

SHARAD FIBRES AND YARN PROCESSORS LIMITED

Reg Off: 16, Floor-Grd, Plot-3/3A, Unique Industrial Estate, Swatantrya Veer Savarkar Marg,
Kismat Cinema, Prabhadevi, Mumbai - 400 025
Tel: 022 - 66355800/66155800 Website: www.sharadfibres.com;
CIN: L17110MH1937PLC043970; Email Id: accounts@sharadfibres.com

Date: September 5, 2019

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Reg: Security Code No. 514402

Sub: Submission of Annual Report of the Company for the Financial Year 2018-19.

Dear Sirs,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2018-19 of the 32nd Annual General Meeting.

The said Annual Report containing the Notice is also uploaded on the Company's website www.sharadfibres.com

Kindly take the above on record.

Thanking you,
Yours faithfully,

For SHARAD FIBRES & YARN PROCESSORS LIMITED



JYOTI NANKANI
(DIN: 07145004)
DIRECTOR



Encl: as above.

SHARAD FIBRES & YARN PROCESSORS LIMITED

32nd ANNUAL REPORT 2018-19

SHARAD FIBRES & YARN PROCESSORS LIMITED

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

MR. ADITYA AMARCHAND DALMIA

COMPANY SECRETARY

MRS. MADHUMATI RAJOL

REGISTERED OFFICE

16, Floor-Grd, Plot-3/3A, Unique Industrial Estate,
Swatantrya Veer Savarkar Marg,
Kismat Cinema, Prabhadevi, Mumbai – 400 025
Tel : 022 – 66355800/66155800
Website: www.sharadfibres.com
Email Id : accounts@sharadfibres.com

AUDITORS

M/s. J H Bhandari & Co., Chartered Accountants

SECRETARIAL AUDITORS

M/s. GMJ & Associates, Company Secretaries

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai – 400 059.
Tel. No. 022 2847 0652/ 4043 0200.
Email id - info@bigshareonline.com

ANNUAL GENERAL MEETING

28th September, 2019 at 11:00 a.m. at the registered office of the Company

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

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DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting the Thirty Second (32nd) Annual Report, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2019.

1. RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS:

(Amount in Rs)

Particulars	As at March 31, 2019	As at March 31, 2018
Revenue from Operations	5,62,06,473	4,38,06,368
Other Income	63,724	33,119
Total Income	5,62, 70,197	4,38,39,487
Total Expenses	5, 79,53, 752	4,21,52,638
Profit / (Loss) before tax	(16,83,555)	16,86,849
Tax Expense:		
Current tax expense for current Year	--	--
Deferred tax	--	--
Tax expense for Earlier Years	--	--
Profit / (Loss) after tax	(16,83,555)	16,86,849
Earning per Equity Share		
Basic	(0.39)	0.39
Diluted	(0.39)	0.39

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Your Company earned a Total Income of Rs. 5,62, 70,197/- as compared to Rs. 4,38,39,487/- in the previous Year. The total expenditure incurred during the Year under review was Rs.5, 79,53, 752/- as compared to Rs. 4,21,52,638/- in the previous Year. The Net Loss was Rs. 16,83,555/- as against Rs. 16,86,849/- in the previous Year.

3. 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.

4. DIVIDEND:

In view of losses, the Board does not propose any dividend for the Year ended March 31, 2019.

5. TRANSFER TO RESERVES:

No amount is proposed to be transferred to Reserves out of the profits earned during the Financial Year 2018-2019.

6. DEPOSITS:

The Company has not accepted any deposits, within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

7. SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital, as at 31st March, 2019 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.

8. 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 Notes to the Financial statements.

9. 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, 2019.

ii) Re-appointments:

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.

b) KEY MANAGERIAL PERSONNEL:

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

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

During the Financial Year under review, there was no change in the Key Managerial Personnel of the Company.

10. INDEPENDENT DIRECTORS:

The Independent Directors hold office for a fixed period of five Years upto 31st March, 2019 and are not liable to retire by rotation.

The members of the Company had approved the 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 1st April, 2019 to 31st March, 2024, in the general meeting held on June 26, 2018.

11. DECLARATION BY INDEPENDENT DIRECTORS:

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 & JOINT VENTURE COMPANIES:

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

13. DISINVESTMENTS:

(a) SALE OF SHARES OF SUBSIDIARY COMPANIES:

During the reporting period, your Company disinvested its 100% shareholding held in BST Exports Private Limited (wholly owned subsidiary). Following the sale, BST Exports Private Limited ceased to be a subsidiary of your Company and therefore the step down subsidiary Dalmia Exim Limited, which is a subsidiary of BST Exports Private Limited by virtue of the this sale, ceased to be a step down subsidiary of your Company.

The decision to disinvest from this business is in line with our strategy focus on core business.

(b) SALE OF UNIT:

The Board of Directors of your Company had decided to sell/transfer/dispose of individually and /or collectively land, Building, Plant & Machinery & such other assets of the Company situated at Plot No. 110/111, Govt. Industrial Estate, Masat Silvassa-396230, Dadara Nagar, Haveli, through auction/e-auction/tender basis. Your Company had sought approval from the members at the Extraordinary General Meeting held on October 5, 2018 for the same.

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 - 'A'** 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 April 26, 2018, May 28, 2018, August 14, 2018, September 4, 2018, November 14, 2018, February 14, 2019 and March 28, 2019 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 (2018-2019)							No. of meetings entitled to attend	Attended	Last AGM Attended
	April 26	May 28	Aug 14	Sept 4	Nov 14	Feb 14	March 28			
Mr. Ravi Dalmia (Managing Director)	Yes	Yes	Yes	Yes	Yes	No	Yes	7	6	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

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 Audit Committee 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 Six (6) times during the year on April 26, 2018, May 28, 2018, August 14, 2018, November 14, 2018, February 14, 2019 and March 28, 2019 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 (2018-2019)						No. Meetings Entitled to Attended	No. of Meetings Attended
		April 26	May 28	Aug 14	Nov 14	Feb 14	March 28		
Mr.	Chairperson	Yes	Yes	Yes	Yes	Yes	Yes	6	6

Unnikrishnan Nair	Non-Executive Independent								
Mr. Surendra Bahadur Singh	Non-Executive Independent	Yes	Yes	Yes	Yes	Yes	Yes	6	6
Mr. Ravi Dalmia	Executive Director	Yes	Yes	Yes	Yes	No	Yes	6	5

17.2 Nomination and Remuneration Committee:

The Nomination and Remuneration Committee 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 28, 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 (2018 - 2019)	No. of Meetings Entitled to Attended	No. of Meetings Attended
		May 28		
Mr. Unnikrishnan Nair	Chairperson Non-Executive Independent	Yes	2	2
Mr. Surendra Bahadur Singh	Non-Executive Independent	Yes	2	2
Ms. Jyoti Nankani	Non-Executive Director	Yes	2	2

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 organization.

