- Supplier and distributor relationships and retention of distribution channels.
- Competitive market conditions and new entrants to the market.
- Labour shortages and attrition of Key Staff.
- Compliance and regulatory pressure including changes to tax laws.

The Company is committed to manufacture and deliver quality products strictly as per requirement of the customer. With established production, the Company is in a position to maintain production and supply of quality products smoothly. For the above reasons, no major threat is overseen and the Company is confident to face any threat from the competition.

#### **ADEQUACY OF INTERNAL CONTROL SYSTEMS:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee & to the Chairperson of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

#### **OPERATIONAL PERFORMANCE PARAMETERS**

In order to avoid duplication between the Directors' Report and Management Discussion & Analysis, your Directors give a composite summary of the financial performance in the Directors Report.

#### **DEVELOPMENTS IN HUMAN RESOURCES**

The Company's various employee engagement platforms and initiatives have resulted in a vibrant, productive and enjoyable work environment.

Your Company has focused on identifying internal talent and nurture them through the culture of continuous learning and development, thereby building capabilities for creating future leaders. No. of Employees working with the Company is 22. The Board of Directors wishes to place on record its appreciation for the contribution made by all the employees during the year.

**ANNEXURE 'A' TO BOARDS REPORT 2017-2018  
FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies  
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries/Associate  
Companies/Joint Ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details	Details
1.	Sr. No.	1	2
2.	Name of the subsidiary	BST Exports Private Limited	Dalmia Exim Limited
3.	The date since when subsidiary was acquired	7 <sup>th</sup> November, 2016	7 <sup>th</sup> November, 2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period same as Holding Company	Reporting period same as Holding Company
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6.	Share capital	Authorized Share Capital Rs. 37,00,000/- Paid up Share Capital Rs.37,00,000/-	Authorized Share Capital Rs. 25,00,000/- Paid up Share Capital Rs.25,00,000/-
7.	Reserves & surplus	(1,85,545)/-	(31,934,996)/-
8.	Total assets	75,71,412/-	92,65,472/-
9.	Total Liabilities	40,56,957/-	38,700,468/-
10.	Investments	25,00,000/-	Nil
11.	Turnover	Nil	Nil
12.	Profit / (Loss) before taxation	(26,555)/-	68,501/-
13.	Provision for taxation	Nil	Nil
14.	Profit / (Loss) after taxation	(26,555)/-	28,001/-
15.	Proposed Dividend	Nil	Nil
16.	Extent of shareholding (In percentage)	100%	100% hold by BST Exports Private Limited i.e. step down Subsidiary of Sharad Fibres and Yarn Processors Limited

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not Applicable**

1. Names of associates or joint ventures which are yet to commence operations-N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year.- N.A.

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

**UNNI KRISHNAN NAIR  
[DIN: 01159376]  
DIRECTOR**

**ADITYA DALMIA  
C.F.O.**

**MADHUMATI RAJOL  
COMPANY SECRETARY**

**Place: Mumbai  
Date : May 28, 2018**



EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 2017-2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:-	L17110MH1987PLC043970
ii) Registration Date:-	02-07-87
iii) Name of the Company:-	SHARAD FIBRES AND YARN PROCESSORS LIMITED
iv) Category / Sub-Category of the Company:-	Company limited by shares/ Indian Non-Government Company
v) Address of the Registered office and contact details:-	220, UNIQUE INDUSTRIAL ESTATE, OFF. VEER SAVARKAR MARG, PRABHADEVI, MUMBAI - 400 025. Contact details :- 022-43226969 Email id :-accounts@sharadfibres.com
vi) Whether listed company	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. BIG SHARE SERVICES PRIVATE LIMITED [Unit: Sharad Fibres and Yarn Processors Limited] E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri [East], Mumbai - 400 072. Tel: 022-28470652 Fax: 022-28475207 E-mail: info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Waste Collections, treatment and disposal activities; Materials recovery	3830	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
1	<b>BST EXPORTS PRIVATE LIMITED</b> Address:220, Unque Industrial Esate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025.	U51909MH2011PTC211961	SUBSIDIARY	100%	2(87)(ii)
2	<b>DALMIA EXIM LIMITED</b> Address: 202, Venkateshchambers Prescot Road, Fort, Mumbai - 400001	U51900MH1989PLC050406	SUBSIDIARY	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the Beginning of the Year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2645798	48402	2694200	61.70	2694200	0	2694200	61.70	-
b) Central/State Govt	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	0	0	0	-	0	0	0	0	-
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other	0	0	0	0	0	0	0	0	-
Sub-total (A) (1):-	2645798	48402	2694200	61.70	2694200	0	2694200	61.70	-
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	-
b) Other - Individuals	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	0	0	0	0	0	0	0	0	-
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other	0	0	0	0	0	0	0	0	-
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2645798</b>	<b>48402</b>	<b>2694200</b>	<b>61.70</b>	<b>0</b>	<b>0</b>	<b>2694200</b>	<b>61.70</b>	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	1500	1500	0.03	0	1500	1500	0.03	0
b) Banks / FI	0	0	0	0	0	0	0	0	-
c) Central/ State Govt	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	-
e) Insurance Companies	0	0	0	0	0	0	0	0	-
f) FIs	0	0	0	0	0	0	0	0	-
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
h) Others (specify)	0	0	0	0	0	0	0	0	-
Sub-total (B)(1):-	0	1500	1500	0.03	0.00	1500.00	1500.00	0.03	-
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
b) Indian	2100	63600	65700	1.50	2200	63600	65800	1.51	-
h) Overseas	0	0	0	-	0	0	0	-	-
b) Individual shareholders holding									
h) upto Rs. 1 lakh	23100	1038200	1061300	24.31	47900	1013400	1061300	24.31	-
h) excess of Rs 1 lakh	360000	104900	464900	10.65	378200	86600	464800	10.64	-
c) Clearing Member	1300	0	1300	0.03	1300	0	1300	0.03	-
NRI	0	77500	77500	1.77	0	77500	77500	1.77	-
Sub-total (B)(2):-	386500	1284200	1670700	38.26	429600	1241100	1670700	38.26	-
<b>(B) = (B)(1)+(B)(2)</b>	<b>386500</b>	<b>1285700</b>	<b>1672200</b>	<b>38.30</b>	<b>429600</b>	<b>1242600</b>	<b>1672200</b>	<b>38.30</b>	-
ADRs	0	0	0	-	0	0	0	-	-
<b>Grand Total (A+B+C)</b>	<b>3032298</b>	<b>1334102</b>	<b>4366400</b>	<b>100.00</b>	<b>429600</b>	<b>1242600</b>	<b>4366400</b>	<b>100.00</b>	-

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Share holding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	PRATIBHA ADITYA DALMIA	0	0	0.00	48402	1.11	0.00	1.11
2	PRATIBHA DALMIA	48402	1.11	0.00	0	0.00	0.00	-1.11
3	ANITA DEVI RAVI DALMIA	57390	1.31	0.00	57390	1.31	0.00	0.00
4	SHASHI AMARCHAND DALMIA (HUF)	108150	2.48	0.00	108150	2.48	0.00	0.00
5	ADITYA DALMIA (HUF)	211750	4.85	0.00	211750	4.85	0.00	0.00
6	RAVIKUMAR DALMIA (HUF)	225200	5.16	0.00	225200	5.16	0.00	0.00
7	RAVI AMARCHAND DALMIA	615476	14.10	0.00	615476	14.10	0.00	0.00
8	ADITYA AMARCHAND DALMIA	637915	14.61	0.00	637915	14.61	0.00	0.00
9	SHASHI AMARCHAND DALMIA	789917	18.09	0.00	789917	18.09	0.00	0.00
		<b>2694200</b>	<b>61.70</b>	<b>0.00</b>	<b>2694200</b>	<b>61.70</b>	<b>0.00</b>	<b>0.00</b>

## Change in Promoters' Shareholding

Sr. No.		Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2694200	61.70	2694200	61.70
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.	There is No change in % of Promoters Shareholding due to increase in paid up capital of the Company.			
	At the End of the year	2694200	61.70	2694200	61.70

# Inter-se Transfer among Promoters and Market Purchases by Promoter -Nil

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

Sr. No.	Name	Shareholding		Date	Increasing/ Decreasing in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01- 04-2017) / end of the year (31-03- 2018)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	JENNIFER JANE GOMES	240000	5.50	01.04.2017	NA	NA		
		240000	5.50	31.03.2018	NA	NA	240000	5.50
2	KRISHNASWAROOP RAMSWAROOP SEKSARIA	120000	2.75	01.04.2017	NA	NA		
		120000	2.75	31.03.2018	NA	NA	120000	2.75
3	RAJNIKANT KARUNAKAR NIRESHWALIA	30,000.00	0.69	01.04.2017	NA	NA		
		30,000.00	0.69	31.03.2018	NA	NA	30,000.00	0.69
4	THE ESTATE INVESTMENT CO PVT LTD	28000	0.64	01.04.2017	NA	NA		
		28000	0.64	31.03.2018	NA	NA	28000	0.64
5	AWTANI ASHOK BHAWANDAS	22500	0.52	01.04.2017	NA	NA		
		22500	0.52	31.03.2018	NA	NA	22500	0.52
6	ALKESH M GOPANI	18300	0.42	01.04.2017	NA	NA		
		18300	0.42	31.03.2018	NA	NA	18300	0.42
7	KAMAL M JAGWANI	18300	0.42	01.04.2017	NA	NA		
				08.12.2017	17500	Sell	800	0.02
				22.12.2017	700	Sell	100	0.00
		100.00	0.00	31.03.2018			100.00	0.00
8	PRAVIN JHUN JHUN WALA	18300	0.42	01.04.2017	NA	NA	NA	NA
		18300	0.42	31.03.2018			18300	0.42
9	RANJAN BHARAT GANDHI	18300	0.42	01.04.2017	NA	NA		
		18300	0.42	31.03.2018			18300	0.42
10	VEENA JAGWANI	18300	0.42	01.04.2017	NA	NA		
		18300	0.42	31.03.2018			18300	0.42
11	KAMAL METHARAM JAGWANI	0		01.04.2017	NA	NA	0.00	0.40
				08.12.2017	17500	Buy	17500	0.42
				22.12.2017	700	Buy	18200	0.42
		18200	0.42	31.03.2018			18200	0.42

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding		Date	Increasing / Decreasing in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	ADITYA DALMIA	637915	14.61	01.04.2017	NA	NA	637915	14.61
		637915	14.61	31.03.2018			637915	14.61
2	RAVI DALMIA	615476	14.10	01.04.2017	NA	NA	615476	14.10
		615476	14.10	31.03.2018			615476	14.10

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	441,783,807.00	5,693,972.00	—	447,477,779.00
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
• Addition	4,074,760.00	401,000.00	—	4,475,760.00
• Reduction	1,113,723.74	6,094,972.00	—	7,208,695.74
<b>Net Change</b>	<b>2,961,036.26</b>	<b>-5,693,972.00</b>	<b>—</b>	<b>-2,732,935.74</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	444,744,843.26	—	—	444,744,843.26
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NOT APPLICABLE**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		<b>Aditya Dalmia</b>
1	Gross salary	120000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	
	(c) Profits in lieu of salary under	
2	Stock Option	
3	Sweat Equity	
4	Commission	
	as % of profit	
	others, specify...	
5	Others, please specify	
	Total (A)	120000/-
	Ceiling as per the Act	120000/-

**B. Remuneration to other directors: NOT APPLICABLE**

Sr. No	Particulars of Remuneration	Name of the Director	Total
1	Independent Directors		
	• Fee for attending board committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	• Fee for attending board committee meetings		
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : NOT APPLICABLE**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		<b>MADHUMATI BASAWRAJ RAJOL</b>
1	Gross salary	180,000.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	
2	Stock Option	
3	Sweat Equity	
4	Commission	
	as % of profit	
	others, specify...	
5	Others, please specify	
	Total	180,000.00

**VII. PENALTIES /PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE**

There are no penalties/punishments/compounding of offences against SHARAD FIBRES AND YARN PROCESSORS LIMITED and its Directors and officers for the Year Ended on 31st March,2018.

**For and on behalf of the Board  
Sharad Fibres and Yarn Processors Limited**

Place: Mumbai  
Date: 28th May, 2018

**Ravi Dalmia**  
Managing Director  
[DIN: 00634870]

**Jyoti Nankani**  
Director  
[DIN:07145004]

**Annexure C - TO BOARDS REPORT 2017-2018**

**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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. **NOT APPLICABLE**
2. Details of material contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, if any	Amount paid as advances, if any
1.	Dalmia Polypro Industries Private Limited	Purchases	Ongoing	86,30,810	30.05.2017	Nil
2.	Dalmia Polypro Industries Private Limited	Sales	Ongoing	87,53,022	30.05.2017	Nil
3.	Dalmia Polypro Industries Private Limited	Job Work	Ongoing	47,23,406	30.05.2017	Nil

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place: Mumbai  
Date: May 28, 2018**

**RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

**JYOTI NANKANI  
[DIN: 07145004]  
DIRECTOR**

Annexure 'D' TO BOARDS REPORT 2017-2018

Form No.MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014)

**To,**  
**The Members,**  
**SHARAD FIBRES AND YARN PROCESSORS LIMITED**  
220, Unique Industrial Estate,  
Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai: - 400025.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sharad Fibres and Yarn Processors 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions of the applicable Acts 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, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Companies Amendment Act, 2017 (to the extent notified).
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
- a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable during the period of audit]**
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**[Not applicable during the period of audit]**
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**
  - g) 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; **[Not applicable during the period of audit]**
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not applicable during the period of audit]**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not applicable during the period of audit]**

- vii. We have also examined compliance with the applicable clauses of the Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

Further being a company engaged in Manufacturing Industry (recycling of plastic wastes), there are no specific applicable laws to the Company, which requires approvals or compliances under any Act or Regulations.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

*The Chief Financial Officer of the Company has resigned w.e.f. July 1, 2017*

*In accordance with the provision of Section 203(4) of the Companies Act, 2013, any vacancy caused by resignation of whole time key managerial person shall be filled-up by the Board of Directors within the Six Month from the date of such vacancy.*

*The Company has appointed Chief Financial officer w.e.f. 27<sup>th</sup> March, 2018; it is observed that there is inadequate compliance of Section 203(4) of the Companies Act, 2013.*

We report that the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory auditors.

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. There were changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.
- Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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 are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that based on the information provided and the representation made by the Chief Financial Officer / Company Secretary, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes are in place, Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws general laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period there were no events/ actions in pursuance of the above referred laws, rules, regulations, standards, etc. having a major bearing on the Company's affairs, except as stated below :

The Company had filed a scheme of amalgamation with the Hon'ble NCLT on 10<sup>th</sup> July, 2017 by which BST Exports Private Limited ("the First Transferor Company") and Dalmia Exim Limited ("the Second Transferor Company") were to be amalgamated with Sharad Fibres and Yarn Processors Limited ("the Applicant Company" and / or

“the Transferee Company”) and their respective shareholders, which was duly approved by the Board of Directors dated November 19, 2016.

The Board of Directors with their sole discretion withdrawn the aforesaid Scheme of Amalgamation in their Meeting held on 23<sup>rd</sup> September, 2017.

**For GMJ & ASSOCIATES  
Company Secretaries**

**[MAHESH SONI]  
PARTNER  
FCS: 3706 COP: 2324  
PLACE: MUMBAI  
DATE: MAY 28, 2018.**

Note: This report is to be read with our letter of even date which is annexed as ‘ANNEXURE’ and forms an integral part of this report.

## ANNEXURE

**To,**  
**The Members,**  
**SHARAD FIBRES AND YARN PROCESSORS LIMITED**  
220, Unique Industrial Estate,  
Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai: - 400 025

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

1. Maintenance of secretarial records is the responsibility of 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 correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial 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 GMJ & ASSOCIATES**  
**Company Secretaries**

**[MAHESH SONI]**  
**PARTNER**  
**FCS: 3706 COP: 2324**  
**PLACE: MUMBAI**  
**DATE: MAY 28, 2018.**

ANNEXURE "E" TO BOARDS REPORT 2017-2018

**[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

1. Ratio of the remuneration to each executive Director to the median remuneration of the employees of the Company for FY 2017-18:**Not Applicable**
2. % Increase in remuneration of each Executive Directors, CFO and CS or Manager during the FY 2017-18: **Not Applicable**
3. % Increase in median remuneration of the employees for the FY 2017-18:10 % to 12%
4. Total permanent employees on role of SharadFibres And Yarn Processors Limited as on 31.3.2018: 21
5. 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:**Not Applicable**
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED

Place: Mumbai  
Date: May 28, 2018

RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR

JYOTI NANKANI  
[DIN: 07145004]  
DIRECTOR

**“ANNEXURE F” TO THE BOARDS REPORT 2017-18**

Efficient use of energy in all form has been a consistent corporate trust in the Company. Better maintenance of equipment's, improved operating practice and installation of most modern machinery has resulted in lot of saving in energy cost and consumption of raw materials.

**A. CONSERVATION OF ENERGY:**

The Company is consistently doing research in the field of saving energy by implementing new cost-effective ideas. Form for disclosure of particulars with respect of Consumption of Energy is enclosed herewith.

<b>Particulars</b>	<b>Units</b>	<b>Current Year</b>	<b>Previous Year</b>
a. Power & Fuel Consumption Electricity - Purchased			
Unit (KWH)	Units	1179964	1387716
Total Amount	In Rs.	3849672/-	6310461/-
Average Rate	per unit	3.25	3.4
b. Consumption per unit of production Electricity (KWH)/Ton	Con/kg's	2.16	=2.20

**B. TECHNOLOGY ABSORPTION:**

a) Research & Development

The Research & Development department of the Company has been arduously working to provide quality and value for money to the customer in keeping with market trends. Research and Development is being carried out in the following areas.

- Making design modifications in the products so as to simplify the manufacturing process and enhance productivity.
- Improvements to tool design.
- Up gradation of machines.
- Design and development of special machines required for increasing capacity.
- Development of equipment required for testing product reliability at various stages.

b) Technology absorption, adaptation and innovation.

Innovation and adaption of number of processes for manufacture of nuts is done to suit Original Equipment Manufacturer's requirements in the Automobile sector. Methods of manufacture and productivity improvement are an on-going process.

**C. FOREIGN EXCHANGE EARNED AND USED:**

During the year under review, there were no Foreign Exchange earnings / outgoings

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place: Mumbai  
Date: May 28, 2018**

**RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

**JYOTI NANKANI  
[DIN: 07145004]  
DIRECTOR**

# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Sharad Fibre & Yarn Processors Limited

#### Report on the Standalone Ind AS Financial Statements

I have audited the standalone financial statements of Sharad Fibre & Yarn Processors Limited ("the Company"), which comprise the balance sheet as at 31st March 2018 and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 and using the 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.

#### Auditor's Responsibility

My responsibility is to express an opinion on these standalone Ind AS financial statements based on my audit.





# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

In conducting my audit, I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

I conducted my audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

I am also responsible to 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 a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. My conclusions is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

I believe that the audit evidence is sufficient and appropriate to provide a basis for my audit opinion on the standalone Ind AS financial statements.

## Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by 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, 2018, and profit, changes in equity and its cash flows for the year ended on that date.



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

## Other Matters

- a) The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April, 2016 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information and the said opening balance sheet dated 30<sup>th</sup> May, 2017 expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by me.

My opinion on the standalone financial statements and my report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, I give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, I report, to the extent applicable that:
  - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In my opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act except Ind AS – 19 Retirement Benefits.



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

## “Annexure A” to the Independent Auditors’ Report

The Annexure referred to in paragraph 1 of my Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, I report that:

- (i) a) In my opinion and according to the information and explanations given, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; and if any material discrepancies which were noticed on such verification, the same have been properly dealt with in the books of account;
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) In my opinion and according to the information and explanations given, physical verification of inventory has been conducted at reasonable intervals by the management and if any material discrepancies were noticed, they have been properly dealt with in the books of account;
- (iii) In my opinion and according to the information and explanations given to me, the company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’). Accordingly, the provisions of Clause 3(iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In my opinion and according to the information and explanations given to me, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) As per the information and explanation given to me, the Company has not accepted any deposits from the public. Further, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable in this regard, have been complied with.
- (vi) As per the information and explanation given to me, the Central Government has not prescribed the maintenance of cost records under sub-section (l) of section 148 of the companies Act, 2013.
- (vii) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to me, the Company did not have any dues on account of duty of excise, sales tax, duty of customs, service tax or any other statutory dues outstanding for more than 6 months.



# DARSHIL DOSHI & CO.

## CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

- (b) According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2018 for a period of more than six months from the date they became payable. However, according to information and explanations given to me, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	Penalty & Interest	4,61,537.00	Asst. Year 1995-1996	CEGAT

- (viii) As per the information and explanation given to me, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (ix) As per the information and explanation given to me, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to me, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of my audit.
- (xi) According to the information and explanations give to me and based on my examination of the records of the Company, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule 5 to the Companies Act, 2013.
- (xii) In my opinion and according to the information and explanations given to me, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to me and based on my examination of the records of the Company, the Company has not made any preferential allotment during the year which is prejudicial to the interest of the company.



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

- (xv) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) As per the information and explanation given to me, the Company is a NBFC and is registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Darshil Doshi & Co.  
Chartered Accountants  
Firm's Registration No.137998W**

Place: Mumbai  
Date:28<sup>th</sup> May, 2018



*D. V. Doshi*

**Darshil Doshi  
Proprietor  
Membership No. 149822**

# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

## Annexure - B to the Auditors' Report

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

In conjunction with my audit of the standalone financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2018, I have audited the internal financial controls over financial reporting of **Sharad Fibre & Yarn Processors Limited** ("the Company") in conjunction with my audit of the standalone 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

## Meaning of Internal Financial Controls over Financial 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 Financial Reporting

Because of the inherent limitations of internal financial controls over financial 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 subject 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 my 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 31st March, 2018, 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 Darshil Doshi & Co.  
Chartered Accountants  
Firm's Registration No.137998W

Place: Mumbai  
Date: 28th May, 2018



*D. V. Doshi*

Darshil Doshi  
Proprietor  
Membership No. 149822

**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Balance Sheet as on 31st March, 2018**

Particulars	Note No.	31/03/2018	31/03/2017
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Propert, Plant and Equipment	3	1,23,96,153	1,40,82,582
Capital Work-in-Progress		-	-
Investment Properties		-	-
Goodwill		-	-
Other Intangible Assets		-	-
<b>Financial Assets</b>			
Investments	6(a)	37,00,000	37,00,000
Loans		-	-
Other Financial Assets	6(e)	33,58,501	32,32,064
Deferred Tax Assets (net)		-	-
Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<b>1,94,54,654</b>	<b>2,10,14,646</b>
<b>Current Assets</b>			
Inventories	9	1,04,18,283	1,05,20,665
<b>Financial Assets</b>			
i. Investments		-	-
ii. Trade Receivables	6(b)	2,44,14,462	2,66,01,385
iii. Cash and Cash Equivalents	6(d)	63,33,941	24,25,362
iv. Loans and Advances	6(c)	1,02,411	17,498
v. Other Financial Assets		-	-
Other Current Assets	10	1,80,424	3,61,089
Assets classified as held for sale		-	-
<b>Total Current Assets</b>		<b>4,14,49,521</b>	<b>3,99,25,999</b>
<b>Total Assets</b>		<b>6,09,04,175</b>	<b>6,09,40,645</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12(a)	4,36,64,000	4,36,64,000
<b>Other Equity</b>			
Reserves & Surplus	12(b)	(42,85,61,888)	(43,02,48,738)
Other Reserves		-	-
<b>Total Equity</b>		<b>(38,48,97,888)</b>	<b>(38,65,84,738)</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	13(a)	44,43,15,397	44,69,16,228
ii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Deferred Tax Liabilities		-	-
Government Grants		-	-
Other Non Current Liabilities		-	-
<b>Total Non Current Liabilities</b>		<b>44,43,15,397</b>	<b>44,69,16,228</b>





<b>Current Liabilities</b>			
Financial Liabilities			
i. Borrowings	13(a)	4,29,447	5,61,511
ii. Trade Payables	13(c)	7,87,936	-
iii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Government Grants		-	-
Current Tax Liabilities		-	-
Other Current Liabilities	19	2,69,284	47,644
Liabilities directly associated with assets classified held for sale		-	-
<b>Total Current Liabilities</b>		<b>14,86,667</b>	<b>6,09,155</b>
<b>Total Liabilities</b>		<b>44,58,02,064</b>	<b>44,75,25,383</b>
<b>Total Equity and Liabilities</b>		<b>6,09,04,175</b>	<b>6,09,40,645</b>

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

For and on behalf of the Board

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

*D. V. Doshi*

**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



*Ravi Dalmia*

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Aditya Dalmia*

**Aditya Dalmia**  
CFO  
DIN- 00634890

*Unnikrishnan Nair*

**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Madhumati*

**Madhumati**  
Company Secretary

**Place: Mumbai**  
Date: 28th May, 2018

**Place: Mumbai**  
Date: 28th May, 2018



**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
Statement of Profit and Loss for the 31st March, 2018

Particulars	Note No.	Year Ended 31/03/2018	Year Ended 31/03/2017
Revenue from Operations	20	4,38,06,368	4,77,28,032
Other Income	21(a)	33,119	2,86,343
Other gains/(losses)- net	21(b)	-	-
<b>Total income</b>		<b>4,38,39,487</b>	<b>4,80,14,375</b>
<b>Expenses</b>			
Cost of Material Consumed	22(a)	2,88,19,641	4,72,80,797
Purchase of Stock-in-Trade		-	-
Change in Inventories of work-in-progress, stock in trade and finished goods	22(b)	76,64,050	(64,84,732)
Employee Benefits Expenses	23	17,89,068	22,59,962
Depreciation and Amortization Expense	24	10,76,530	9,99,629
Impairment of Goodwill and Other Non Current Assets	3, 5	-	-
Other Expenses	25	26,35,595	25,20,790
Finance Cost	26	1,67,754	1,96,404
<b>Total Expenses</b>		<b>4,21,52,638</b>	<b>4,67,72,850</b>
<b>Profit Before Tax</b>		<b>16,86,849</b>	<b>12,41,525</b>
Income Tax Expenses			
- Current Tax		-	-
- Deferred Tax -		-	-
<b>Profit (Loss) for the period from continuing operations</b>		<b>16,86,849</b>	<b>12,41,525</b>
<b>Profit (Loss) for the period from discontinued operations</b>		<b>-</b>	<b>-</b>
<b>XIII. Profit (Loss) for the period</b>		<b>16,86,849</b>	<b>12,41,525</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss		-	-
Items that may not be reclassified to profit or loss		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Earnings per equity share</b>			
Basic		0.39	0.28
Diluted		0.39	0.28

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

*D. V. Doshi*  
**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



For and on behalf of the Board

*Ravi Dalmia*

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Unnikrishnan Nair*  
**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Aditya Dalmia*  
**Aditya Dalmia**  
CFO

*Madhumati*  
**Madhumati**  
Company Secretary

Place: Mumbai  
Date: 28th May, 2018

Place: Mumbai  
Date: 28th May, 2018



**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Statement of Cash flow for the 31st March, 2018**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>Cash flow from operating activities</b>		
Profit for the year	16,86,849	12,41,525
Adjustments for		
Depreciation and amortization expense	10,76,530	9,99,629
Impairment of goodwill and other non current asset	-	-
Employee share-based payment expense	-	-
Loss on disposal of property, plant and equipment	2,86,854	-
Gain on sale of investments	-	-
Interest and dividend income	(37,364)	(25,298)
Changes in asset and liabilities		
Decrease / (Increase) in Trade Receivables	21,86,923	20,71,538
Decrease / (Increase) in Inventories	1,02,382	(17,81,018)
Decrease / (Increase) in other non current assets	(1,26,437)	-
Decrease / (Increase) in other current assets	95,815	16,16,767
(Decrease) / Increase in provision	-	-
(Decrease) / Increase in Trade Payables	7,87,936	(13,61,954)
(Decrease) / Increase in Other Current liabilities	2,21,640	(3,095)
<b>Cash generated from operations</b>		
Income taxes paid	-	(59,108)
<b>Net cash flow from operating activities</b>	<b>62,81,128</b>	<b>26,98,986</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(1,26,950)	(83,60,690)
Purchase of investments	-	(37,00,000)
Loans to employees and related parties	-	-
Proceeds from sale of plant, property and equipment	4,50,000	-
Proceeds from sale of investment	-	-
Repayment of loans by employees and related parties	-	-
Dividends received	-	-
Interest received	37,364	25,298
<b>Net cash flow from investing activities</b>	<b>3,60,414</b>	<b>(1,20,35,392)</b>



<b>Cash flow from financing activities</b>		
Proceeds from issue of shares	-	36,00,000
Proceeds from borrowings	-	61,59,768
Share issue costs	-	-
Repayment of borrowings	(27,32,895)	-
Finance lease payments	-	-
Interest paid	-	-
Dividends paid to company shareholders	-	-
<b>Net cash flow from financing activities</b>	<b>(27,32,895)</b>	<b>97,59,768</b>
<b>Net increase/ decrease in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of the financial year	24,25,372	20,01,999
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents at end of the year</b>	<b>63,33,941</b>	<b>24,25,372</b>

<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
Cash and cash equivalents as per above comprise of the following		
	<b>31 March, 2018</b>	<b>31 March, 2017</b>
Cash and cash equivalents (note 6(d))	63,33,941	24,25,372
Bank Overdrafts (note 13(a))	-	-
<b>Balances as per statement of cash flows</b>	<b>63,33,941</b>	<b>24,25,372</b>

The accompanying notes form an integral part of the financial statements.

**As per our Report of even date**

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



**For and on behalf of the Board**

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

**Aditya Dalmia**  
CFO

**Unnikrishnan Nair**  
Director  
DIN- 01159376

**Madhumati**  
Company Secretary

**Place: Mumbai**  
Date: 28th May, 2018

**Place: Mumbai**  
Date: 28th May, 2018



Particulars	Other Equity				Total
	Reserves and Surplus		Other comprehensive income		
	Retained Earnings	Capital reserve	Equity Instruments	Other items of other comprehensive income	
Balance as at April 1, 2017	(43,23,56,194)	21,07,457	-	-	(43,02,48,737)
Profit for the year	16,86,849	-	-	-	16,86,849
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>(43,06,69,345)</b>	<b>21,07,457</b>	<b>-</b>	<b>-</b>	<b>(42,85,61,888)</b>
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-
Fair value changes on derivatives designated as cash flow hedge	-	-	-	-	-
Fair value changes on investments, net	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Issue of equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Employee stock option expense	-	-	-	-	-
<b>Balance as at 31 March, 2018</b>	<b>(43,06,69,345)</b>	<b>21,07,457</b>	<b>-</b>	<b>-</b>	<b>(42,85,61,888)</b>

The accompanying notes form an integral part of the financial statements.