- 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 in place a Stakeholders Relationship Committee, 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: [jyoti@dalmiapolypro.in](mailto: jyoti@dalmiapolypro.in) 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

The following table shows the nature of complaints received from the shareholders during the years 2018-2019.

	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	2	-	2
	Total	2	-	2

There were no complaints pending as on 31st March 2019.

The Committee met Four (4) times during the year on May 28, 2018, August 14, 2018, November 14, 2018 and February 14, 2019. 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 (2018-2019)				No. of Meetings entitled to Attended	No. of Meetings Attended
		May 28	Aug 14	Nov 14	Feb 14		
Mr. Unnikrishnan Nair	Chairperson Non-Executive Independent	Yes	Yes	Yes	Yes	4	4
Mr. Surendra Bahadur Singh	Non-Executive Independent	Yes	Yes	Yes	Yes	4	4
Mr. Ravi Dalmia	Executive Director	Yes	Yes	Yes	No	4	3

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-

- review the performance of non-independent Directors and the board of Directors as a whole;
- review the performance of the chairperson of the listed entity, taking into account the views of executive Directors and non-executive Directors;
- 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 once during the year on March 28, 2019 and was attended by all Independent Directors.

18. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of evaluation criteria suggested by the Nomination and Remuneration Committee and the SEBI (LODR) Regulations, 2015. Accordingly, the Board has carried out an evaluation of its performance after taking into consideration various performance related aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance. The performance evaluation of the Board as a whole, Chairperson and Non-Independent Directors was also carried out by the Independent Directors in their meeting held on March 28, 2019.

Similarly, the performance of various committees, individual Independent and Non Independent Directors was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like engagement, analysis, decision making, communication and interest of stakeholders.

The Board of Directors expressed its satisfaction with the performance of the Board, its committees and individual Directors.

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. All the transactions are of repetitive nature and/or entered in the Ordinary course of business and on arm's length.

Your 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 appended in Form No. AOC - 2 as **Annexure - 'B'**.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company www.sharadfibres.com

20. AUDITORS:

a) Statutory Auditor

Your Company had appointed M/s. J.H. Bhandari & Co., Chartered Accountants, Mumbai (Firm Registration No. 138960W with the Institute of Chartered Accountants of India) from the conclusion 31st Annual General Meeting (AGM) held in 2018 until the conclusion of the 36th Annual General Meeting (AGM) to be held in 2023.

The first proviso to section 139(1) of the Companies Act, 2013 has been omitted vide section 40 of the Companies (Amendment) Act, 2017 notified on 7th May, 2018. Therefore, it is not mandatory for the Company to place the matter relating to appointment of statutory auditor

for ratification by members at every Annual General Meeting. Hence the Company has not included the ratification of statutory auditors in the Notice of AGM.

The Report given by M/s. J.H. Bhandari & Co., Chartered Accountants, on the financial statements of the Company for the financial year 2018 - 2019 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) Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Board on recommendation of the Audit Committee has re-appointed Mr. Shailesh Bane, as the internal auditor of the Company.

c) 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 - 'C'** which forms a part of this report.

Observations by Secretarial Auditor as follows:

- i. The Company had availed Auto Loan of Rs. 13,76,500/- from Yes Bank Ltd, but the Company delayed in registering the particulars of charge in eForm CHG -1. However, the Company is in process of making an application to the Central Government for extension of time for filing particulars of registration of Charge with respect to the said Loan.*
- ii. The Company has delayed in filing Statement of Investor complaints pursuant to Regulation 13 (3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended September, 2018, for the period of 4 days.*

Board's Explanation on Observations given by Secretarial Auditor:

- i. Company is in process of making an application to the Central Government for extension of time for filing particulars of registration of Charge with respect to the said Loan.*
- ii. It was an inadvertent delay and the Company has paid the penalty levied by stock exchange for the same.*

d) Cost Audit and Cost Records:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rules made thereunder, Cost Audit is not applicable to the Company for the financial year 2018-19; Therefore maintenance of Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not required.

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 were not applicable to your Company for the Financial Year 2018 - 2019.

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)

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

23. PREVENTION OF INSIDER TRADING:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the revised Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All the Promoters and Directors of the Company who are Designated Persons, and their Immediate Relatives and other Connected Persons such as auditors, consultants, bankers, etc., who could have access to the unpublished price sensitive information of the Company, are governed under this 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 appended as **Annexure - 'D'** 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:

Your 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/ Managing Director of the Company.

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:

Your 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:

Your 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).

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

Your 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 - 'E'** 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 its Factory.

31. DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). 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.

The Percentage of Shares of the Company held in Demat is 72.52% and Physical form is 27.48%.

32. 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.

33. 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 has occurred between the end of the Financial Year of the Company, to which the Financial Statements related i.e. 31st March, 2019 and the date of the report i.e. August 14, 2019.

34. 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, 2019.

35. 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, 2019.

36. 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.

37. LISTING:

The shares of the Company are listed on BSE Ltd. The Company has paid Listing fees for the Financial Year 2018-2019.

38. 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.

39. SHIFTING OF REGISTERED OFFICE:

During the year under review, Your Company has shifted registered office from 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025 to 16, Floor-Grd, Plot-3/3a, Unique Industrial Estate, Swatantrya Veer Savarkar Marg, Kismat Cinema, Prabhadevi, Mumbai - 400 025.

40. 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: August 14, 2019

**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

Sharad Fibres 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.

The plastics industry has grown so rapidly that half the plastic on Earth has been made since 2005, and production is expected to double in the next two decades. We need to increase reuse of what we already use so that we are trashing as little as we can. 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 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 25. 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 2018 - 2019
Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 2018 - 2019

[Pursuant to section 92(5) 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:-	16, Floor-Grd, Plot-3/3A, Unique Industrial Estate Swatantrya Veer Savarkar Marg, Kismat Cinema, Prabhadevi Mumbai 400025 Conatet details :- 022-66355800 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 activites; Materials recovery	3830	87.63