**As per our Report of even date**

**Darshil Doshi & Co.**

Chartered Accountants

**Firm Regn. No. 137998W**

*D. v. Doshi*

**Darshil Doshi**

Proprietor

Mem. No. - 149822



**Place: Mumbai**

Date: 28th May, 2018

**For and on behalf of the Board**

*Ravi Dalmia*

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Aditya Dalmia*

**Aditya Dalmia**  
CFO

**Place: Mumbai**

Date: 28th May, 2018

*Unnikrishnan Nair*

**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Madhumati*

**Madhumati**  
Company Secretary

**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Statement of changes in equity for the year ended 31st March, 2018**

**A. Equity Share Capital**

Particulars	Notes	
As at 1 April 2016		4,00,64,000
Changes in equity share capital	12	36,00,000
<b>As at 31 March 2017</b>		<b>4,36,64,000</b>
Changes in equity share capital	12	-
<b>As at 31 March 2018</b>		<b>4,36,64,000</b>

**B. Other Equity**

Particulars	Other Equity				Total
	Reserves and Surplus		Other comprehensive income		
	Retained Earnings	Capital reserve	Equity Instruments	Other items of other comprehensive income	
<b>Balance as at April 1, 2016</b>	(43,35,97,720)	21,07,457	-	-	(43,14,90,263)
Profit for the year	12,41,525	-	-	-	12,41,525
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>(43,23,56,194)</b>	<b>21,07,457</b>	<b>-</b>	<b>-</b>	<b>(43,02,48,737)</b>
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-
Fair value changes on derivatives designated as cash flow hedge	-	-	-	-	-
Fair value changes on investments, net	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Issue of equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Employee stock option expense	-	-	-	-	-
<b>Balance as at 31 March, 2017</b>	<b>(43,23,56,194)</b>	<b>21,07,457</b>	<b>-</b>	<b>-</b>	<b>(43,02,48,737)</b>

**SHARAD FIBRE & YARN PROCESSORS LIMITED**  
**Notes to the financial statements for the year ended March 31, 2018**

**Note No. - 1 First-time adoption of Ind-AS**

These financial statements, for the year ended 31 March 2018, are the first the entity has prepared in accordance with Ind-AS. For periods up to and including the year ended 31 March 2017, the entity prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the entity has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the entity's opening balance sheet was prepared as at 1 April 2016, the entity's date of transition to Ind-AS. This note explains the principal adjustments made by the entity in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

**Exemptions applied**

1. Freehold land and buildings, other than investment property, were carried in the statement of financial position prepared in accordance with previous GAAP on 31st March 2017. The entity has elected to regard carrying values as at 31st March 2017 as deemed cost at the date of transition.
2. Financial Instruments were carried in the statement of financial position prepared in accordance with previous GAAP on 31st March 2017. The entity has elected to regard carrying values as at 31st March 2017 as deemed cost at the date of transition.

**Note No.2- Corporate Information**

The company is engaged in the business of manufacturing recycling of plastic wastes.

**SIGNIFICANT ACCOUNTING POLICIES**

**i) Statement of Compliance**

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act except for Ind AS 19 - Retirement Benefits

**ii) Basis of Accounting**

The accounts of the company are prepared under the historical convention using accrual method of accounting.

There has been no change in the method of accounting as compared to preceding previous year.

The company has incurred huge losses. The net worth of the company is completely eroded. But the company is hopeful for the revival in its business activities in future and hence these financial statements have been prepared on going concern basis, despite accumulated losses.

**iii) Property, Plant and Equipment**

All Property Plant & Equipments are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.

**iv) Impairment of Assets :**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**v) Revenue recognition :**

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods: Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, based on the applicable incoterms. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST, value added taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the revenue recognition criteria have been complied.



**vi) Retirement Benefits :**

- Compensation payable to employees retired is charged out in full in the year in which such expenditure is incurred. No provision has been made in the books of accounts of the Company on account of retirement benefits of the employees, in accordance with the Ind AS-19, as the same is made on cash basis and shall be provided in the books of the company as and when paid.

**vii) Inventories :**

Inventories comprise of Raw Materials and Finished Goods (Manufactured and Traded). Inventories are valued at the lower of Cost and Net Realisable Value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance. Finished Goods comprises of materials, direct labour, other direct costs and related production overheads.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**viii) Foreign Currency Transactions :**

Initial Recognition:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Conversion:

At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year end exchange rates.

Exchange Differences:

All exchange differences arising on settlement and/or conversion on foreign currency transaction are included in the Profit & Loss Account.

**ix) Taxation:**

- a) Provision for Current Tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by the tax rates as applicable. However, the company has not provided for income tax as there is no income tax payable.
- b) No Deferred Tax Assets are created in the books of the company as in the opinion of the management, they are not reasonably certain that there will be sufficient future income to recover such Deferred Tax Assets.

**x) Provisions and Contingent Liabilities**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Following Contingent Liabilities are not provided for:-

- a) An Appeal Filed by the Company before the commissioner of Central Excise (Appeal) the order on the same has been passed in favour of the Company against demand of Rs. 3,61,537/- (already Paid) plus Rs. 16,32,382/- (already paid) and imposed penalty of Rs. 3,61,537/- and Rs. 1,00,000/- and Interest thereon. However the Excise Department has filed appeal before the CEGAT (case No. 103/adj/2001 ADC dated 31.10.2001). The Case is being defended by the company.

**xii) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash on hand and demand deposits with banks.





### xiii) Financial instruments

- Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Fair value of financial assets and financial liabilities

All financial assets and liabilities are carried at amortised cost.

The management consider that the carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair value as on March 31, 2018 and March 31 2017.

#### Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on Financial assets measured at amortised cost and trade receivables.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### xiv) Related Party Disclosure:

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

#### a) List of related parties with whom transactions have taken place and relationship:

Sr.No.	Name of the Related Party	Relationship
1	Ravi Dalmia	Key Management Personnel
2	Aditya Dalmia	Key Management Personnel
3	Unnikrishnan Nair	Key Management Personnel
4	Surendra Bahadur Singh	Key Management Personnel
5	Jyoti Nankani	Key Management Personnel
6	Shashi Dalmia	Relative
7	Dalmia Exim Ltd.	Subsidiary
8	BST Exports Private Ltd.	Subsidiary
9	Dalmia Polypro Industries Limited	Associate
10	S. Dalmia Intermediates Pvt. Ltd.	Associate



**(ii) Transaction during the year with related parties:**

**Remuneration (Expense) / Job Work (Income)**

Name of related party	Relation	Nature	Amount 31.03.2018	Clg Balance 31.03.2018	Amount 31.03.2017	Clg Balance 31.03.2017
Aditya Dalmia	Key Management Personnel	Directors Remuneration	1,20,000	-	4,80,000	-
Dalmia Polypro Industries Private Limited	Associate	Job Work (Income)	47,23,406	-	-	-
<b>Total</b>			<b>48,43,406</b>	<b>-</b>	<b>4,80,000</b>	<b>-</b>

**Sales/ Purchases**

Name of Related Party	Relation	Nature	Amount 31.03.2018	Clg Balance 31.03.2018	Amount 31.03.2017	Clg Balance 31.03.2017
Dalmia Polypro Industries Private Limited	Associate	Sales	87,53,022	-	1,38,68,058	-
Dalmia Polypro Industries Private Limited	Associate	Purchases	86,30,810	-	82,20,435	-
<b>Total</b>			<b>1,73,83,832</b>		<b>2,20,88,493</b>	<b>-</b>

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

Darshil Doshi & Co.  
Chartered Accountants  
Firm Regn. No. 137998W

*D.V. Doshi*



Darshil Doshi  
Proprietor  
Mem. No. - 149822

Place: Mumbai  
Date: 28th May, 2018



*Ravi Dalmia*  
**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Aditya Dalmia*  
**Aditya Dalmia**  
CFO  
Place: Mumbai  
Date: 28th May, 2018

For and on behalf of the Board

*Unnikrishnan Nair*  
**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Madhumati*  
**Madhumati**  
Company Secretary

**) OTHER NOTES**

**a) Expenditure in foreign currency during the financial year on account of :**

Foreign Traveling Expenses – (Rs. Nil)

**b) Critical accounting judgements and key sources of estimation uncertainties:**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**c) Trade Payables:**

Unpaid amount as on 31.03.2018 to Micro, Small and Medium Enterprises Development Act, 2006 could not be ascertained by the Company in absence of classification information as to the status of the Supplier. Hence such information is not disclosed in the financial statements.

*The accompanying notes form an integral part of the financial statements.*

**As per our Report of even date**

**For and on behalf of the Board**

**Darshil Doshi & Co.**

Chartered Accountants

Firm Regn. No. 137998W

*D. V. Doshi*



**Darshil Doshi**

Proprietor

Mem. No. - 149822

*[Handwritten signature]*

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*[Handwritten signature]*

**Aditya Dalmia**  
CFO

*[Handwritten signature]*

**Unnikrishnan Nair**  
Director  
DIN- 01159376

*[Handwritten signature]*

**Madhumati**  
Company Secretary

**Place: Mumbai**

Date: 28th May, 2018

**Place: Mumbai**

Date: 28th May, 2018



### 3 Property, plant and equipment

Particulars	Freehold Land	Building	Computer	Plant & Machinery	Equipment	Vehicles	Electrical Instalations	Capital work-in-progress	Total
<b>Year ended 31 March, 2017</b>									
<b>Gross carrying amount</b>									
Deemed cost as at 1 April 2016	5,91,905	59,59,081	69,000	14,66,040	6,700	34,82,328	2,21,435	-	1,17,96,489
Additions				56,61,790		26,98,900			83,60,690
Assets included in a disposal group classified as held for sale									
Disposals									
<b>Closing gross carrying amount</b>	<b>5,91,905</b>	<b>59,59,081</b>	<b>69,000</b>	<b>71,27,830</b>	<b>6,700</b>	<b>61,81,228</b>	<b>2,21,435</b>	<b>-</b>	<b>2,01,57,179</b>
<b>Accumulated Depreciation</b>									
Accumulated Depreciation as at 1 April 2016	-	35,34,274	17,480	2,35,065	1,783	12,40,476	45,890	-	50,74,968
Depreciation charge during the year	-	75,959	21,850	1,47,892	651	7,31,946	21,331	-	9,99,629
Disposals									
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>36,10,233</b>	<b>39,330</b>	<b>3,82,957</b>	<b>2,434</b>	<b>19,72,422</b>	<b>67,221</b>	<b>-</b>	<b>60,74,597</b>
<b>Net Carrying amount</b>	<b>5,91,905</b>	<b>23,48,848</b>	<b>29,670</b>	<b>67,44,873</b>	<b>4,266</b>	<b>42,08,806</b>	<b>1,54,214</b>	<b>-</b>	<b>1,40,82,582</b>
<b>Year ended 31 March, 2018</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	5,91,905	59,59,081	69,000	71,27,830	6,700	61,81,228	2,21,435	-	2,01,57,179
Additions				1,26,950					1,26,954
Assets classified as held for sale									
Disposals						(9,18,634)			(9,18,634)
Transfers									
<b>Closing gross carrying amount</b>	<b>5,91,905</b>	<b>59,59,081</b>	<b>69,000</b>	<b>72,54,780</b>	<b>6,700</b>	<b>52,62,594</b>	<b>2,21,435</b>	<b>-</b>	<b>1,93,65,499</b>
<b>Accumulated Depreciation and impairment</b>									
Opening accumulated depreciation	-	36,10,233	39,330	3,82,957	2,434	19,72,422	67,221	-	60,74,597
Depreciation charge during the year		77,014	22,153	4,57,644	651	4,97,633	21,435		10,76,530
Impairment loss									
Disposals				(1,81,781)					(1,81,781)
Exchange differences									
Assets classified as held for sale									
<b>Closing accumulated depreciation and impairment</b>	<b>-</b>	<b>36,87,247</b>	<b>61,483</b>	<b>6,58,820</b>	<b>3,085</b>	<b>24,70,055</b>	<b>88,656</b>	<b>-</b>	<b>69,69,346</b>
<b>Net Carrying amount</b>	<b>5,91,905</b>	<b>22,71,834</b>	<b>7,517</b>	<b>65,95,960</b>	<b>3,615</b>	<b>27,92,539</b>	<b>1,32,779</b>	<b>-</b>	<b>1,23,96,153</b>

Note The depreciation method used is as per assets useful life.

#### 4 Investment Properties

Particulars	31 March, 2018	31 March, 2017
<b>Gross carrying amount</b>		
Opening gross carrying amount/ Deemed cost	-	-
Additions	-	-
Closing gross carrying amount	-	-
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing accumulated depreciation	-	-
Net carrying amount	-	-

#### 5 Intangible assets

Particulars	Patent	Technical Know How	Others	Total
<b>Year ended 31 March, 2017</b>				
<b>Gross carrying amount</b>				
Deemed cost as at 1 April 2016				
Additions				
<b>Closing gross carrying amount</b>	-	-	-	-
<b>Accumulated amortization</b>				
Amortization charge during the year				
<b>Closing accumulated amortization</b>	-	-	-	-
Closing net Carrying amount				
<b>Year ended 31 March, 2018</b>				
<b>Gross carrying amount</b>				
Opening gross carrying amount				
Additions				
Transfers				
<b>Closing gross carrying amount</b>	-	-	-	-
<b>Accumulated amortization and impairment</b>				
Opening accumulated amortization				
Amortization charge during the year				
Impairment charge				
<b>Closing accumulate amortization and impairment</b>	-	-	-	-
Closing net Carrying amount	-	-	-	-

#### 6 Financial assets

##### 6(a) Non-current investments

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Investment in equity instruments 3,70,000 Shares of BST Exports Pvt Ltd. (PY: 3,70,000) of 10 each	37,00,000	37,00,000	-
<b>Total non-current investments</b>	<b>37,00,000</b>	<b>37,00,000</b>	-
Aggregate amount of quoted investments and market value there of			
Aggregate amount of unquoted investments	37,00,000	37,00,000	
Aggregate amount of impairment in the value of investments			



**6(a) Current investments**

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Investment in equity instruments	-	-	-
<b>Total non-current investments</b>	-	-	-
Aggregate amount of quoted investments and market value there of			
Aggregate amount of unquoted investments			
Aggregate amount of impairment in the value of investments			

**6(b) Trade Receivables**

Particulars	31 March, 2018	31 March, 2017
Trade Receivables	2,44,14,462	2,66,01,385
Receivables from related parties	-	-
Less: Allowance for doubtful debts	-	-
<b>Total Receivables</b>	<b>2,44,14,462</b>	<b>2,66,01,385</b>
Current portion	2,23,05,740	2,28,69,593
Non current portion	21,08,722	37,31,792

**Break up of Security Details**

Particulars	31 March, 2018	31 March, 2017
Secured, considered good		-
Unsecured, considered good	2,44,14,462	2,66,01,385
Doubtful		-
<b>Total</b>	<b>2,44,14,462</b>	<b>2,66,01,385</b>
Allowance for doubtful debts		-
<b>Total trade receivables</b>	<b>2,44,14,462</b>	<b>2,66,01,385</b>

**6(c) Loans**

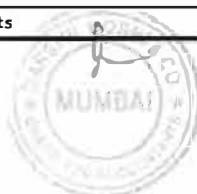
Particulars	31 March, 2018		31 March, 2017	
	Current	Non Current	Current	Non Current
<b>Unsecured, considered good</b>				
Loan to directors	-	-	-	-
Loan to employees	1,02,411	-	17,498	-
<b>Unsecured, considered doubtful</b>				
Loan to employees	-	-	-	-
Less: Allowance for doubtful loans	-	-	-	-
<b>Total loans</b>	<b>1,02,411</b>	<b>-</b>	<b>17,498</b>	<b>-</b>

**6(d) Cash and cash equivalents**

Particulars	31 March, 2018	31 March, 2017
<b>Balances with banks</b>		
- In Current Accounts	54,59,277	19,82,043
- in EEFC Account	-	-
Deposit with maturity of less than three months	-	-
Cash on hand	8,74,664	4,43,319
<b>Total Cash and Cash Equivalents</b>	<b>63,33,941</b>	<b>24,25,362</b>

**6(e) Other financial assets**

Particulars	31 March, 2018		31 March, 2017	
	Current	Non Current	Current	Non Current
Derivatives				
<b>Others</b>				
Security deposits	-	2,61,000	-	2,61,000
Balance with Revenue Authorities	-	30,58,601	-	29,32,164
Bank Deposits with more than 12 months Maturity	-	38,900	-	38,900
<b>Total Other Financial Assets</b>	<b>-</b>	<b>33,58,501</b>	<b>-</b>	<b>32,32,064</b>



**7 Deferred Tax Assets**

The balance comprises temporary differences attributable to:

Particulars	31 March, 2018	31 March, 2017
Tax losses	-	-
Defined benefit obligations	-	-
Provisions	-	-
<b>Other items</b>		
Derivatives	-	-
Allowance for doubtful debts- trade receivables	-	-
Others	-	-
Total deferred tax assets	-	-
Set off of deferred tax liabilities pursuant to set off provisions	-	-
<b>Net Deferred Tax Assets</b>	-	-

**8 Other non current assets**

Particulars	31 March, 2018	31 March, 2017
Capital advances	-	-
Advances other than capital advances	-	-
<b>Total Other Non Current Assets</b>	-	-

**9 Inventories**

Particulars	31 March, 2018	31 March, 2017
Raw materials	76,97,778	1,36,110
Work-in-progress	-	-
Finished goods	27,20,505	1,03,84,555
Traded goods	-	-
Stores and spares	-	-
<b>Total Inventories</b>	<b>1,04,18,283</b>	<b>1,05,20,665</b>

**Note:**

Valuation of Stock is as follows:

- Raw Material stock is valued at cost.
- Finished Goods are valued at cost or NRV whichever is lower.
- The inventories have been physically verified, valued and certified by the management.

**10 Other Current Assets**

Particulars	31 March, 2018	31 March, 2017
Prepayments	1,12,701	1,12,044
Advances to suppliers	-	2,06,012
Other Receivables	67,723	43,033
<b>Total Other Non Current Assets</b>	<b>1,80,424</b>	<b>3,61,089</b>

**11 Assets classified as held for sale**

Particulars	31 March, 2018	31 March, 2017
Asset classified as held for sale	-	-
<b>Total Assets classified as held for Sale Other Non Current Assets</b>	-	-



**12 Equity****12a Equity share capital**

Particulars	Number of shares	Amount
As at 1 April 2016	40,06,400	4,00,64,000
Increase during the year	3,60,000	36,00,000
<b>As at 31 March 2017</b>	<b>43,66,400</b>	<b>4,36,64,000</b>
Increase during the year	-	-
<b>As at 31 March 2018</b>	<b>43,66,400</b>	<b>4,36,64,000</b>

**(i) Movement in equity share capital**

Particulars	Number of shares	Amount
As at 1 April 2016	40,06,400	4,00,64,000
Issued during the year	3,60,000	36,00,000
<b>As at 31 March 2017</b>	<b>43,66,400</b>	<b>4,36,64,000</b>
Increase during the year	-	-
<b>As at 31 March 2018</b>	<b>43,66,400</b>	<b>4,36,64,000</b>

**(ii) Details of shares held by each shareholders holding more than 5%**

Particulars	31 March, 2018		31 March, 2017		1 April, 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Ravi Dalmia	6,15,476	14.10%	6,15,476	14.10%	4,95,801	12.38%
Ravi Dalmia HUF	2,25,200	5.16%	2,25,200	5.16%	2,25,200	5.62%
Aditya Dalmia	6,37,915	14.61%	6,37,915	14.61%	2,05,421	5.13%
Dalmia Exim Pvt. Ltd	-	-	-	-	3,77,500	9.42%
Aditya Dalmia HUF	2,11,750	5.29%	2,11,750	5.29%	2,11,750	5.29%
Shashi Dalmia	7,89,917	18.09%	7,89,917	18.09%	-	-





**12b Reserves and Surplus**

Particulars	31 March, 2018		31 March, 2017	
	Capital Reserves		21,07,457	
Capital Redemption Reserve		-		-
<b>Retained Earnings</b>				
Opening balance	(43,23,56,195)		(43,35,97,720)	
Profit for the year	16,86,849	(43,06,69,345)	12,41,525	(43,23,56,195)
<b>Total reserves and surplus</b>		<b>(42,85,61,888)</b>		<b>(43,02,48,738)</b>

**13 Financial Liabilities****13(a) Non Current Borrowings**

Particulars	Interest Rate	31 March, 2018	31 March, 2017	1 April, 2016
<b>Secured</b>				
<b>Term loans</b>				
-Banks	9.75%	10,76,512	14,59,872	1,71,602
-Other parties	-	44,32,38,884	43,97,62,384	44,07,43,384
Deposits	-	-	-	-
<b>Unsecured</b>				
Loans from Related Parties	-	-	56,93,972	-
<b>Total Non Current Borrowings</b>		<b>44,43,15,397</b>	<b>44,69,16,228</b>	<b>44,09,14,986</b>

**Notes**

- (i) Loans Amounting to Rs. 10,76,512/- (Rs. 14,59,872/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.29%
- (iii) Company has not defaulted in repayment of the said car loan.

**13(a) Current borrowings**

Particulars	Interest Rate	31 March, 2018	31 March, 2017	1 April, 2016
<b>Loans repayable on demand</b>				
<b>Secured</b>				
Bank overdraft	-	-	-	18,459
<i>From banks</i>				
-HDFC Car Loan	15.36%	-	1,71,844	3,84,567
-ICICI Car Loan	9.75%	4,29,447	3,89,667	-
<b>Total Current Borrowings</b>		<b>4,29,447</b>	<b>5,61,511</b>	<b>4,03,026</b>

**Notes**

- (i) Loans Amounting to Rs. Nil/- (Rs. 1,71,844/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from HDFC Bank is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is 15.36%.
- (iii) Company has not defaulted in repayment of the said car loan.
- (iv) Loans Amounting to Rs.4,29,447 /- (Rs.3,89,667/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (v) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.28%
- (vi) Company has not defaulted in repayment of the said car loan.

**3c Trade Payables**

Particulars	31 March, 2018	31 March, 2017
<b>Current</b>		
Trade payables	7,87,936	-
Trade payables to related parties	-	-
<b>Total Trade Payables</b>	<b>7,87,936</b>	<b>-</b>

**9 Other Current Liabilities**

Particulars	31 March, 2018	31 March, 2017
Statutory Tax Payables	2,69,284	47,644
<b>Total Other Non Current Assets</b>	<b>2,69,284</b>	<b>47,644</b>



**20 Revenue from operations**

Particulars	31 March, 2018	31 March, 2017
Sale of Products	3,87,91,958	4,48,39,473
Job Work	50,14,410	28,88,559
<b>Total Revenue from Operations</b>	<b>4,38,06,368</b>	<b>4,77,28,032</b>

**21a Other Income**

Particulars	31 March, 2018	31 March, 2017
Interest on Bank Deposits	27,364	25,298
Sundry Balances Written back	(1,53,230)	2,61,045
Rates and Taxes (Paid in Excess)	1,58,985	-
<b>Total Other Income</b>	<b>33,119</b>	<b>2,86,343</b>

**22a Cost of Material consumed**

Particulars	31 March, 2018	31 March, 2017
Opening Stocks	1,36,110	48,39,825
Add: Purchases	2,52,86,866	2,97,39,896
Add: Direct Expenses	1,10,94,443	1,28,37,186
Less: Closing Stocks	76,97,778	1,36,110
<b>Total Cost of Material Consumed</b>	<b>2,88,19,641</b>	<b>4,72,80,797</b>

**22b Change in Inventories of work-in-progress, stock in trade and finished goods**

Particulars	31 March, 2018	31 March, 2017
<b>Finished Goods</b>		
Closing Stock	27,20,505	1,03,84,555
less: Opening Stock	1,03,84,555	38,99,823
<b>Total Changes in Finished Goods</b>	<b>(76,64,050)</b>	<b>64,84,732</b>

**Other Direct Expenses**

Particulars	31 March, 2018	31 March, 2017
Additive Exp.	1,69,436	4,82,768
Claim Paid	-	9,09,185
Freight & Forwarding	69,644	26,890
Labour Charges	15,33,545	6,62,550
Loading & Unloading Exp.	98,061	1,12,111
Packing Expenses	4,50,619	4,76,354
Power & Fuel	53,56,269	63,10,461
Rate Difference	-	13,470
Repair and Maintenance	65,692	2,73,434
Stores and Spares	15,70,774	16,16,818
Wages and Salaries	17,45,642	19,53,145
Weighing exp	9,760	-
Lab exp	25,000	-
<b>Total</b>	<b>1,10,94,443</b>	<b>1,28,37,186</b>



**23 Employee benefits expense**

Particulars	31 March, 2018	31 March, 2017
Salaries and Wages	13,92,159	14,57,840
Contribution to Provident & Other Funds	1,61,903	1,52,267
Staff Welfare expenses	1,15,006	1,69,855
Directors Remuneration	1,20,000	4,80,000
<b>Total</b>	<b>17,89,068</b>	<b>22,59,962</b>

**24 Depreciation and amortization expense**

Particulars	31 March, 2018	31 March, 2017
Depreciation of property, plant and equipment	10,76,530	9,99,629
Depreciation of investment property (note 4)	-	-
Amortization of intangible asset (note 5)	-	-
<b>Total</b>	<b>10,76,530</b>	<b>9,99,629</b>

**25 Other Expenses**

Particulars	31 March, 2018	31 March, 2017
Advertisement Expenses	97,618	39,263
Payment to auditors (note 25a)	75,000	1,72,500
Bank charges	1,734	1,955
Computer Expenses	600	1,02,875
Consultancy Charges	-	16,500
Conveyance	62,160	80,421
Donation	64,900	19,800
Traveling Expenses	11,062	97,145
Insurance	2,05,893	1,58,518
Interest on Late Payment of TDS	8,344	2,739
Interest on Late Payment of Power Bill	-	9,774
Professional charges	8,42,639	2,21,994
Loss on Sale of Motor Car	2,86,854	-
Membership Fees	37,600	4,580
Miscellaneous Expenses	1,09,655	1,68,713
Motor Car Exp.	66,673	92,592
Postage Expenses	31,734	26,141
Printing and stationery	28,562	74,731
Rates and Taxes	-	9,60,714
Repair and Maintenance	4,15,668	-
Security Expense	2,62,693	2,18,745
Service Tax Paid	11,207	30,518
Telephone Exp.	15,000	20,572
<b>Total</b>	<b>26,35,595</b>	<b>25,20,790</b>

**25a Details of payment to auditors**

Particulars	31 March, 2018	31 March, 2017
Audit Fees	75,000	1,15,000
Professional fees	-	57,500
<b>Total</b>	<b>75,000</b>	<b>1,72,500</b>

**26 Finance costs**

Particulars	31 March, 2018	31 March, 2017
Finance Cost	1,67,754	1,96,222
Bank Interest	-	182
<b>Total</b>	<b>1,67,754</b>	<b>1,96,404</b>



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sharad Fibre & Yarn Processors Limited

### Report on the Consolidated Ind AS Financial Statements

I have audited the accompanying consolidated Ind AS financial statements of Sharad Fibre & Yarn Processors Limited (hereinafter referred to as "the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

### Auditor's Responsibility

My responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting my audit, I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

I have conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I should comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Opinion

In my opinion and to the best of my information and according to the explanations given to me and based on the consideration of reports of other auditors on separate financial statements/ financial information of the subsidiary referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by 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 consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income/ loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

## Other Matters

- (a) The comparative financial information for the year ended 31<sup>st</sup> March 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April 2016 in respect of its subsidiary included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by me.
- (b) The comparative financial information of the Group for the year ended 31<sup>st</sup> March 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April 2016 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information and the said opening balance sheet dated 30<sup>th</sup> May, 2017 expressed an unmodified opinion.
- (c) The comparative financial information of the Group for the year ended 31<sup>st</sup> March 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April 2016 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016 dated 30<sup>th</sup> May, 2017 and 30<sup>th</sup> May, 2016 respectively expressed an unmodified opinion on those consolidated



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / darshil\_doshi@hotmail.com

Ref. No.

Date :

financial statements and have been restated to comply with Ind AS. Adjustments made to the said consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by me.

My opinion on the consolidated Ind AS financial statements above, and my report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to my reliance on the work done and the reports of the branch auditors and other auditors and the financial statements / financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on my audit and on the consideration of the report other auditors on separate financial statements and the other financial information of its subsidiary company incorporated in India, referred in the Other Matters paragraph above I report, to the extent applicable, that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated Ind AS financial statements.
- (b) In my opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from my examination of those books, returns and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In my opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary company incorporated in India, my report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's/



# DARSHIL DOSHI & CO.

CHARTERED ACCOUNTANTS

408/409, Parekh Market, 39, J. S. S. Road, Near Kennedy Bridge, Opera House, Mumbai - 400 004.  
Tel.: 022 2382 7066 / 67 • Email : vipul\_doshi37@yahoo.com / dars'hl\_doshi@hotmail.com

Ref. No.

Date :

subsidiary company's incorporated in India internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in my opinion and to the best of our information and according to the explanations given to me:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

**For Darshil Doshi & Co.**

**Chartered Accountants**

**FRN No. 137998W**

*D. v. Doshi*



**Darshil Doshi**

**Proprietor**

**Membership no: 149822**

**Place: Mumbai**

**Date :28<sup>th</sup> May,2018**



**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Consolidated Balance Sheet as on 31st March, 2018**

Particulars	Note No.	31/03/2018	31/03/2017
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Propert, Plant and Equipment	3	1,23,96,153	1,40,82,582
Capital Work-in-Progress		-	-
Investment Properties		-	-
Goodwill on Consolidation		2,99,26,911	2,99,26,911
Other Intangible Assets		-	-
<b>Financial Assets</b>			
Investments		-	-
Loans	<del>5(c)</del>	-	-
Other Financial Assets	6(e)	33,63,501	32,37,064
Deferred Tax Assets (net)		-	-
Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<b>4,56,86,565</b>	<b>4,72,46,557</b>
<b>Current Assets</b>			
Inventories	9	1,04,18,283	1,05,20,665
<b>Financial Assets</b>			
i. Investments		-	-
ii. Trade Receivables	6(b)	2,44,14,462	2,66,01,385
iii. Cash and Cash Equivalents	6(d)	1,56,90,824	1,11,86,067
iv. Loans and Advances	6(c)	1,02,411	17,498
v. Other Financial Assets		-	-
Other Current Assets	10	1,80,330	3,61,089
Assets classified as held for sale		-	-
<b>Total Current Assets</b>		<b>5,08,06,310</b>	<b>4,86,86,704</b>
<b>Total Assets</b>		<b>9,64,92,938</b>	<b>9,59,33,259</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12(a)	4,36,64,000	4,36,64,000
<b>Other Equity</b>			
Reserves & Surplus	12(b)	(43,07,55,552)	(43,24,43,848)
Other Reserves		-	-
<b>Total Equity</b>		<b>(38,70,91,552)</b>	<b>(38,87,79,848)</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	13(a)	48,20,69,254	48,41,03,912
ii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Deferred Tax Liabilities		-	-
Government Grants		-	-
Other Non Current Liabilities		-	-
<b>Total Non Current Liabilities</b>		<b>48,20,69,254</b>	<b>48,41,03,912</b>



<b>Current Liabilities</b>			
Financial Liabilities			
i. Borrowings	13(a)	4,29,447	5,61,551
ii. Trade Payables	13(c)	8,16,505	-
iii. Other Financial Liabilities		-	-
Provisions			
Employee Benefit Obligations			
Government Grants			
Current Tax Liabilities			
Other Current Liabilities	19	2,69,284	47,644
Liabilities directly associated with assets classified held for sale			
<b>Total Current Liabilities</b>		<b>15,15,236</b>	<b>6,09,195</b>
<b>Total Liabilities</b>		<b>48,35,84,490</b>	<b>48,47,13,107</b>
<b>Total Equity and Liabilities</b>		<b>9,64,92,938</b>	<b>9,59,33,259</b>

The accompanying notes form an integral part of the financial statements.