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Not Applicable

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section

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 (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	2694200	0	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):-	2694200	0	2694200	61.70	2694200	0	2694200	61.70	-
(2) Foreign									
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	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2694200	0	2694200	61.70	2694200	0	2694200	61.70	
B. Public Shareholding									
1. Institutions									
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	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) FIs	0	0	0	0	0	0	0	0	0
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h) Others (specify)	0	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	-
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	2200	63600	65800	1.51	2000	35600	37600	0.86	(0.65)
ii) Overseas	0	0	0	-	0	0	0	-	-
b) Individual shareholders holding									
i) upto Rs. 1 lakh	47900	1013400	1061300	24.31	90300	966000	1056300	24.19	(0.11)
ii) excess of Rs 1 lakh	378200	86600	464800	10.64	378200	119500	497700	11.40	0.75
c) Clearing Member	1300	0	1300	0.03	1600	0	1600	0.04	0.01
NRI	0	77500	77500	1.77	0	77500	77500	1.77	-
Sub-total (B)(2):-	429600	1241100	1670700	38.26	472100	1198600	1670700	38.26	-
= (B)(1)+(B)(2)	429600	1242600	1672200	38.30	472100	1200100	1672200	38.30	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	-	0	0	0	-	-
Grand Total (A+B+C)	3123800	1242600	4366400	100.00	3166300	1200100	4366400	100.00	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Share holding at the end of the year (31.03.2019)			% 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	48402	1.11	0.00	48402	1.11	0.00	0.00
2	ANITADEVI RAVI DALMIA	57390	1.31	0.00	57390	1.31	0.00	0.00
3	SHASHI AMARCHAND DALMIA (HUF)	108150	2.48	0.00	108150	2.48	0.00	0.00
4	ADITYA DALMIA (HUF)	211750	4.85	0.00	211750	4.85	0.00	0.00
5	RAVIKUMAR DALMIA (HUF)	225200	5.16	0.00	225200	5.16	0.00	0.00
6	RAVI AMARCHAND DALMIA	615476	14.10	0.00	615476	14.10	0.00	0.00
7	ADITYA AMARCHAND DALMIA	637915	14.61	0.00	637915	14.61	0.00	0.00
8	SHASHI AMARCHAND DALMIA	789917	18.09	0.00	789917	18.09	0.00	0.00
		2694200	61.70	0.00	2694200	61.70	0.00	0.00

Change in Promoters' Shareholding

Sr. No.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.	Shareholding at the beginning of the year (As on 01-04-2018)		Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		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 (01-04-18 to 31-03-19)	
		No. of Shares at the beginning (01- 04-2018) / end of the year (31-03- 2019)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	JENNIFER JANE GOMES	240000	5.50	01.04.2018	NA	NA	240000	5.50
		240000	5.50	31.03.2019				
2	KRISHNASWAROOP RAMSWAROOP SEKSARIA	120000	2.75	01.04.2018	NA	NA	120000	2.75
		120000	2.75	31.03.2019				
3	EIRESORTS AND CLUBS PVT LTD	0	0	01.04.2018	NA	NA	0	0
				07.12.2018	4900	buy	4900	0.11
				04.01.2019	28000	buy	32900	0.75
		32900	0.75	31.03.2019				
4	RAJNIKANT KARUNAKAR NIRESHWALIA	30000	0.69	01.04.2018	NA	NA	30000	0.69
		30000	0.69	31.03.2019				
5	THE ESTATE INVESTMENT CO PVT LTD	28000	0.64	01.04.2018	NA	NA	28000	0.64
				04.01.2019	(28,000.00)	Sell	0	0.00
		28000	0.64	31.03.2019				
6	AWTANI ASHOK BHAWANDAS	22500	0.52	01.04.2018	NA	NA	22500	0.52
		22500	0.52	31.03.2019				
7	ALKESH M GOPANI	18300	0.42	01.04.2018	NA	NA	18300	0.42
		18300	0.42	31.03.2019				
8	KAMAL METHARAM JAGWANI	18200	0.41	01.04.2018	NA	NA	18200	0.41
		18200	0.41	31.03.2019				
9	PRAVIN JHUN JHUN WALA	18300	0.42	01.04.2018	NA	NA	18300	0.42
		18300	0.42	31.03.2019				
10	RANJAN BHARAT GANDHI	18300	0.42	01.04.2018	NA	NA	18300	0.42
		18300	0.42	31.03.2019				
11	VEENA JAGWANI	18300	0.42	01.04.2018	NA	NA	18300	0.42
		18300	0.42	31.03.2019				

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding		Date	Increasing / Decreasing in shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
		No. of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% 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
Indebtedness at the beginning of the financial year				
i) Principal Amount	15,05,959.00	44,32,38,884.00	—	44,47,44,843.00
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition	13,76,500.00	45,72,185.00	—	59,48,685.00
• Reduction	-6,93,295.80	-45,62,699.00	—	-52,55,994.80
Net Change	6,83,204.20	9,486.00	—	6,92,690.20
Indebtedness at the end of the financial year				
i) Principal Amount	21,89,163.20	44,32,48,370.00	—	44,54,37,533.20
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	21,89,163.20	44,32,48,370.00		44,54,37,533.20

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
		Aditya Dalmia
1	Gross salary	570000/-
	(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)	570000/-
	Ceiling as per the Act	570000/-

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
		MADHUMATI BASAWRAJ RAJOL
1	Gross salary	1,80,000.00
	(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	1,80,000.00

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,2019.

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

Place: Mumbai
Date: August 14, 2019

Ravi Dalmia
Managing Director
[DIN: 00634870]

Jyoti Nankani
Director
[DIN:07145004]

Annexure - 'B' - TO BOARDS' REPORT 2018 - 2019

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 advance, if any
1.	Dalmia Polypro Industries Private Limited	Purchases	Ongoing	1,13,72,018	26.04.2018	Nil
2.	Dalmia Polypro Industries Private Limited	Sales	Ongoing	37,02,933	26.04.2018	Nil
3.	Dalmia Polypro Industries Private Limited	Job Work	Ongoing	75,31,706	26.04.2018	Nil

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

**Place: Mumbai
Date: August 14, 2019**

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

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

ANNEXURE - 'C' TO THE BOARDS' REPORT 2018 - 2019

Form No.MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

(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
16, Unique Industrial Estate,
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, 2019 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, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) including the amendments and the rules made thereunder.

Cont...2...

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- ii. The Companies Ordinance, 2019 and amendments thereto (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]**
- vi. We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 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.

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

- i. *The Company had availed Auto Loan of Rs. 13,76,500/- from Yes Bank Ltd, but the Company delayed in registering the particulars of charge in eForm CHG -1. However, the Company is in process of making an application to the Central Government for extension of time for filing particulars of registration of Charge with respect to the said Loan.*
- ii. *The Company has delayed in filing Statement of Investor complaints pursuant to Regulation 13 (3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended September 2018, for the period of 4 days.*

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 no changes in the composition of the Board of Directors that took place during the period under review.
- 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.
- Majority of the decisions being carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.

Cont...4...

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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, 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:

- i. The Board of Directors of the Company at their meeting held on March 25, 2019 consented to sell 3,70,000 Equity shares of Rs.10/- each amounting to Rs.37,00,000/- held by the Company in BST Exports Private Limited (wholly owned subsidiary). Following the sale, BST Exports Private Limited ceased to be a subsidiary of the Company and therefore its step down subsidiary Dalmia Exim Limited, ceased to be a step down subsidiary of the Company. The Company has made necessary Disclosure to stock exchange pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.
- ii. The Company has shifted its registered office from '220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025' to '16, Floor-Grd, Plot-3/3a, Unique Industrial Estate, Swatantrya Veer Savarkar Marg, Kismat Cinema, Prabhadevi, Mumbai - 400 025'.
- iii. The Website of the Company is under updation.