**As per our Report of even date**

**For and on behalf of the Board**

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

*D. V. Doshi*

**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



*Ravi Dalmia*

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Aditya Dalmia*

**Aditya Dalmia**  
CFO  
DIN- 00634890

**Place: Mumbai**  
Date: 28th May, 2018

*Unnikrishnan Nair*

**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Madhumati*

**Madhumati**  
Company Secretary



**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Consolidated Statement of Profit and Loss for the 31st March, 2018**

Particulars	Note No.	Year Ended 31/03/2018	Year Ended 31/03/2017
Revenue from Operations	20	4,38,06,368	4,77,28,032
Other Income	21(a)	1,96,088	4,78,152
Other gains/(losses)- net	21(b)	-	-
<b>Total income</b>		<b>4,40,02,456</b>	<b>4,82,06,184</b>
<b>Expenses</b>			
Cost of Material consumed	22(a)	2,88,19,641	4,72,80,797
Purchase of stock-in-trade		-	-
Change in Inventories of work-in-progress, stock in trade and finished goods	22(b)	76,64,050	(64,84,732)
Employee Benefits expenses	23	17,89,068	22,59,962
Depreciation and Amortization expense	24	10,76,530	9,99,629
Impairment of goodwill and other non current assets	3, 5	-	-
Other Expenses	25	27,56,618	25,38,165
Finance Cost	26	1,67,754	1,96,404
<b>Total Expenses</b>		<b>4,22,73,661</b>	<b>4,67,90,225</b>
<b>Profit Before Tax</b>		<b>17,28,795</b>	<b>14,15,959</b>
Income Tax Expenses			
- Current Tax			-
- Deferred Tax			-
- Tax Expense relating to previous years		(40,500)	-
<b>Profit (Loss) for the period from continuing operations</b>		<b>16,88,295</b>	<b>14,15,959</b>
<b>Profit (Loss) for the period from discontinued operations</b>			-
<b>XIII. Profit (Loss) for the period</b>		<b>16,88,295</b>	<b>14,15,959</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss			-
Items that may not be reclassified to profit or loss			-
<b>Other comprehensive income for the year, net of tax</b>			-
<b>Total comprehensive income for the year</b>			-
<b>Earnings per equity share</b>			
Basic		0.39	0.32
Diluted		0.39	0.32

The accompanying notes form an integral part of the financial statements.  
As per our Report of even date

For and on behalf of the Board

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

*D. V. Doshi*

**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Ravi Dalmia*  
**Aditya Dalmia**  
CFO

Place: Mumbai  
Date: 28th May, 2018

**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Unnikrishnan Nair*  
**Madhumati**  
Company Secretary



Place: Mumbai  
Date: 28th May, 2018

**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Consolidated Statement of Cash flow for the 31st March, 2018**

Particulars	Year ended 31st March, 2018
<b>Cash flow from operating activities</b>	
Profit for the year	17,28,795
Adjustments for	
Depreciation and amortization expense	10,76,530
Impairment of goodwill and other non current asset	-
Employee share-based payment expense	-
Loss on disposal of property, plant and equipment	2,86,854
Gain on sale of investments	-
Interest and dividend income	(27,364)
Changes in asset and liabilities	
Decrease / (Increase) in Trade Receivables	21,86,923
Decrease / (Increase) in Inventories	1,02,382
Decrease / (Increase) in other non current assets	(1,26,437)
Decrease / (Increase) in other current assets	1,80,690
(Decrease) / Increase in provision	-
(Decrease) / Increase in Trade Payables &	8,16,505
(Decrease) / Increase in Other Current liabilities	2,21,640
<b>Cash generated from operations</b>	
Income taxes paid	(40,500)
<b>Net cash flow from operating activities</b>	<b>64,06,018</b>
<b>Cash flow from investing activities</b>	
Purchase of property, plant and equipment	(1,26,950)
Purchase of investments	
Loans to/from employees and related parties	(22,51,675)
Proceeds from sale of plant, property and equipment	4,50,000
Proceeds from sale of investment	
Repayment of loans by employees and related parties	
Dividends received	
Interest received	27,364
<b>Net cash flow from investing activities</b>	<b>(19,01,261)</b>
<b>Cash flow from financing activities</b>	
Proceeds from issue of shares	-
Proceeds from borrowings	-
Share issue costs	-
Repayment of borrowings	
Finance lease payments	-
Interest paid	-
Dividends paid to company shareholders	-
<b>Net cash flow from financing activities</b>	<b>-</b>



Net increase/ decrease in cash and cash equivalents	
Cash and cash equivalents at beginning of the financial year	1,11,86,067
Effects of exchange rate changes on cash and cash equivalents	-
Cash and cash equivalents at end of the year	1,56,90,824

<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>	
Cash and cash equivalents as per above comprise of the	
	<b>31 March, 2018</b>
Cash and cash equivalents (note 6(d))	9,69,853
Bank Overdrafts (note 13(a))	1,47,20,971
<b>Balances as per statement of cash flows</b>	<b>1,56,90,824</b>

The accompanying notes form an integral part of the financial statements.

**As per our Report of even date**

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

*D. v. Doshi*

**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



**Place: Mumbai**  
Date: 28th May, 2018

**For and on behalf of the Board**

*Ravi Dalmia*

**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Unnikrishnan Nair*

**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Aditya Dalmia*

**Aditya Dalmia**  
CFO

*Madhumati*

**Madhumati**  
Company Secretary

**Place: Mumbai**  
Date: 28th May, 2018



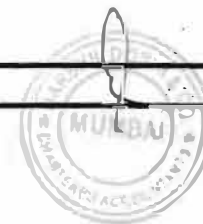
**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Consolidated Statement of changes in equity for the year ended 31st March, 2018**

**A. Equity share capital**

Particulars	Notes	
As at 1 April 2016		4,00,64,000
Changes in equity share capital	12	36,00,000
<b>As at 31 March 2017</b>		<b>4,36,64,000</b>
Changes in equity share capital	12	-
<b>As at 31 March 2018</b>		<b>4,36,64,000</b>

**B. Other equity**

Particulars	Other Equity				Total
	Reserves and Surplus		Other comprehensive income		
	Retained Earnings	Capital reserve	Equity Instruments	Other items of other comprehensive income	
Balance as at April 1, 2016	(43,35,97,720)	21,07,457	-	-	(43,14,90,263)
Profit for the year	14,15,959	(23,69,544)	-	-	(9,53,585)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>(43,21,81,761)</b>	<b>(2,62,087)</b>	-	-	<b>(43,24,43,848)</b>
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-
Fair value changes on derivatives designated as cash flow hedge	-	-	-	-	-
Fair value changes on investments, net	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Issue of equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Employee stock option expense	-	-	-	-	-
<b>Balance as at 31 March, 2017</b>	<b>(43,21,81,761)</b>	<b>(2,62,087)</b>	-	-	<b>(43,24,43,848)</b>



Particulars	Other Equity				Total
	Reserves and Surplus		Other comprehensive income		
	Retained Earnings	Capital reserve	Equity Instruments	Other items of other comprehensive income	
Balance as at April 1, 2017	(43,21,81,761)	(2,62,087)	-	-	(43,24,43,848)
Profit for the year	16,88,295	-	-	-	16,88,295
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>(43,04,93,465)</b>	<b>(2,62,087)</b>	<b>-</b>	<b>-</b>	<b>(43,07,55,552)</b>
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-
Fair value changes on derivatives designated as cash flow hedge	-	-	-	-	-
Fair value changes on investments, net	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Issue of equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Employee stock option expense	-	-	-	-	-
<b>Balance as at 31 March, 2018</b>	<b>(43,04,93,465)</b>	<b>(2,62,087)</b>	<b>-</b>	<b>-</b>	<b>(43,07,55,552)</b>

The accompanying notes form an integral part of the financial statements.

**As per our Report of even date**

**Darshil Doshi & Co.**

Chartered Accountants

Firm Regn. No. 137998W

*D. V. Doshi*

**Darshil Doshi**

Proprietor

Mem. No. - 149822



Place: Mumbai

Date: 28th May, 2018

**For and on behalf of the Board**

*Ravi Dalmia*

**Ravi Dalmia**

Managing Director

DIN- 00634870

*Aditya Dalmia*

**Aditya Dalmia**

CFO

Place: Mumbai

Date: 28th May, 2018

*Unnikrishnan Nair*

**Unnikrishnan Nair**

Director

DIN- 01159376

*Madhumati*

**Madhumati**

Company Secretary

**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Notes to the financial statements for the year ended**

**Note No. - 1 First-time adoption of Ind-AS**

These financial statements, for the year ended 31 March 2018, are the first the entity has prepared in accordance with Ind-AS. For periods up to and including the year ended 31 March 2017, the entity prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the entity has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the entity's opening balance sheet was prepared as at 1 April 2016, the entity's date of transition to Ind-AS. This note explains the principal adjustments made by the entity in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

**Exemptions applied**

1. Freehold land and buildings, other than investment property, were carried in the statement of financial position prepared in accordance with previous GAAP on 31 March 2017. The entity has elected to regard carrying values as at 31 March 2017 as deemed cost at the date of transition.
2. Financial Instruments were carried in the statement of financial position prepared in accordance with previous GAAP on 31 March 2017. The entity has elected to regard carrying values as at 31 March 2017 as deemed cost at the date of transition.

**Note No.2- Corporate Information**

The Company is engaged in the business of manufacturing recycling of plastic wastes.

The Consolidated Financial Statements consist of Sharad Fibre & Yarn Processors Limited and its subsidiary company BST Exports Private Limited alongwith Dalmia Exim Limited which is the subsidiary company of BST Exports Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Indian Accounting Standard 27 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Amendment Rules, 2016.

**b) The details of subsidiary company of Sharad Fibre & Yarn Processors Limited is as follows:**

Name of Company	Ownership in %		Country of Incorporation
	2017-18	2016-17	
BST Exports Private Limited	100	100	India

**a) The details of subsidiary company of M/s. BST Exports Private Limited is as follows:**

Name of Company	Ownership in %		Country of Incorporation
	2017-18	2016-17	
Dalmia Exim Limited	100	100	India

**Note No. 3: Significant Accounting Policies:**

**i) Statement of Compliance**

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act except for Ind AS 19 - Retirement Benefits

**ii) Basis of Accounting**

The accounts of the company are prepared under the historical convention using accrual method of accounting. There has been no change in the method of accounting as compared to preceding previous year. The company has incurred huge losses. The net worth of the company is completely eroded. But the company is hopeful for the revival in its business activities in future and hence these financial statements have been prepared on going concern basis, despite accumulated losses.





**iii) Property, Plant and Equipment :**

All Property Plant & Equipments are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.

**iv) Impairment of Assets :**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**v) Revenue recognition :**

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods: Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, based on the applicable incoterms. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST, value added taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the revenue recognition criteria have been complied.

**vi) Retirement Benefits :**

Compensation payable to employees retired is charged out in full in the year in which such expenditure is incurred. No provision has been made in the books of accounts of the Company on account of retirement benefits of the employees, in accordance with the Ind AS-19, as the same is made on cash basis and shall be provided in the books of the company as and when paid.

**vii) Inventories :**

Inventories comprise of Raw Materials and Finished Goods (Manufactured and Traded). Inventories are valued at the lower of Cost and Net Realisable Value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance. Finished Goods comprises of materials, direct labour, other direct costs and related production overheads.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**viii) Foreign Currency Transactions :**

Initial Recognition:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Conversion:

At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year end exchange rates.

Exchange Differences:

All exchange differences arising on settlement and/or conversion on foreign currency transaction are included in the Profit & Loss Account.



**ix) Taxation:**

- a) Provision for Current Tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by the tax rates as applicable. However, the company has not provided for income tax as there is no income tax payable.
- b) No Deferred Tax Assets are created in the books of the company as in the opinion of the management, they are not reasonably certain that there will be sufficient future income to recover such Deferred Tax Assets.

**x) Provisions and Contingent Liabilities**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Following Contingent Liabilities are not provided for:-

- a) An Appeal Filed by the Company before the commissioner of Central Excise (Appeal) the order on the same has been passed in favour of the Company against demand of Rs. 3,61,537/- (already Paid) plus Rs. 16,32,382/- (already paid) and imposed penalty of Rs. 3,61,537/- and Rs. 1,00,000/- and interest thereon. However the Excise Department has filed appeal before the CEGAT (case No. 103/adj/2001 ADC dated 31.10.2001). The Case is being defended by the company.

**xii) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash on hand and demand deposits with banks.

**xiii) Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Fair value of financial assets and financial liabilities

All financial assets and liabilities are carried at amortised cost.

The management consider that the carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair value as on March 31, 2018 and March 31 2017.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on Financial assets measured at amortised cost and trade receivables.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.



**xiv) Related Party Disclosure:**

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

**a) List of related parties with whom transactions have taken place and relationship:**

Sr.No.	Name of the Related Party	Relationship
1	Ravi Dalmia	Key Management Personnel
2	Aditya Dalmia	Key Management Personnel
3	Unnikrishnan Nair	Key Management Personnel
4	Surendra Bahadur Singh	Key Management Personnel
5	Jyoti Nankani	Key Management Personnel
6	Shashi Dalmia	Relative of KMP
7	Dalmia Exim Ltd.	Associate
8	Dalmia Polypro Industries Limited	Associate
9	S. Dalmia Intermediates Pvt. Ltd.	Associate
10	Sharad Dalmia	KMP of BST Exports Pvt. Ltd.
11	Pratik Dalmia	KMP of BST Exports Pvt. Ltd.
12	Varun Dalmia	KMP of BST Exports Pvt. Ltd.