For GMJ & ASSOCIATES
Company Secretaries

[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324
PLACE: MUMBAI
DATE: AUGUST 14, 2019.

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
16, Unique Industrial Estate,
Veer Savarkar Marg Prabhadevi,
Mumbai- 400025

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: AUGUST 14, 2019.

ANNEXURE 'D' TO BOARDS' REPORT 2018 - 2019

[Pursuant To Section 197(12) of the Companies Act, 2013 read with the Rules 5(1) 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 2018-19: **Not Applicable**
2. The percentage increase in remuneration of each Executive Directors, CFO and CS or Manager during the FY 2018-19: **10% to 20%**
3. The percentage increase in median remuneration of the employees for the FY 2018-19: **5% to 10%**
4. Total number of permanent employees on rolls of Sharad Fibres and Yarn Processors Limited as on 31.3.2019: **25**
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: August 14, 2019

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

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

ANNEXURE - 'E' TO THE BOARDS' REPORT 2018- 2019

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:

(i) the steps taken or impact on 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.

Particulars	Units	Current Year	Previous Year
a. Power & Fuel Consumption Electricity - Purchased			
Unit (KWH)	Units	1190416	1179964
Total Amount	In Rs.	65,08,114/-	38,49,672/-
Average Rate	per unit	3.30/-	3.25/-
b. Consumption per unit of production Electricity (KWH)/Ton	Con/kg's	7.6	2.16

(ii) the steps taken by the company for utilising alternate sources of energy; NIL

(iii) the capital investment on energy conservation equipments; NIL

B. TECHNOLOGY ABSORPTION: Not Applicable

(i) the efforts made towards technology absorption;

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) the expenditure incurred on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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: August 14, 2019

RAVI DALMIA

JYOTI NANKANI

**[DIN: 00634870]
MANAGING DIRECTOR**

**[DIN:07145004]
DIRECTOR**

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.

Mob No. 9819660855 Email ID. jinal.parikh@ymail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Sharad Fibres and Yarn Processors Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

I have audited the accompanying standalone financial statements of Sharad Fibres and Yarn Processors Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and

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cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

My objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, I have exercised professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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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 our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on my audit I report, to the extent applicable that:

a) I have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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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, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Ind AS – 19 Retirement Benefits.

e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure A". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's 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 Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

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

2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For J H Bhandari & Co.

Chartered Accountants

Firm Reg. No. 138960W

Place: **Mumbai**

Date: **25th May, 2019**

Jinal Bhandari

Proprietor

Membership No: 158795

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

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Annexure - A 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 31st March, 2019, I have audited the internal financial controls over financial reporting of **Sharad Fibres and 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.

J. H. BHANDARI & CO.

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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, 2019, 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 J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Place: **Mumbai**
Date: **25th May, 2019**

Jinal Bhandar.
Proprietor
Membership No: 158795

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

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“Annexure B” 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 31st March 2019, 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) (a) The inventories have been physically verified by the management during the year at reasonable intervals
b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and its nature of business.
c) As per the information given to us from the management, the company has maintained proper records of inventories and no material discrepancies were noticed on physical verification of inventories as compared to book records.
- (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 securities as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company and hence not commented upon..
- (vi) The maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company is not applicable to the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company and hence not commented upon.
- (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.

J. H. BHANDARI & CO.
CHARTERED ACCOUNTANTS

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(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 31st March 2019 for a period of more than six months from the date they became payable.

- (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 not paid/provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (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.
- (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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For JH Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Place: **Mumbai**
Date: **25th May, 2019**

Jinal Bhandari
Proprietor
Membership No: 158795

J. H. BHANDARI & CO.
CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.
Mob No. 9819660855 Email ID. jinal.parikh@gmail.com

TO

THE BOARD OF DIRECTORS

SHARAD FIBRES & YARN PROCESSORS LIMITED

We have audited the quarterly financial results of **SHARAD FIBRES & YARN PROCESSORS LIMITED** for the quarter ended 31st March 2019 and the year to date results for the period 1st April 2018 to 31st March 2019 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. give a true and fair view of the net profit/ loss and other financial information for the quarter ended 31st March, 2019 as well as the year to date results for the period from 1st April, 2018 to 31st March, 2019.

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Place: **Mumbai**

Date: **25th May, 2019**

Jinal Bhandari
Proprietor
Membership No: 158795

SHARAD FIBRES & YARN PROCESSORS LIMITED
Balance Sheet as on 31st March, 2019

Particulars	Note No.	Year Ended 31/03/2019	Year Ended 31/03/2018
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	2	1,27,65,142	1,23,96,153
Capital Work-in-Progress		-	-
Investment Properties		-	-
Goodwill		-	-
Other Intangible Assets		-	-
Financial Assets			
Investments	5(a)	-	37,00,000
Loans	5(c)	-	1,00,000
Other Financial Assets	5(e)	15,69,562	33,58,501
Deferred Tax Assets (net)		-	-
Other Non-Current Assets	7	1,45,433	-
Total Non-Current Assets		1,44,80,137	1,95,54,654
Current Assets			
Inventories	8	6,34,490	1,04,18,283
Financial Assets			
i. Investments		-	-
ii. Trade Receivables	5(b)	2,43,47,095	2,44,14,462
iii. Cash and Cash Equivalents	5(d)	1,81,21,380	63,33,941
iv. Loans and Advances	5(c)	-	2,411
v. Other Financial Assets		-	-
Other Current Assets	9	1,31,091	1,80,424
Assets classified as held for sale		-	-
Total Current Assets		4,32,34,056	4,13,49,521
Total Assets		5,77,14,193	6,09,04,175
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11(a)	4,36,64,000	4,36,64,000
Other Equity			
Reserves & Surplus	11(b)	(43,21,88,951)	(42,85,61,889)
Other Reserves		-	-
Total Equity		(38,85,24,951)	(38,48,97,889)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	12(a)	44,47,17,104	44,43,15,396
ii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Deferred Tax Liabilities		-	-
Government Grants		-	-
Other Non Current Liabilities		-	-
Total Non Current Liabilities		44,47,17,104	44,43,15,396

Current Liabilities			
Financial Liabilities			
i. Borrowings	12(a)	7,20,430	4,29,447
ii. Trade Payables	12(c)	2,62,964	7,87,936
iii. Other Financial Liabilities		-	-
Provisions			
Employee Benefit Obligations		-	-
Government Grants		-	-
Current Tax Liabilities		-	-
Other Current Liabilities	13	5,38,645	2,69,284
Liabilities directly associated with assets classified held for sale		-	-
Total Current Liabilities		15,22,039	14,86,667
Total Liabilities		44,62,39,144	44,58,02,064
Total Equity and Liabilities		5,77,14,193	6,09,04,175

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

As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg No. 138960W

For and on behalf of the Board

Jinal Bhandari
Proprietor
M. No. 158795

Ravi Dalmia
Managing Director
DIN- 00634870

Unnikrishnan Nair
Director
DIN- 01159376

Aditya Dalmia
CFO
DIN- 00634890

Madhumati
Company Secretary

Place: Mumbai
Date: 25th May, 2019

Place: Mumbai
Date: 25th May, 2019

SHARAD FIBRES & YARN PROCESSORS LIMITED
Statement of Profit and Loss for the 31st March, 2019

Particulars	Note No.	Year Ended 31/03/2019	Year Ended 31/03/2018
Revenue from Operations	14	5,62,06,473	4,38,06,368
Other Income	15	63,724	33,119
Other gains/(losses)- net		-	-
Total income		5,62,70,197	4,38,39,487
Expenses			
Cost of Material Consumed	16	4,60,15,696	2,88,19,641
Purchase of Stock-in-Trade		-	-
Change in Inventories of work-in-progress, stock in trade and finished goods	17	27,20,505	76,64,050
Employee Benefits Expenses	19	41,17,713	17,89,068
Depreciation and Amortization Expense	20	12,39,414	10,76,530
Impairment of Goodwill and Other Non Current Assets		-	-
Other Expenses	21	36,44,705	26,35,595
Finance Cost	22	2,15,718	1,67,754
Total Expenses		5,79,53,752	4,21,52,638
Profit Before Tax		(16,83,555)	16,86,849
Income Tax Expenses			
- Current Tax		-	-
- Deferred Tax		-	-
Profit (Loss) for the period from continuing operations		(16,83,555)	16,86,849
Profit (Loss) for the period from discontinued operations		-	-
XIII. Profit (Loss) for the period		(16,83,555)	16,86,849
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that may not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		-	-
Earnings per equity share			
Basic		(0.39)	0.39
Diluted		(0.39)	0.39

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

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Partner
M. No. 150765

Place: Mumbai
Date: 25th May, 2019

For and on behalf of the Board

Ravi Dalmia
Managing Director
DIN- 00634870

Unnikrishnan Nair
Director
DIN- C.1159376

Aditya Dalmia
CFO

Madhumati
Company Secretary

Place: Mumbai
Date: 25th May, 2019

SHARAD FIBRES & YARN PROCESSORS LIMITED
Statement of Cash flow for the 31st March, 2019

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Cash flow from operating activities		
Profit for the year	(16,83,555)	16,86,849
Adjustments for		
Depreciation and amortization expense	12,39,414	10,76,530
Loss on disposal of property, plant and equipment	2,060	2,86,854
Interest and dividend income	-	(37,364)
Changes in asset and liabilities		
Decrease / (Increase) in Trade Receivables	67,367	21,86,923
Decrease / (Increase) in Inventories	97,83,793	1,02,382
Decrease / (Increase) in other non current assets	(1,45,433)	(1,26,437)
Decrease / (Increase) in other current assets	1,51,744	95,815
(Decrease) / Increase in Trade Payables	(5,24,972)	7,87,936
(Decrease) / Increase in Other Current liabilities	2,69,361	2,21,640
Cash generated from operations		
Income taxes paid	(1,54,569)	-
Net cash flow from operating activities	90,05,211	62,81,128
Cash flow from investing activities		
Purchase of property, plant and equipment	(16,60,463)	(1,26,950)
Proceeds from sale of plant, property and equipment	50,000	4,50,000
Proceeds from sale of investment	37,00,000	-
Interest received	-	37,364
Net cash flow from investing activities	20,89,537	3,60,414
Cash flow from financing activities		
Proceeds from borrowings	6,92,691	-
Repayment of borrowings	-	(27,32,895)
Net cash flow from financing activities	6,92,691	(27,32,895)
Net increase/ decrease in cash and cash equivalents		
Cash and cash equivalents at beginning of the financial year	63,33,941	24,25,372
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the year	1,81,21,380	63,33,941

Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	31 March, 2019	31 March, 2018
Cash and cash equivalents (note 6(d))	1,81,21,380	63,33,941
Bank Overdrafts (note 13(a))		
Balances as per statement of cash flows	1,81,21,380	63,33,941

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

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Proprietor
M. No. 158795

For and on behalf of the Board

Ravi Dalmia
Managing Director
DIN- 00634870

Unnikrishnan Nair
Director
DIN- 01159376

Aditya Dalmia
CFO

Madhumati
Company Secretary

Place: Mumbai
Date: 25th May, 2019

Place: Mumbai
Date: 25th May, 2019

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 2017		4,00,64,000
Changes in equity share capital	11	36,00,000
As at 31 March 2018		4,36,64,000
Changes in equity share capital	11	-
As at 31 March 2019		4,36,64,000

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, 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	-	-	-	-	-
Total comprehensive income for the year	(43,06,69,345)	21,07,457	-	-	(42,85,61,888)
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	-	-	-	-	-
Balance as at 31 March, 2018	(43,06,69,345)	21,07,457	-	-	(42,85,61,888)

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, 2018	(43,06,69,345)	21,07,457	-	-	(42,85,61,888)
Profit for the year	(16,83,555)	-	-	-	(16,83,555)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	(43,23,52,900)	21,07,457	-	-	(43,02,45,443)
Remeasurement of the net defined benefit liability/asset	(19,43,508)	-	-	-	-
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	-	-	-	-	-
Balance as at 31 March, 2019	(43,42,96,407)	21,07,457	-	-	(43,02,45,443)

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

As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Proprietor
M. No. 158795

Place: Mumbai
Date: 25th May, 2019

Ravi Dalmia
Managing Director
DIN- 00634870

Aditya Dalmia
CFO
Place: Mumbai
Date: 25th May, 2019

Unnikrishnan Nair
Director
DIN- 01159376

Madhumati
Company Secretary

SHARAD FIBRE & YARN PROCESSORS LIMITED
Notes to the financial statements for the year ended March 31, 2019

Note No.1- 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.

xi) Cash and Cash Equivalents

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

xii) 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, 2019 and March 31 2018.