**Transaction during the year with related parties (Previous Year figures are shown in Brackets):**

<b>LOAN TAKEN</b>				
<b>ASSOCIATES</b>	<b>Opening</b>	<b>Taken</b>	<b>Repaid</b>	<b>Closing</b>
Pratik Dalmia	-	-	-	-
	-	(12,88,000)	(12,88,000)	-
Sharad Dalmia	-	-	-	-
	(14,70,000)	(5,00,000)	(19,70,000)	-
Aditya Dalmia	-	30,23,557	-	30,23,557
	-	-	-	-
Shashi Dalmia	-	13,42,857	8,33,300	5,09,557
	-	-	-	-
Ravi Dalmia	-	13,42,858	8,33,300	5,09,558
	-	-	-	-
<b>Total</b>	-	<b>57,09,272</b>	<b>16,66,600</b>	<b>40,42,672</b>

**Remuneration / Salary / Job Work (Income)**

<b>Name of related party</b>	<b>Relation</b>	<b>Nature</b>	<b>Amount</b>	<b>Clg Balance</b>	<b>Amount</b>	<b>Clg Balance</b>
			<b>31.03.2018</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2017</b>
Aditya Dalmia	Key Management Personnel	Directors Remuneration	1,20,000	-	4,80,000	-
Dalmia Polypro Industries Private Limited	Associate	Job Work (Income)	47,23,406	-	-	-
<b>Total</b>			<b>48,43,406</b>	<b>-</b>	<b>4,80,000</b>	<b>-</b>

**Sales/ Purchases of Goods / Shares**

<b>Name of related party</b>	<b>Relation</b>	<b>Nature</b>	<b>Amount</b>	<b>Clg Balance</b>	<b>Amount</b>	<b>Clg Balance</b>
			<b>31.03.2018</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2017</b>
Dalmia Polypro Industries Private Limited	Associate	Sale of Goods	87,53,022	-	1,38,68,058	-
Dalmia Polypro Industries Private Limited	Associate	Purchase of Goods	86,30,810	-	82,20,435	-
<b>Total</b>			<b>1,73,83,832</b>	<b>-</b>	<b>2,20,88,493</b>	<b>-</b>

The accompanying notes form an integral part of the financial statements.

**As per our Report of even date**

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No.  
**137998W**

*D. V. Doshi*  
**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



For and on behalf of the Board

*Ravi Dalmia*  
**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Unnikrishnan Nair*  
**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Aditya Dalmia*  
**Aditya Dalmia**  
CFO

*Madhumati*  
**Madhumati**  
Company Secretary

**Place: Mumbai**  
Date: 28th May, 2018

**Place: Mumbai**  
Date: 28th May, 2018



xv) OTHER NOTES

a) Expenditure in foreign currency during the financial year on account of :  
Foreign Travelling Expenses – (RS. Nil)

b) Critical accounting judgements and key sources of estimation uncertainties:  
The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c) Trade Payables:  
Unpaid amount as on 31.03.2018 to Micro, Small and Medium Enterprises Development Act, 2006 could not be ascertained by the Company in absence of classification information as to the status of the Supplier. Hence such information is not disclosed in the financial statements.

*The accompanying notes form an integral part of the financial statements.*  
**As per our Report of even date**

**Darshil Doshi & Co.**  
Chartered Accountants  
Firm Regn. No. 137998W

*D. V. Doshi*  
**Darshil Doshi**  
Proprietor  
Mem. No. - 149822



**Place: Mumbai**  
Date: 28th May, 2018

*For and on behalf of the Board*

*Ravi Dalmia*  
**Ravi Dalmia**  
Managing Director  
DIN- 00634870

*Unnikrishnan Nair*  
**Unnikrishnan Nair**  
Director  
DIN- 01159376

*Aditya Dalmia*  
**Aditya Dalmia**  
CFO

**Place: Mumbai**  
Date: 28th May, 2018

*Madhumati*  
**Madhumati**  
Company Secretary



3 Property, ~~plant~~ and equipment

Particulars	Freehold Land	Building	Computer	Plant & Machinery	Equipment	Vehicles	Electrical Instalations	Capital work-in-progress	Total
<b>Year ended 31 March, 2017</b>									
<b>Gross carrying amount</b>									
Deemed cost as at 1 April 2016	5,91,905	59,59,081	69,000	14,66,040	6,700	34,82,328	2,21,435	0	1,17,96,489
Additions				56,61,790		26,98,900			83,60,690
Assets included in a disposal group classified as held for sale									
Disposals									
<b>Closing gross carrying amount</b>	5,91,905	59,59,081	69,000	71,27,830	6,700	61,81,228	2,21,435	-	2,01,57,179
<b>Accumulated Depreciation</b>									
Accumulated Depreciation as at 1 April 2016	-	35,34,274	17,480	2,35,065	1,783	12,40,476	45,890	0	50,74,968
Depreciation charge during the year	-	75,959	21,850	1,47,892	651	7,31,946	21,331	0	9,99,629
Disposals									
<b>Closing accumulated depreciation</b>	-	36,10,233	39,330	3,82,957	2,434	19,72,422	67,221	-	60,74,597
<b>Net Carrying amount</b>	<b>5,91,905</b>	<b>23,48,848</b>	<b>29,670</b>	<b>67,44,873</b>	<b>4,266</b>	<b>42,08,806</b>	<b>1,54,214</b>	<b>-</b>	<b>1,40,82,582</b>
<b>Year ended 31 March, 2018</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	5,91,905	59,59,081	69,000	71,27,830	6,700	61,81,228	2,21,435	-	2,01,57,179
Additions				1,26,950					1,26,954
Assets classified as held for sale									
Disposals						(9,18,634)			(9,18,634)
Transfers									
<b>Closing gross carrying amount</b>	5,91,905	59,59,081	69,000	72,54,780	6,700	52,62,594	2,21,435	-	1,93,65,499
<b>Accumulated Depreciation and impairment</b>									
Opening accumulated depreciation	-	36,10,233	39,330	3,82,957	2,434	19,72,422	67,221	-	60,74,597
Depreciation charge during the year		77,014	22,153	4,57,644	651	4,97,633	21,435		10,76,530
Impairment loss									
Disposals				(1,81,781)					(1,81,781)
Exchange differences									
Assets classified as held for sale									
<b>Closing accumulated depreciation and impairment</b>	-	36,87,247	61,483	6,58,820	3,085	24,70,055	88,656	-	69,69,346
<b>Net Carrying amount</b>	<b>5,91,905</b>	<b>22,71,834</b>	<b>7,517</b>	<b>65,95,960</b>	<b>3,615</b>	<b>27,92,539</b>	<b>1,32,779</b>	<b>-</b>	<b>1,23,96,153</b>

Note: The depreciation method used is as per assets useful life.

#### 4 Investment Properties

Particulars	31 March, 2018	31 March, 2017
<b>Gross carrying amount</b>		
Opening gross carrying amount/ Deemed cost	-	-
Additions	-	-
Closing gross carrying amount	-	-
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing accumulated depreciation	-	-
Net carrying amount	-	-

#### 5 Intangible assets

Particulars	Patent	Technical Know How	Others	Total
<b>Year ended 31 March, 2017</b>				
<b>Gross carrying amount</b>				
Deemed cost as at 1 April 2016				
Additions				
<b>Closing gross carrying amount</b>	-	-	-	-
<b>Accumulated amortization</b>				
Amortization charge during the year				
<b>Closing accumulated amortization</b>	-	-	-	-
Closing net Carrying amount				
<b>Year ended 31 March, 2018</b>				
<b>Gross carrying amount</b>				
Opening gross carrying amount				
Additions				
Transfers				
<b>Closing gross carrying amount</b>	-	-	-	-
<b>Accumulated amortization and impairment</b>				
Opening accumulated amortization				
Amortization charge during the year				
Impairment charge				
<b>Closing accumulate amortization and impairment</b>	-	-	-	-
Closing net Carrying amount	-	-	-	-



**6 Financial assets****6(a) Non-current investments**

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Investment in equity instruments	-	-	-
<b>Total Non-Current Investments</b>	-	-	-
Aggregate amount of quoted investments and market value there of	-	-	-
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-

**6(a) Current investments**

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Investment in equity instruments	-	-	-
<b>Total Non-Current Investments</b>	-	-	-
Aggregate amount of quoted investments and market value there of			
Aggregate amount of unquoted investments			
Aggregate amount of impairment in the value of investments			





**6(b) Trade Receivables**

Particulars	31 March, 2018	31 March, 2017
Trade Receivables	2,44,14,462	2,66,01,385
Receivables from related parties	-	-
Less: Allowance for doubtful debts	-	-
<b>Total Receivables</b>	<b>2,44,14,462</b>	<b>2,66,01,385</b>
Current portion	2,23,05,740	2,28,69,593
Non current portion	21,08,722	37,31,792

**Break up of security details**

Particulars	31 March, 2018	31 March, 2017
Secured, considered good	-	-
Unsecured, considered good	2,44,14,462	2,66,01,385
Doubtful	-	-
<b>Total</b>	<b>2,44,14,462</b>	<b>2,66,01,385</b>
Allowance for doubtful debts	-	-
<b>Total Trade Receivables</b>	<b>2,44,14,462</b>	<b>2,66,01,385</b>

**6(c) Loans**

Particulars	31 March, 2018		31 March, 2017	
	Current	Non Current	Current	Non Current
<b>Unsecured, considered good</b>				
Other Loans	-	-	-	-
Loan to employees	1,02,411	-	17,498	-
<b>Unsecured, considered doubtful</b>				
Loan to employees	-	-	-	-
Less: Allowance for doubtful loans	-	-	-	-
<b>Total Loans</b>	<b>1,02,411</b>	<b>-</b>	<b>17,498</b>	<b>-</b>



**6(d) Cash and cash equivalents**

Particulars	31 March, 2018	31 March, 2017
<b>Balances with banks</b>		
- in current accounts	1,47,20,971	1,06,42,549
- in EEFC account	-	-
Deposit with maturity of less than three months	-	-
Cash on hand	9,69,853	5,43,518
<b>Total Cash and Cash Equivalents</b>	<b>1,56,90,824</b>	<b>1,11,86,067</b>

**6(e) Other financial assets**

Particulars	31 March, 2018		31 March, 2017	
	Current	Non Current	Current	Non Current
Derivatives				
<b>Others</b>				
Security deposits (Electricity, Gas & Sales Tax)	-	2,66,000	-	2,66,000
Balance with revenue authorities	-	30,58,601	-	29,32,164
Bank Deposits with more than 12 months maturity	-	38,900	-	38,900
<b>Total Other Financial Assets</b>	<b>-</b>	<b>33,63,501</b>	<b>-</b>	<b>32,37,064</b>

**7 Deferred tax assets**

The balance comprises temporary differences attributable to:

Particulars	31 March, 2018	31 March, 2017
Tax losses	-	-
Defined benefit obligations	-	-
Provisions	-	-
<b>Other items</b>		
Derivatives	-	-
Allowance for doubtful debts- trade receivables	-	-
Others	-	-
Total deferred tax assets	-	-
Set off of deferred tax liabilities pursuant to set off provisions	-	-
<b>Net Deferred Tax Assets</b>	<b>-</b>	<b>-</b>

**8 Other non current assets**

Particulars	31 March, 2018	31 March, 2017
Capital advances		
Advances other than capital advances		
<b>Total Other Non Current Assets</b>	<b>-</b>	<b>-</b>



**9 Inventories**

Particulars	31 March, 2018	31 March, 2017
Raw materials	76,97,778	1,36,110
Work-in-progress	-	-
Finished goods	27,20,505	1,03,84,555
Traded goods	-	-
Stores and spares	-	-
<b>Total Inventories</b>	<b>1,04,18,283</b>	<b>1,05,20,665</b>

**Note:**

Valuation of Stock is as follows:

- i) Raw Material stock is valued at cost.
- ii) Finished Goods are valued at cost or NRV whichever is lower.
- iii) The inventories have been physically verified, valued and certified by the management.

**10 Other current assets**

Particulars	31 March, 2018	31 March, 2017
Prepayments	1,12,701	1,12,044
Advances to suppliers	-	2,06,012
Other receivables	67,628	43,033
<b>Total Other Non Current Assets</b>	<b>1,80,329</b>	<b>3,61,089</b>

**11 Assets classified as held for sale**

Particulars	31 March, 2018	31 March, 2017
Asset classified as held for sale	-	-
<b>Total assets classified as held for sale her non current assets</b>	<b>-</b>	<b>-</b>



**12 Equity****12a Equity share capital**

Particulars	Number of shares	Amount
As at 1 April 2016	40,06,400	4,00,64,000
Increase during the year	3,60,000	36,00,000
<b>As at 31 March 2017</b>	<b>43,66,400</b>	<b>4,36,64,000</b>
Increase during the year	-	-
<b>As at 31 March 2018</b>	<b>43,66,400</b>	<b>4,36,64,000</b>

**(i) Movement in equity share capital**

Particulars	Number of shares	Amount
As at 1 April 2016	40,06,400	4,00,64,000
Issued during the year	3,60,000	36,00,000
<b>As at 31 March 2017</b>	<b>43,66,400</b>	<b>4,36,64,000</b>
Increase during the year	-	-
<b>As at 31 March 2018</b>	<b>43,66,400</b>	<b>4,36,64,000</b>

**(ii) Details of shares held by each shareholders holding more than 5%**

Particulars	31 March, 2018		31 March, 2017		1 April, 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Ravi Dalmia	6,15,476	14.10%	6,15,476	14.10%	4,95,801	12.38%
Ravi Dalmia HUF	2,25,200	5.16%	2,25,200	5.16%	2,25,200	5.62%
Aditya Dalmia	6,37,915	14.61%	6,37,915	14.61%	2,05,421	5.13%
Dalmia Exim Pvt. Ltd	-	-	-	-	3,77,500	9.42%
Aditya Dalmia HUF	2,11,750	5.29%	2,11,750	5.29%	2,11,750	5.29%
Shashi Dalmia	7,89,917	18.09%	7,89,917	18.09%	-	-

**12b Reserves and Surplus**

Particulars	31 March, 2018		31 March, 2017	
Capital Reserves		(2,62,087)	21,07,457	
Add:- Deposits W.off (Dalmia Exim Ltd)			(13,00,000)	
Add:- Loan W.off			(10,69,544)	(2,62,087)
Capital Redemption Reserve				
<b>Retained earnings</b>				
Opening balance	(43,21,81,761)		(43,35,97,720)	
Profit for the year	16,88,295	(43,04,93,465)	14,15,959	(43,21,81,761)
<b>Total Reserves and Surplus</b>		<b>(43,07,55,552)</b>		<b>(43,24,43,848)</b>

**13 Financial Liabilities****13(a) Non current borrowings**

Particulars	Interest Rate	31 March, 2018	31 March, 2017	1 April, 2016
<b>Secured</b>				
<b>Term loans</b>				
-Banks	9.75%	10,76,512	14,59,872	1,71,602
-Other parties	-	47,69,50,069	47,69,50,068	44,07,43,384
Deposits			-	-
<b>Unsecured</b>				
Parties	-	40,42,672	56,93,972	-
<b>Total Non Current Borrowings</b>		<b>48,20,69,254</b>	<b>48,41,03,912</b>	<b>44,09,14,986</b>

**Notes**

- (i) Loans Amounting to Rs. 10,76,512/- (Rs. 14,59,872/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.29%
- (iii) Company has not defaulted in repayment of the said car loan.



**13(a) Current borrowings**

Particulars	Interest Rate	31 March, 2018	31 March, 2017	1 April, 2016
<b>Loans repayable on demand</b>				
<i>Secured</i>				
Bank overdraft		-	-	18,459
<i>From banks</i>				
-HDFC car loan	15.36%	-	1,71,884	3,84,567
-ICICI car loan	9.75%	4,29,447	3,89,667	-
<b>Total current borrowings</b>		<b>4,29,447</b>	<b>5,61,551</b>	<b>4,03,026</b>

**Notes**

- (i) Loans Amounting to Rs. Nil/- (Rs. 1,71,844/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from HDFC Bank is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is 15.36%.
- (iii) Company has not defaulted in repayment of the said car loan.
- (iv) Loans Amounting to Rs.4,29,447 /- (Rs.3,89,667/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (v) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.28%
- (vi) Company has not defaulted in repayment of the said car loan.