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.

xiii) 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 Polypro Industries Limited	Associate
8	S. Dalmia Intermediates Pvt. Ltd.	Associate

Remuneration(Expense)/Job work(Income)						
Name of the Related Party	Relation	Nature	Amount	Cig Balance	Amount	Cig Balance
			31-03-19	31-03-19	31-03-18	31-03-18
Aditya Dalmia	CFO	Remuneration	5,70,000	-	1,20,000	-
Dalmia Polypro Industries Private Limited	Associate	Job Work(Income)	75,31,708	-	47,23,406	-
Total			81,01,708	-	48,43,406	-

Sales/Purchases						
Name of the Related Party	Relation	Nature	Amount	Cig Balance	Amount	Cig Balance
			31-03-19	31-03-19	31-03-18	31-03-18
Dalmia Polypro Industries Private Limited	Associate	Sales	37,02,933	-	87,53,022	-
Dalmia Polypro Industries Private Limited	Associate	Purchase	1,13,72,018	-	86,30,813	-
Total			1,50,74,951	-	1,73,83,835	-

xiv) 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 31.03.2019 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.

d) Earning Per Share (EPS) - EPS is calculated by dividing the Profit / (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

*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

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jinal Bhandari
Proprietor
M. No. 158795

Ravi Dalmia
Managing Director
DIN- 00634870

Aditya Dalmia
CFO
DIN- 00634890

Unnikrishnan
Director
DIN 59376

Madhumati
Company Secretary

Place: Mumbai
Date: 25th May, 2019

Place: Mumbai
Date: 25th May, 2019

2 Property, plant and equipment

Particulars	Freehold Land	Building	Computer	Plant & Machinery	Equipment	Vehicles	Electrical Instalations	Capital work-in progress	Total
Year ended 31 March, 2018									
Gross carrying amount									
Deemed cost as at 1 April 2017	5,91,905	59,59,081	69,000	72,54,780	6,700	52,62,594	2,21,435	-	1,93,65,495
Additions									
Assets included in a disposal group classified as held for sale									
Disposals									
Closing gross carrying amount	5,91,905	59,59,081	69,000	72,54,780	6,700	52,62,594	2,21,435	-	1,93,65,495
Accumulated Depreciation									
Accumulated Depreciation as at 1 April 2017	-	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
Disposals				(1,81,781)					
Closing accumulated depreciation	-	36,87,247	61,483	6,58,820	3,085	24,70,055	88,656	-	69,69,346
Net Carrying amount	5,91,905	22,71,834	7,517	65,95,960	3,615	27,92,539	1,32,779	-	1,23,96,153
Year ended 31 March, 2019									
Gross carrying amount									
Opening gross carrying amount	5,91,905	59,59,081	69,000	72,54,780	6,700	52,62,594	2,21,435	-	1,93,65,495
Additions				83,250		15,77,171			16,60,421
Assets classified as held for sale									
Disposals						(11,29,461)			(11,29,461)
Transfers									
Closing gross carrying amount	5,91,905	59,59,081	69,000	73,38,030	6,700	57,10,304	2,21,435	-	1,98,96,455
Accumulated Depreciation and impairment									
Opening accumulated depreciation	-	36,87,247	61,483	6,58,820	3,085	24,70,055	88,656	-	69,69,346
Depreciation charge during the year		77,014	4,067	4,66,949	651	6,69,297	21,436		12,39,414
Impairment loss									
Disposals						(10,77,401)			(10,77,401)
Exchange differences									
Assets classified as held for sale									
Closing accumulated depreciation and impairment	-	37,64,261	65,550	11,25,769	3,736	20,61,951	1,10,092	-	71,31,313
Net Carrying amount	5,91,905	21,94,820	3,450	62,12,261	2,964	36,48,353	1,11,343	-	1,27,65,142

3 Investment Properties

Particulars	31 March, 2019	31 March, 2018
Gross carrying amount		
Opening gross carrying amount/ Deemed cost	-	-
Additions	-	-
Closing gross carrying amount	-	-
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing accumulated depreciation	-	-
Net carrying amount	-	-

4 Intangible assets

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

5 Financial assets

5(a) Non-current investments

Particulars	31 March, 2019	31 March, 2018
Investment in equity instruments		37,00,000
3,70,000 Shares of BST Exports Pvt Ltd. (PY: 3,70,000) of 10 each		
Total non-current investments	-	37,00,000
Aggregate amount of quoted investments and market value there of		
Aggregate amount of unquoted investments		37,00,000
Aggregate amount of impairment in the value of investments		

5(a) Current investments

Particulars	31 March, 2019	31 March, 2018
Investment in equity instruments	-	-
Total non-current investments	-	-
Aggregate amount of quoted investments and market value there of		
Aggregate amount of unquoted investments		
Aggregate amount of impairment in the value of investments		

5(b) Trade Receivables

Particulars	31 March, 2019	31 March, 2018
Trade Receivables	2,43,47,095	2,44,14,462
Receivables from related parties	-	-
Less: Allowance for doubtful debts	-	-
Total Receivables	2,43,47,095	2,44,14,462
Current portion	18,65,572	2,28,69,593
Non current portion	2,24,81,523	21,08,722

Break up of Security Details

Particulars	31 March, 2019	31 March, 2018
Secured, considered good	-	-
Unsecured, considered good	2,43,47,095	2,44,14,462
Doubtful	-	-
Total	2,43,47,095	2,44,14,462
Allowance for doubtful debts	-	-
Total trade receivables	2,43,47,095	2,44,14,462

5(c) Loans

Particulars	31 March, 2019		31 March, 2018	
	Current	Non Current	Current	Non Current
Unsecured, considered good				
Loan to directors	-	-	-	-
Loan to employees	-	-	2,411	1,00,000
Unsecured, considered doubtful				
Loan to employees	-	-	-	-
Less: Allowance for doubtful loans	-	-	-	-
Total loans	-	-	2,411	1,00,000

5(d) Cash and cash equivalents

Particulars	31 March, 2019	31 March, 2018
Balances with banks		
- In Current Accounts	1,74,86,326	54,59,277
- in EEFC Account	-	-
Deposit with maturity of less than three months	-	-
Cash on hand	6,35,053	8,74,664
Total Cash and Cash Equivalents	1,81,21,379	63,33,941

5(e) Other financial assets

Particulars	31 March, 2019		31 March, 2018	
	Current	Non Current	Current	Non Current
Derivatives				
Others				
Security deposits	-	2,61,000	-	2,61,000
Balance with Revenue Authorities	-	12,69,662	-	30,58,600
Bank Deposits with more than 12 months Maturity	-	38,900	-	38,900
Total Other Financial Assets	-	15,69,562	-	33,58,500

6 *Deferred Tax Assets*

The balance comprises temporary differences attributable to:

Particulars	31 March, 2019	31 March, 2018
Tax losses	-	-
Defined benefit obligations	-	-
Provisions	-	-
Other items		
Derivatives	-	-
Allowance for doubtful debts- trade receivables	-	-
Others	-	-
Total deferred tax assets	-	-
Set off of deferred tax liabilities pursuant to set off provisions	-	-
Net Deferred Tax Assets	-	-

7 *Other non current assets*

Particulars	31 March, 2019	31 March, 2018
Capital advances	-	-
Advances other than capital advances	1,45,433	-
Total Other Non Current Assets	1,45,433	-

8 *Inventories*

Particulars	31 March, 2019	31 March, 2018
Raw materials	6,34,490	76,97,778
Work-in-progress	-	-
Finished goods	-	27,20,505
Traded goods	-	-
Stores and spares	-	-
Total Inventories	6,34,490	1,04,18,283

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.