**13c Trade payables**

Particulars	31 March, 2018	31 March, 2017
<b>Current</b>		
Trade payables	8,16,505	-
Trade payables to related parties	-	-
<b>Total Trade Payables</b>	<b>8,16,505</b>	<b>-</b>

**19 Other current liabilities**

Particulars	31 March, 2018	31 March, 2017
Statutory Tax Payables	2,69,284	47,644
<b>Total Other Non Current Assets</b>	<b>2,69,284</b>	<b>47,644</b>



**20 Revenue from operations**

Particulars	31 March, 2018	31 March, 2017
Sale of Products	3,87,91,958	4,48,39,473
Job work	50,14,410	28,88,559
<b>Total Revenue from Operations</b>	<b>4,38,06,368</b>	<b>4,77,28,032</b>

**21a Other Income**

Particulars	31 March, 2018	31 March, 2017
Interest on Bank Deposits	27,364	25,298
Sundry Balances Written back	(1,08,286)	2,61,011
Sundry Balances Written back (Dalmia Exim Ltd)	1,18,025	1,91,843
Rates and Taxes (Paid in Excess)	1,58,985	-
<b>Total Other Income</b>	<b>1,96,088</b>	<b>4,78,152</b>

**22a Cost of Material consumed**

Particulars	31 March, 2018	31 March, 2017
Opening Stocks	1,36,110	48,39,825
Add: Purchases	2,52,86,866	2,97,39,896
Add: Direct Expenses	1,10,94,443	1,28,37,186
Less: Closing Stocks	76,97,778	1,36,110
<b>Total Cost of Material consumed</b>	<b>2,88,19,641</b>	<b>4,72,80,797</b>

**22b Change in Inventories of work-in-progress, stock in trade and finished goods**

Particulars	31 March, 2018	31 March, 2017
Finished Goods		
Closing Stock	27,20,505	1,03,84,555
less: Opening Stock	1,03,84,555	38,99,823
<b>Total changes in finished goods</b>	<b>(76,64,050)</b>	<b>64,84,732</b>

**Other Direct Expenses**

Particulars	31 March, 2018	31 March, 2017
Additive Exp.	1,69,436	4,82,768
Claim Paid	-	9,09,185
Freight & Forwarding	69,644	26,890
Labour Charges	15,33,545	6,62,550
Loading & Unloading Exp.	98,061	1,12,111
Packing Expenses	4,50,619	4,76,354
Power & Fuel	53,56,269	63,10,461
Rate Difference	-	13,470
Repair and Maintenance	65,692	2,73,434
Stores and Spares	15,70,774	16,16,818
Wages and Salaries	17,45,642	19,53,145
Weighing exp	9,760	-
Lab exp	25,000	-
<b>Total</b>	<b>1,10,94,443</b>	<b>1,28,37,186</b>



**23 Employee benefits expense**

Particulars	31 March, 2018	31 March, 2017
Salaries and Wages	13,92,159	14,57,840
Contribution to Provident & Other Funds	1,61,903	1,52,267
Staff Welfare expenses	1,15,006	1,69,855
Directors Remuneration	1,20,000	4,80,000
<b>Total</b>	<b>17,89,068</b>	<b>22,59,962</b>

**24 Depreciation and amortization expense**

Particulars	31 March, 2018	31 March, 2017
Depreciation of property, plant and equipment (note 3)	10,76,530	9,99,629
Depreciation of investment property (note 4)	-	-
Amortization of intangible asset (note 5)	-	-
<b>Total</b>	<b>10,76,530</b>	<b>9,99,629</b>

**25 Other Expenses**

Particulars	31 March, 2018	31 March, 2017
Advertisement Expenses	1,63,406	39,263
Payment to Auditors (note 25a)	75,000	1,84,000
Bank charges	11,061	10,420
Computer Expenses	600	1,02,875
Consultancy Charges	-	16,500
Conveyance	62,160	80,421
Donation	64,900	19,800
Loss on Sale of Motor Car	2,86,854	-
Traveling Expenses	11,062	97,145
Insurance	2,05,893	1,58,518
Interest on Late Payment of TDS	8,344	2,739
Interest on Late Payment of Power Bill	-	9,774
Professional charges	8,52,639	2,21,994
Membership Fees	37,600	4,580
Miscellaneous Expenses	1,09,655	1,68,713
Motor Car Exp.	66,673	92,592
Postage Expenses	31,734	26,141
Printing and stationery	28,552	74,731
Rates and Taxes	35,908	9,58,124
Repair and Maintenance	4,15,668	-
Security Expense	2,62,693	2,18,745
Service Tax Paid	11,207	30,518
Telephone Exp.	15,000	20,572
<b>Total</b>	<b>27,56,618</b>	<b>25,38,165</b>

**25a Details of payment to auditors**

Particulars	31 March, 2018	31 March, 2017
Audit Fees	75,000	1,15,000
Professional fees	-	57,500
<b>Total</b>	<b>75,000</b>	<b>1,72,500</b>

**26 Finance costs**

Particulars	31 March, 2018	31 March, 2017
Finance Cost	1,67,754	1,96,222
Bank Interest	-	182
<b>Total</b>	<b>1,67,754</b>	<b>1,96,404</b>

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

Reg Office:- 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai - 400025. Tel : 022 - 43226969

Website: [www.sharadfibres.com](http://www.sharadfibres.com) Email id : [\\_accounts@sharadfibres.com](mailto:_accounts@sharadfibres.com)

CIN:L17110MH1987PLC043970

---

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the **31<sup>st</sup> Annual General Meeting** of the Members of **SHARAD FIBRES AND YARN PROCESSORS LIMITED** will be held at the Office No. 16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 on Tuesday, June 26, 2018 at 10:00 A.M. to transact, with or without modification(s) the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (including Standalone & Consolidated) of the Company for the Financial Year ended March 31, 2018, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Jyoti Nankani (Din: 07145004), who retires from office by rotation, and being eligible offers herself for re-appointment.
3. To appoint Statutory Auditors, M/s. J.H. Bhandari & Co., Chartered Accountants in place of M/s. Darshil Doshi & Co., Chartered Accountants by passing the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors Rule, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to recommendation made by the Audit Committee, M/s. J. H. Bhandari & Co., Chartered Accountants Sole Proprietorship having Firm Registration No. 138960W, be and are hereby appointed as Statutory Auditors of the Company in place of Statutory Auditors M/s. Darshil Doshi & Co., Chartered Accountants, who shall hold office from the conclusion of ensuing Annual General Meeting for a term of five consecutive years till the conclusion of Annual General Meeting to be held in 2023 and the Board be and is hereby authorized to fix the remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

### **SPECIAL BUSINESS:**

4. **RE- APPOINTMENT OF MR. RAVI DALMIA, MANAGING DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:



**“RESOLVED THAT** on the recommendation of the Nomination and Remuneration committee and pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to the appointment of Mr. Ravi Dalmia (DIN: 00634870) as a Managing Director of the Company for a period of 3 (three) years with effect from 1<sup>st</sup> June, 2018 at a consolidated remuneration not exceeding Rs.60,00,000/- per annum on the terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013, annexed to this Notice.

**FURTHER RESOLVED THAT** the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided, however, that the remuneration payable shall not exceed the limits mentioned above and the limits specified in the Schedule V, Part II, Section II read with other applicable provisions, if any, of the Companies Act, 2013, or any amendments thereto or enactments thereof from time to time and further in the event of sufficient profits in any year during the tenure of his appointment to pay maximum permissible remuneration as provided in Section 197 of the Companies Act, 2013.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

**5. APPROVAL OF RE-APPOINTMENT OF MR. UNNI KRISHNAN NAIR (DIN: 01159376), INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 CONSECUTIVE YEARS, EXISTING TERM EXPIRES ON MARCH 31, 2019:**

To Consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Unni Krishnan Nair (DIN: 01159376), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from April 1, 2019 to March 31, 2024”.

**6. APPROVAL OF RE-APPOINTMENT OF MR. SURENDRA BAHADUR SINGH (DIN: 06521001), INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 CONSECUTIVE YEARS, EXISTING TERM EXPIRES ON MARCH 31, 2019:**

To Consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Surendra Bahadur Singh (DIN: 06521001), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from April 1, 2019 to March 31, 2024”.

**7. SALE OF 25,000 EQUITY SHARES HELD BY THE COMPANY IN DALMIA EXIM LIMITED, A STEP DOWN SUBSIDIARY OF THE COMPANY; THROUGH BST EXPORTS PRIVATE LIMITED, A WHOLLY OWNED SUBSIDIARY:**

To consider and if thought fit, to pass, with or without modifications as may be practical and permissible, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with Regulation 24 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”) and further pursuant to the provisions of Section 180(1) (a), 188, 177 and any other applicable provision of the Companies Act, 2013, and the rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (the “Act”) the members of the Company hereby accord their consent to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted by the Board) to sell / transfer, or otherwise dispose in one or more tranches the aggregate 100% equity stake in Dalmia Exim Limited, a step down subsidiary of the Company, held through a wholly owned subsidiary Company, BST Exports Private Limited to the Purchasers and on such terms and conditions as may be agreed between the Company and the Purchasers.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to finalize, settle and execute such documents /deeds /writings /papers /agreements as may be required and to give necessary consents and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

**8. SALE OF 3,70,000 EQUITY SHARES HELD BY THE COMPANY IN ITS WHOLLY OWNED SUBSIDIARY COMPANY (i.e. BST EXPORTS PRIVATE LIMITED):**

To consider and if thought fit, to pass, with or without modifications as may be practical and permissible, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with Regulation 24 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”) and further pursuant to the provisions of Section 180(1) (a) , and any other

applicable provision of the Companies Act, 2013, and the rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (the "Act") the members of the Company hereby accord their consent to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted by the Board) to sell / transfer, or otherwise dispose in one or more tranches the aggregate 100% equity stake in BST Exports Private Limited, a wholly owned subsidiary Company to the Purchasers and on such terms and conditions as may be agreed between the Company and the Purchasers.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to finalize, settle and execute such documents /deeds /writings /papers /agreements as may be required and to give necessary consents and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

**9. APPROVAL OF RELATED PARTY TRANSACTIONS:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Section 188, 177 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded for the Company to enter into various transaction(s) annually with Dalmia Polypro Industries Private Limited for an amount not exceeding Rs.10 Crores from the financial year 2018-19 and onwards on such terms and conditions as may be agreed by the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or anyone or more Directors of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, for the purpose of giving effect to this resolution."

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai  
Date : May 28, 2018.**

**Sd/-  
RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the provision of Section 105 of the Companies Act, 2013 and the Rules framed thereunder, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.

2. The business set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No.19. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / reappointment at the AGM are furnished below. The Directors have furnished the requisite consents / declarations for their appointment/re-appointment.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015:**

<b>Name of Director</b>	<b>Ms. Jyoti Nankani</b>	<b>Mr. Ravi Dalmia</b>
<b>Director Identification Number (DIN)</b>	07145004	00634870
<b>Date of Birth</b>	3 <sup>rd</sup> December, 1981	16 <sup>th</sup> July, 1956
<b>Age</b>	36	61

<b>Brief resume &amp; Nature Of expertise in specific functional areas</b>	She is associated with the Company since 2015 as Non-Executive, Women Director of the Company and has experience of about 8 years in his credit. She looks after the Operations and Accounts of the Company.	He is associated with the Company since 1987 as a Director of the Company and has experience over 30 years in his credit. He looks after the overall affairs of the Company and plays an imperative role in the progress of the Company.
<b>Disclosure of relationship between directors inter-se</b>	N.A.	Brother of Mr. Aditya Dalmia
<b>Names of listed entities in which the person also holds the directorship</b>	N.A.	N.A.
<b>No. of Shares held in the Company</b>	NIL	6,15,476 Shares
<b>Membership &amp; Chairmanships of Committees of the Board</b>	N.A.	Audit Committee Stakeholder Relationship Committee

<b>Name of Director</b>	<b>Mr. Unni Krishnan Nair</b>	<b>Mr. Surendra Bahadur Singh</b>
<b>Director Identification Number (DIN)</b>	01159376	06521001
<b>Date of Birth</b>	15 <sup>th</sup> July, 1965	16 <sup>th</sup> December, 1974
<b>Age</b>	52	43
<b>Brief resume &amp; Nature Of expertise in specific functional areas</b>	He has experience of over 40 years in Marketing & Business Development of the Company.	He has experience of over 10 years and plays an imperative role in Management.
<b>Disclosure of relationship between directors inter-se</b>	N.A.	N.A.
<b>Names of listed entities in which the person also holds the directorship</b>	N.A.	N.A.
<b>No. of Shares held in the Company</b>	NIL	NIL
<b>Membership &amp; Chairmanships of Committees of the Board</b>	<ol style="list-style-type: none"> <li>1. Audit Committee-<b>Chairperson</b></li> <li>2. Stakeholder Relationship Committee-<b>Chairperson</b></li> <li>3. Nomination &amp; Remuneration Committee-<b>Chairperson</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Audit Committee</li> <li>2. Stakeholder Relationship Committee</li> <li>3. Nomination &amp; Remuneration Committee</li> </ol>

**Note:** Membership/Chairmanship in Committees including Sharad Fibres And Yarn Processors Limited has been considered.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday 23<sup>rd</sup> June, 2018 to Monday 25<sup>th</sup> June, 2018** (both days inclusive) for determining the names of members.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
10. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
11. The shares of the Company are listed on BSE Ltd., Mumbai.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

**BIGSHARE SERVICES PRIVATE LIMITED.**  
(Unit: Sharad Fibres and Yarn Processors Limited)  
E-2/3, Ansa Industrial Estate, Saki Vihar Road,  
Saki Naka, Andheri (East), Mumbai - 400 072.  
Tel. No. 022 2847 0652/ 4043 0200.  
Email id - [info@bigshareonline.com](mailto:info@bigshareonline.com)

- a. The Company has appointed **BIGSHARE SERVICES PRIVATE LIMITED** as Common Registrar & Transfer Agent of the Company for physicals as well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.
  - b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat this information should be passed on directly to their respective Depository Participants and not to the Company.
14. Relevant documents referred to in the Notice and in the Explanatory Statements are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

15. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
16. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
17. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with the Depository Participant to enable us to send you the Annual Reports and other communications via email.

#### 19. SHAREHOLDER INSTRUCTIONS FOR E-VOTING

- (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI, Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given below. The members are requested to go through them carefully.
- (ii) The Board of Directors of the Company has appointed M/s. GMJ & Associates, Practicing Company Secretaries, Mumbai as Scrutinizer to scrutinise the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) The facility for voting through e-voting system shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through e-voting.
- (iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (v) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e-voting facility.
- (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **Tuesday, 19<sup>th</sup> June, 2018.**

- (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e **Tuesday, 19<sup>th</sup> June, 2018** only shall be entitled to avail the facility of e-voting / remote e-voting.
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **Tuesday, 19<sup>th</sup> June, 2018** may obtain the User ID and password from **BIG SHARE SERVICES PRIVATE LIMITED** (Registrar & Transfer Agents of the Company).
- (ix) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company ([www.sharadfibres.com](http://www.sharadfibres.com)) and on the website of CDSL <https://www.evotingindia.com>. The results shall simultaneously be communicated to the Stock Exchange.
- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Tuesday, 26<sup>th</sup> June, 2018**.
- (xi) The instructions for shareholders voting electronically are as under:
  - a) The voting period begins on **Saturday, 23<sup>rd</sup> June, 2018 at 10.00 AM. (IST) and ends on Monday, 25<sup>th</sup> June, 2018 at 5:00 P.M. (IST)** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - c) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - d) Click on Shareholders
  - e) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - f) Next enter the Image Verification as displayed and Click on Login.
  - g) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
  - h) If you are a first time user follow the steps given below:



	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/ mail) in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- i) After entering these details appropriately, click on “**SUBMIT**” tab.
- j) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l) Click on the EVSN for the relevant < **SHARAD FIBRES AND YARN PROCESSORS LIMITED** > on which you choose to vote.
- m) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.