9 *Other Current Assets*

Particulars	31 March, 2019	31 March, 2018
Prepayments	63,431	1,12,701
Advances to suppliers	-	-
Other Receivables	67,660	67,723
Total Other Non Current Assets	1,31,091	1,80,424

10 *Assets classified as held for sale*

Particulars	31 March, 2019	31 March, 2018
Asset classified as held for sale	-	-
Total Assets classified as held for Sale Other Non Current Assets	-	-

11 Equity

11a Equity share capital

Particulars	Number of shares	Amount
As at 1 April 2017	43,66,400	4,36,64,000
Increase during the year		
As at 31 March 2018	43,66,400	4,36,64,000
Increase during the year	-	-
As at 31 March 2019	43,66,400	4,36,64,000

(i) Movement in equity share capital

Particulars	Number of shares	Amount
As at 1 April 2017	43,66,400	4,36,64,000
Issued during the year		
As at 31 March 2018	43,66,400	4,36,64,000
Increase during the year	-	-
As at 31 March 2019	43,66,400	4,36,64,000

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

Particulars	31 March, 2018		31 March, 2017	
	No. of shares	% holding	No. of shares	% holding
Ravi Dalmia	6,15,476	14.10%	6,15,476	14.10%
Ravi Dalmia HUF	2,25,200	5.16%	2,25,200	5.16%
Aditya Dalmia	6,37,915	14.61%	6,37,915	14.61%
Aditya Dalmia HUF	2,11,750	5.29%	2,11,750	5.29%
Shashi Dalmia	7,89,917	18.09%	7,89,917	18.09%

11b Reserves and Surplus

Particulars	31 March, 2019		31 March, 2018	
Capital Reserves		21,07,457		21,07,457
Capital Redemption Reserve		-		-
Retained Earnings				
Opening balance	(43,06,69,346)		(43,23,56,195)	
Profit for the year	(16,83,555)		16,86,849	(43,06,69,346)
Add:- P&L Appropriation: Income Tax excess provision w/off	(19,43,508)	(43,42,96,408)		
Total reserves and surplus		(43,21,88,951)		(42,85,61,889)

12 Financial Liabilities

12(a) Non Current Borrowings

Particulars	Interest Rate	31 March, 2019	31 March, 2018
<i>Secured</i>			
Term loans			
-Banks	Please refer note below	14,68,734	10,76,512
<i>Unsecured</i>			
Loans and Advances from Others		44,32,48,370	44,32,38,884
Total Non Current Borrowings		44,47,17,104	44,43,15,396

Notes

- (i) Loans Amounting to Rs.14,68,734/- (Rs. 10,76,512/-) 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 60 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 9.75%
- (iii) The loan taken from YES Bank is to be repaid in 60 monthly instalments of Rs. 28,170/- each. Rate of Interest charged by the Bank is
- (iv) Company has not defaulted in repayment of the said car loan.

12(a) Current borrowings

Particulars	Interest Rate	31 March, 2019	31 March, 2018
Loans repayable on demand			
<i>Secured</i>			
Bank overdraft			
<i>From banks</i>			
-YES BANK Car Loan	9.25%	2,47,142	-
-ICICI Car Loan	9.75%	4,73,288	4,29,447
Total Current Borrowings		7,20,430	4,29,447

Notes

- (i) Company has not defaulted in repayment of the said car loan.
- (ii) Loans Amounting to Rs. 4,73,288/- (Rs.4,29,447 /-) as shown under the head Term Loans From ICICI Bank of Secured Borrowings is secured against the car purchased.
- (iii) The above mentioned loan taken from ICICI Bank is to be repaid in 60 monthly instalments of Rs. 46,088/- each. Rate of Interest charged Bank is 9.75%
- (iv) Loans Amounting to Rs. 2,47,142 (NIL /-) as shown under the head Term Loans From Yes Bank of Secured Borrowings is secured against the car purchased.
- (v) The loan taken from YES Bank is to be repaid in 60 monthly instalments of Rs. 28,170/- each. Rate of Interest charged by the Bank is 6.28%

12c Trade Payables

Particulars	31 March, 2019	31 March, 2018
Current		
Trade payables	2,62,964	7,87,936
Trade payables to related parties	-	-
Total Trade Payables	2,62,964	7,87,936

13 Other Current Liabilities

Particulars	31 March, 2019	31 March, 2018
Statutory Tax Payables	1,97,373	2,69,284
Advance from customers	3,41,272	-
Total Other Non Current Assets	5,38,645	2,69,284

14 Revenue from operations

Particulars	31 March, 2019	31 March, 2018
Sale of Products	4,92,54,888	3,87,91,958
Job Work	69,51,585	50,14,410
Total Revenue from Operations	5,62,06,473	4,38,06,368

15 Other Income

Particulars	31 March, 2019	31 March, 2018
Interest on Bank Deposits	-	27,364
Sundry Balances Written back	63,724	(1,53,230)
Rates and Taxes (Paid in Excess)	-	1,58,985
Total Other Income	63,724	33,119

16 Cost of Material consumed

Particulars	31 March, 2019	31 March, 2018
Opening Stocks	76,97,778	1,36,110
Add: Purchases	2,21,05,500	2,52,86,866
Add: Direct Expenses	1,68,46,908	1,10,94,443
Less: Closing Stocks	6,34,490	76,97,778
Total Cost of Material Consumed	4,60,15,696	2,88,19,641

17 Change in Inventories of work-in-progress, stock in trade and finished goods

Particulars	31 March, 2019	31 March, 2018
Finished Goods		
Closing Stock	-	27,20,505
less: Opening Stock	27,20,505	1,03,84,555
Total Changes in Finished Goods	(27,20,505)	(76,64,050)

18 Other Direct Expenses

Particulars	31 March, 2019	31 March, 2018
Additive Exp.	4,02,395	1,69,436
Freight & Forwarding	1,25,616	69,644
Factory Expenses	-	-
Labour Charges	20,89,162	15,33,545
Loading & Unloading Exp.	3,45,021	98,061
Packing Expenses	4,20,010	4,50,619
Power & Fuel	65,56,826	53,56,269
Repair and Maintenance	7,65,355	65,692
Stores and Spares	26,55,610	15,70,774
Wages and Salaries	33,20,513	17,45,642
Weighing exp	74,800	9,760
Lab exp	91,600	25,000
Total	1,68,46,908	1,10,94,443