- o) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- p) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- q) You can also take out print of the voting done by you by clicking on **“Click here to print”** option on the Voting page.
- r) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- s) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- t) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u) In case you have any queries or issues regarding e-voting, you
- v) refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (a) to sl. no. (t) above to cast vote.

The voting period begins on **Saturday, 23<sup>rd</sup> June, 2018 at 10.00 AM. and ends on Monday, 25<sup>th</sup> June, 2018 at 5:00 P.M.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date

(record date) of **Tuesday, 19<sup>th</sup> June, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai**

**Date : May 28, 2018**

**RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:

#### ITEM NO. 4:

It is proposed to appoint Mr. Ravi Dalmia as Managing Director of the Company for a term of 3 years, w.e.f. 1<sup>st</sup> June , 2018. Mr. Ravi Dalmia is associated with the Company since inception and looks after the overall affairs of the Company. The terms of appointment & ceiling limits as laid down in Paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013 have been cleared and approved by Nomination & Remuneration Committee and the Board at their meeting held on May 28, 2018. This ceiling is on overall remuneration proposed with liberty to vary the same within this aforesaid overall ceiling.

In addition to above Salary and allowance, he will be also entitled to the following perquisites:

- a) Gratuity payable at a rate of half month's salary for each completed year of service.
- b) Company's contribution towards Provident Fund as per Rules of the Company, but the same shall not exceed 25% of the salary, subject to the condition that the contribution to Provident Fund and Superannuation Fund to the extent that these, either singly or put together are not taxable under the Income Tax Act, 1961.
- c) Leave unavailed of will be allowed to be encashed at the end of the tenure as per Company's Rules.
- d) Leave Travel Concession for self and family once a year incurred in accordance with the rules of the Company.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the appointment of Mr. Ravi Dalmia as a Managing Director of the Company for a period of 3 years commencing 1<sup>st</sup> June, 2018.

#### **MEMORANDUM OF INTEREST**

Mr. Aditya Dalmia being related to Mr. Ravi Dalmia, is deemed to be concerned and interested in the resolution at Item No. 4. Except Mr. Aditya Dalmia, none of the Directors / KMP of the Company are concerned or interested in this resolution.

**The disclosures as per Section II to Part-II of Schedule-V of the Companies Act, 2013 are as under:**

#### **I. GENERAL INFORMATION:**

1. Nature of Industry: The main business of the Company is processing, texturising, crimping, spinning, twisting, knitting, manufacturing, exchanging, trading,

commission agents, importing and exporting or dealing in fibres, yarn cloth and fabrics made from cotton, wool, silk, artsilk, rayon, nylon, polyester, acrylic or any other natural or manmade and synthetic fibres and yarns.

2. Date or expected date of commencement of commercial production: Not Applicable, as the Company is an existing Company.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
4. Financial Performance based on given indicators:

Sr. No.	Particulars	2016-2017	2015-2016	2014-2015
1.	Gross Income	4,80,14,375	5,88,40,679	9,98,00,795
2.	Profit before tax	12,41,525	19,47,088	23,54,094
3.	Profit after tax	12,41,525	19,47,088	23,54,094
4.	Dividend paid (including tax)	-	-	-
5.	Rate of dividend %	-	-	-

5. Foreign Investments or collaborations, if any: Company does not have any investment outside India.

## II. Information about the appointee

Name of the Director	Mr. Ravi Dalmia
Date of Birth	16/07/1956
Date of last appointment on the Board	15/07/1987
Qualifications	Bachelors of Commerce
Nature of expertise in Specific functional areas	Operations, Marketing & Business Development
Brief Resume	<p>1. Mr. Ravi Dalmia is associated with the Company since 1987 as a Executive Director and has experience of about 30 years in his credit.</p> <p>2. He Looks after the overall affairs of the Company and plays an imperative role in the progress of the Company. Further Looking at the exposure, experience and responsibilities shouldered by him, he is suitable for the position.</p>
Remuneration last drawn (including sitting fees, if any)	N.A.
Remuneration proposed to be paid	Rs.60,00,000/- p.a. (This is proposed remuneration and actual will be decided from time to time within the overall ceilings

	by the Board.)
Shareholding in the Company as on March 31, 2018	6,15,476 Shares
Relationship with other Directors/ Key Managerial Personnel	1. Being promoter, he is directly related to the Company. 2. Mr. Ravi Dalmia being related to Mr. Aditya Dalmia as a Brother.

### III. Other Information:

- (1) Reasons of loss or inadequate profits: Because of market competition and higher overhead cost.
- (2) Steps taken or proposed to be taken for improvement: With steps taken by the management, now the Company has started making profits and expected to improve further.
- (3) Expected increase in productivity and profits in measurable terms: The management expects about 10-15% increase in performance and profits.

### IV. Disclosures:

Necessary disclosures shall be made in the Directors Report annually and Shareholders will be provided all the necessary information.

The Board recommends the resolution set forth in Item No.4 for the approval of the Members.

### ITEM NO. 5 & 6:

Mr. Unni Krishnan Nair (DIN: 01159376) and Mr. Surendra Bahadur Singh (DIN: 06521001) are Independent Directors of the company. Pursuant to the provisions of the Act, they were appointed as Independent Non-Executive Directors to hold office for five consecutive years for a term upto 31st March, 2019, by the Members of the Company in the AGM held on September 27, 2014.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh, being eligible for re-appointment as Independent Directors offer themselves for re-appointment, are proposed to be re-appointed as Independent Directors for another term of five consecutive years from 1st April, 2019 upto 31st March, 2024.

In the opinion of the Board, Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for their re-appointment as Independent Non-Executive Director of the Company and are independent of the management. Copy of the draft letter for appointment of Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Non-Executive Directors setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, upto and including the date of AGM of the Company.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Directors of the Company.

Accordingly, the Board recommends the Special Resolutions in relation to eligibility and re-appointment of Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Directors of the Company for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024, for the approval of Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the members.

#### **ITEM NO. 7:**

Provisions of the Section 180 (1) (a) of the Companies Act, 2013 restricts a Company from selling, leasing or otherwise disposing off the whole of its undertaking without obtaining prior approval of the members by way of Special Resolution. In terms of explanation to Section 180 (1) (a) 'undertaking' means an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year. Further the expression "substantially the whole of the undertaking" in any financial year shall mean twenty per cent. or more of the value of the undertaking as per the audited balance sheet of the preceding financial year. Since the Company does not directly hold the investments in Dalmia Exim Limited, the provision of Section 180 (1) (a) of the Companies Act, 2013 would not be theoretically attracted. However, it is thought prudent from a governance perspective and also as a matter of abundant caution desirable to seek approval of the Shareholders in terms of Section 180 (1) (a) of the Companies Act, 2013.

Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that no Company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease to exercise of control over the subsidiary without passing a special

resolution in its General Meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/ National Company Law Tribunal.

The Company holds 100% shares in its step down subsidiary viz. Dalmia Exim Limited, through its wholly owned subsidiary Company i.e. BST Exports Private Limited which did not perform any business activities during the Year 2017-2018. As a result, the financial health of the Company has deteriorated significantly. There is no improvement in the performance of the Company in the financial year i.e. 2017-2018.

In view of the above, it was decided by the Board of Directors of the Company to sell, transfer or otherwise dispose of the entire holding of the Company in its Step down subsidiary.

Mr. Ravi Dalmia, Managing Director and Mr. Aditya Dalmia, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in passing of the said resolution up to the extent of their shareholding in the Company.

In view of the aforesaid, the Directors recommend the Special Resolution set out at Item No. 7 of Notice for approval of members, as they feel the same to be in the interest of the Company.

**ITEM NO.8:**

Provisions of the Section 180 (1) (a) of the Companies Act, 2013 restricts a Company from selling, leasing or otherwise disposing off the whole of its undertaking without obtaining prior approval of the members by way of Special Resolution. In terms of explanation to Section 180 (1) (a) 'undertaking' means an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year. Further the expression "substantially the whole of the undertaking" in any financial year shall mean twenty per cent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that no Company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease to exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/ National Company Law Tribunal.

The Company holds 100% shares in its subsidiary viz. BST Exim Private Limited. There is no such improvement in the performance of the Company in the financial year i.e. 2017-2018.

In view of the above, it was decided by the Board of Directors of the Company to sell, transfer or otherwise dispose of the entire holding of the Company in its subsidiary i.e. BST Exports Private Limited.

Mr. Ravi Dalmia, Managing Director and Mr. Aditya Dalmia, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in passing of the said resolution upto the extent of their shareholding in the Company.



In view of the aforesaid, the Directors recommend the Special Resolution set out at Item No. 8 of Notice for approval of members, as they feel the same to be in the interest of the Company.

**ITEM NO. 9:**

Pursuant to Section 188 of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

However, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all Material Related Party Transactions, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee and Board is obtained, wherever required. However, the estimated annual transaction value with the below mentioned Company in respect of financial year 2018-19 and in the years to come may exceed 10% of the Annual Turnover of the Company as per the last audited financial statements of the Company.

The transactions going to be made with such parties as sated below are 'Related Parties' of the Company as per Section 2(76) of the Companies Act, 2013.

The particulars of the contracts / arrangements / transactions are as under :

<b>Particulars</b>	<b>Information</b>
Name of Related Party	Dalmia Polypro Industries Private Limited
Nature of Relationship	Group Company
Name of Director(s) or Key Managerial Personnel who is related, if any.	Mr. Aditya Dalmia and Mr. Ravi Dalmia
Nature and Particulars of transactions	Sales, purchase or supply of any goods or materials;
Material terms of the Contracts/Arrangement/Transactions	The transactions are in the ordinary course of business and on arm's length basis.
Duration of these Related Party Transactions	These transactions are on-going depending upon the needs of the business.
Value of Related Party Transaction	Upto Rs. 10 Crores annually
Any other information relevant or important for the Members to make a decision.	None

The Related Party Transactions as mentioned above were necessary, normal and incidental to business and also played a significant role in the Company's business operations and entered into keeping Company's best interest in mind. Accordingly the Board recommends the Ordinary Resolution set forth in Item No. 9 of the Notice for the approval of the Members in terms of Regulation 23 (4) of the Listing Regulations.

The Audit Committee has reviewed and approved the transaction as set out herein.

Mr. Ravi Dalmia, Managing Director and Mr. Aditya Dalmia, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in passing of the said resolution upto the extent of their shareholding in the Company.

In view of the aforesaid, the Directors recommends the Ordinary Resolution set out at Item No. 9 of Notice for approval of members, as they feel the same to be in the interest of the Company.

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai  
Date : May 28, 2018**

**RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

Regd. Office:- 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai - 400025. Tel : 022 - 43226969

Website: [www.sharadfibres.com](http://www.sharadfibres.com) Email id : [accounts@sharadfibres.com](mailto:accounts@sharadfibres.com)

CIN:L17110MH1987PLC043970

---

<b>ATTENDANCE SLIP</b>
------------------------

DP ID*	
--------	--

Folio No.	
-----------	--

Client ID*	
------------	--

No. of Share(s)	
-----------------	--

Name & Address of Shareholder

.....  
.....

I/We hereby record my/our presence at the 31<sup>st</sup>Annual General Meeting of the Company held on 26<sup>th</sup> June, 2018 at 10:00A.M. at Office No. 16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025

\_\_\_\_\_  
Signature of Shareholder / Proxy

\*Applicable for investors holdings shares in electronic form.

---

## FORM NO. MGT-11

<b>PROXY FORM</b>
-------------------

[Pursuant to the section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

CIN: L17110MH1987PLC043970

**Name of the Company:** Sharad Fibres and Yarn Processors Limited

**Registered Office:** 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025

**Name of the Member(s):**

**Registered address:**

**Folio No./Client Id/DP Id:**

**E-Mail Id:**

I/We being the member(s) of ..... shares of Sharad Fibres And Yarn Processors Limited, hereby appoint:

- 1) Name: \_\_\_\_\_ Email id: \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him
- 2) Name: \_\_\_\_\_ Email id: \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him
- 3) Name: \_\_\_\_\_ Email id: \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him

and as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **31<sup>st</sup>Annual General Meeting** of the Company, to be held **on at 10:00 A.M. at Office No. 16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai – 400025** and on Tuesday, 26<sup>th</sup> June, 2018 any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
<b>Ordinary Business</b>			
1.	To approve and adopt Audited (Standalone and Consolidated) Financial Statement, for the year ended 31 <sup>st</sup> March, 2018 and reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Ms. Jyoti Nankani, who retires by rotation.		
3.	Appointment of M/s. J.H. Bhandari & Co, Chartered Accountants in place of M/s. Darshil Doshi & Co., Chartered Accountants for a term of 5 years as Statutory Auditors and fixing their remuneration.		
<b>Special Business</b>			
4.	Re-appointment of Mr. Ravi Dalmia, Managing Director of the Company.		
5.	Re-appointment of Mr. Unni Krishnan Nair (DIN: 01159376), Independent Director for a second term of 5 consecutive years, existing term expires on March 31, 2019.		
6.	Re-appointment of Mr. Surendra Bahadur Singh (DIN: 06521001), Independent Director for a second term of 5 consecutive years, existing term expires on March 31, 2019.		
7.	Sale of 25,000 Equity Shares held by the Company in Dalmia Exim Limited, a step down subsidiary of the company; through BST Exports Private Limited, a wholly owned subsidiary.		
8.	Sale of 3,70,000 Equity Shares held by the company in its wholly owned subsidiary company (i.e. BST Exports Private Limited).		
9.	To approve the Related Party Transactions with Dalmia Polypro Industries Private Limited.		

Signed this..... day of .....2018.

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Revenue Stamp of Rs. 1
---------------------------------------

**Note:**

- (1) This form duly completed should be deposited at the Registered Office of the Company Not later than 48 hours before the commencement of 31<sup>st</sup> Annual General Meeting of the Company.
- (2) For the resolution, Explanatory Statement and Notes, please refer to Notice of the Annual General Meeting.
- (3) Please put 'X' in the appropriate column against a resolutions indicated in the box. If you leave the "FOR" or "AGAINST" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (4) A proxy need not be a member of the Company.
- (5) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.



rad Fibres And Yarn Processors Limited

Dadar Chowpatty

Kirti M Doongursee College of Arts...

Dadar Beach

Yadav Patel Ln

Prabhadevi

Sahakari Bhandar

Institute Of Hospitality Management, Catering...

DS Babrekar Marg

Prabodhankar Thakre Chowk

Portuguese Church (Our Lady of Salvation...)

Dadar Manish Market

Oven Fresh

14 min every 9 mins

Gadkari Chowk

Ideal Book Depot

Dr D Silva Rd

Kavi Keshavsut Flyover

Dadar

Ernst & Young

Dadar Station - W

Dadar Club

Matunga Gymkh

5th Ln

Dadar TT Circle

Overhead