19 Employee benefits expense

Particulars	31 March, 2019	31 March, 2018
Salaries and Wages	30,78,400	13,92,159
Contribution to Provident & Other Funds	1,09,666	1,61,903
Staff Welfare expenses	3,59,647	1,15,006
Directors Remuneration	5,70,000	1,20,000
Total	41,17,713	17,89,068

20 Depreciation and amortization expense

Particulars	31 March, 2019	31 March, 2018
Depreciation of property, plant and equipment	12,39,414	10,76,530
Depreciation of investment property (note 4)	-	-
Amortization of intangible asset (note 5)	-	-
Total	12,39,414	10,76,530

21 Other Expenses

Particulars	31 March, 2019	31 March, 2018
Advertisement Expenses	47,607	97,618
Payment to auditors (note 25a)	75,000	75,000
Bank charges	7,193	1,734
Computer Expenses	-	600
Commission	1,44,400	
Conveyance	2,89,496	73,222
Donation	27,500	64,900
Insurance	2,07,625	2,05,893
Interest on Late Payment of TDS	4,833	8,344
Late Payment charges to BSE	6,910	
Interest on Late Payment of others	1,550	
Late Payment charges on GST	9,744	
Interest on PF	195	
Professional charges	5,83,990	8,42,639
Loss on Sale of Motor Car	2,060	2,86,854
Membership Fees	4,000	37,600
Miscellaneous Expenses	3,33,435	1,09,655
Motor Car Exp.	42,176	66,673
Postage Expenses	57,603	31,734
Printing and stationery	1,12,076	28,562
Rates and Taxes	83,824	-
Repair and Maintenance	10,54,637	4,15,668
Security Expense	5,18,595	2,62,693
Service Tax Paid	-	11,207
Internet Charges	15,000	
Telephone Exp.	15,256	15,000
Total	36,44,705	26,35,595

22 Details of payment to auditors

Particulars	31 March, 2019	31 March, 2018
Audit Fees	75,000	75,000
Professional fees	-	-
Total	75,000	75,000

22 Finance costs

Particulars	31 March, 2019	31 March, 2018
Bank Interest	2,15,718	1,67,754
Total	2,15,718	1,67,754

SHARAD FIBRES AND YARN PROCESSORS LIMITED

Reg Off: 16, Floor-Grd, Plot-3/3A, Unique Industrial Estate, Swatantrya Veer Savarkar Marg,
Kismat Cinema, Prabhadevi, Mumbai - 400 025

Tel: 022 - 66355800/66155800 Website: www.sharadfibres.com;
CIN: L17110MH1987PLC043970; Email Id: accounts@sharadfibres.com

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **32nd 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 Saturday, 28th September, 2019 at 11:00 A.M. to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019, 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.

SPECIAL BUSINESS:

3. 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 AS Enviro Private Limited for an amount not exceeding Rs.3 Crores from the financial year 2019 - 20 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**

Sd/-

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

Place : Mumbai

Date : August 14, 2019.

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:

Name of Director	Ms. Jyoti Nankani
Director Identification Number (DIN)	07145004
Date of Birth	3 rd December, 1981
Age	37 Years
Brief resume & Nature Of expertise in specific functional areas	She is associated with the Company since 2015 as Non -Executive, Women Director of the Company and has experience of about 8 years in her credit. She looks after the Operations and Accounts of the Company.
Disclosure of relationship between directors inter-se	N.A.
Names of listed entities in which the person also holds the directorship	N.A.
No. of Shares held in the Company	NIL
Membership & Chairmanships of Committees of the Board	N.A.

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 **Wednesday, 25th September, 2019** to **Friday 27th September, 2019** (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

- 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 (day and date) **Friday, 20th September, 2019**.
- (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 **Friday, 20th September, 2019** 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. **Friday, 20th September, 2019** 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) 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. **Saturday, 28th September, 2019**.

(xi) The instructions for shareholders voting electronically are as under:

- a) The voting period begins on **Wednesday, 25th September, 2019 at 10.00 AM. (IST) and ends on Friday, 27th September, 2019 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 **Friday, 20th September, 2019** 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
- 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 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:

For Members holding shares in Demat Form and Physical Form	
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"> • 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. • 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.
Dividend Bank Details OR	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.

Date of Birth (DOB)	<ul style="list-style-type: none"> • 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).
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- 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 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.
- 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 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, under help section or write an email to 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 **Wednesday, 25th September, 2019 at 10.00 AM. (IST) and ends on Friday, 27th September, 2019 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 **Friday, 20th September, 2019**, 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 under help section or write an email to helpdesk.evoting@cdslindia.com

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

Sd/-

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

Place : Mumbai

Date : August 14, 2019

ANNEXURE TO THE NOTICE

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

ITEM NO. 3:

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 :

Particulars	Information
Name of Related Party	AS Enviro Private Limited
Nature of Relationship	Newly incorporated Group Company
Name of Director(s) or Key Managerial Personnel who is related, if any.	Mr. Ravi Dalmia, Director Mr. Aditya Dalmia, CFO
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. 3 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. 3 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. 3 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

Sd/-

RAVI DALMIA
MANAGING DIRECTOR
[DIN: 00634870]

Place : Mumbai
Date : August 14, 2019

SHARAD FIBRES AND YARN PROCESSORS LIMITED

Regd. Office:- 16, Floor-Grd, Plot-3/3A, Unique Industrial Estate, Swatanrya Veer Savarkar Marg,
Kismat Cinema, Prabhadevi, Mumbai - 400 025

Website: www.sharadfibres.com Email id : accounts@sharadfibres.com

CIN:L17110MH1987PLC043970

ATTENDANCE SLIP

DP ID*	
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Folio No.	
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Client ID*	
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No. of Share(s)	
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Name & Address of Shareholder

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I/We hereby record my/our presence at the 32nd Annual General Meeting of the Company held on 28th September, 2019 at 11:00 A.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

PROXY FORM

[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: 16, Floor-Grd, Plot-3/3A, Unique Industrial Estate, Swatanrya Veer Savarkar Marg,
Kismat Cinema, Prabhadevi, Mumbai - 400 025.

Email Id: accounts@sharadfibres.com

Website: www.sharadfibres.com

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 32nd Annual General Meeting of the Company, to be held on **Saturday, 28th September, 2019 at 11:00 A.M. at Office No. 16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
Ordinary Business			
1.	To approve and adopt Audited Financial Statement, for the year ended 31 st March, 2019 together with the reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Ms. Jyoti Nankani, who retires by rotation.		
Special Business			
3.	To approve the Related Party Transactions with AS Enviro Private Limited.		

Signed this..... day of2019.

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 31st 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.

ROUTE MAP

