

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

29<sup>th</sup> ANNUAL REPORT 2015-16

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

### **BOARD OF DIRECTORS**

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

### **COMPANY SECRETARY**

MRS. MADHUMATI RAJOL

### **REGISTERED OFFICE**

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

### **BANKERS**

HDFC BANK LIMITED

### **AUDITORS**

M/s. Vinod S. Mehta & Co., Chartered Accountants

### **SECRETARIAL AUDITORS**

GMJ & Associates, Company Secretaries

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

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

### **ANNUAL GENERAL MEETING**

August 12, 2016 at 9 a.m. at the registered office of the Company

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

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

Reg Office:- 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai - 400025. Tel : 022 - 43226969 Website: [www.sharadfibres.com](http://www.sharadfibres.com)

CIN:L17110MH1987PLC043970;

Email id : [accounts@sharadfibres.com](mailto:accounts@sharadfibres.com)

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## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of **SHARAD FIBRES AND YARN PROCESSORS LIMITED** will be held at the Registered Office of the Company at 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 on Friday, August 12, 2016 at 9:00 A.M. to transact, with or without modification(s) the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement for the Financial Year ended March 31, 2016 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Jyoti Nankani (DIN: 07145004), who retires from office by rotation, and being eligible offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors, M/s. Vinod S. Mehta, Chartered Accountants and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification n(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, appointment of M/s. Vinod S. Mehta, Chartered Accountants, Mumbai (Firm Registration Number 111524W with the Institute of Chartered Accountants of India), as Statutory Auditors of the Company, by resolution passed at the 27<sup>th</sup> AGM until the conclusion of the 30<sup>th</sup> AGM, be and is hereby ratified to hold office from the conclusion of 29<sup>th</sup> AGM till the conclusion of the 30<sup>th</sup> AGM on such remuneration as may be agreed upon by the Audit Committee / Board of Directors in consultation with the Statutory Auditors.”

### **SPECIAL BUSINESS:**

4. **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 Material Related Party transaction(s) with M/s. Dalmia Polypro Industries Private Limited for availing services for an aggregate value upto Rs.10 Crores on annual basis, for the Financial Year 2016-17, on such terms and conditions as may be agreed by the Board.

**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.

**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."

**5. Appointment of Mr. Aditya Dalmia as the Whole-time Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 196, 197, Schedule V and all other applicable provisions of the Companies Act, 2013, read with the Rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force) consent of the members be and is hereby accorded for the Appointment of Mr. Aditya Dalmia (DIN: 00634890) as the Whole-time Director of the Company for a period of 3 years w.e.f. October 1, 2016 at a consolidated remuneration not exceeding Rs.30,00,000/- per annum on the terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013, annexed to this Notice.

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

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

**5. Issue of Equity Shares on Preferential Basis:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 62, and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies

(Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and in accordance with the provisions of Memorandum and Articles of Association of the Company, the listing agreement entered into between the Company and the stock exchanges on which the equity shares of the Company are listed (“Stock Exchanges”) pursuant to regulation 109 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (“ICDR Regulations”) and all other applicable laws and the rules/regulations/guidelines, notifications, circulars and clarification issued thereon by the Government of India(“GOI”), the Securities and Exchange Board of India (“SEBI”), Reserve Bank of India (“RBI”), and also by any other statutory/regulatory or any other relevant authority from time-to-time, to the extent applicable and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary and/or required, and subject to such conditions and modifications, as may be prescribed and imposed by any one of them while granting any such approval, consent, permission and / or sanction which may be agreed to by the Board of Directors of the Company, consent of the Company be and is hereby given to the Board of Directors of the Company (the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this Resolution), to create, issue, offer and allot for cash on preferential allotment basis 3,60,000 (Three lakh sixty thousand ) Equity Shares of Rs.10/- each, (hereinafter referred to as the “Allotment Shares”) to

Sr.No.	Name of the proposed allottees	Category	No. of Shares	Nature of Shares	Total Value of Shares (In Rs.)
1.	Jennifer Jane Gomes	Non-Promoter	2,40,000	Equity Shares	24,00,000
2.	Krishnaswaroop Seksaria	Non-Promoter	1,20,000	Equity Shares	12,00,000
	<b>Total</b>		<b>3,60,000</b>		<b>36,00,000</b>

**“RESOLVED FURTHER THAT** in accordance with Regulation 71(a) of the ICDR Regulations, the “Relevant Date”, for determining the minimum price of the equity shares being allotted to the Proposed Allottees, on a preferential basis, is Thursday, 14th July, 2016 being the date which is 30 (Thirty) days prior to the date 13th August, 2016”

**RESOLVED FURTHER THAT** the issue and allotment of the Allotment Shares to be made at the issue price of Rs 10/- (Rupees Ten Only) per equity share or the minimum price determined as on Relevant Date in accordance with Regulation 76 of the ICDR Regulations and applicable law, whichever is higher.

**RESOLVED FURTHER THAT** the equity shares to be allotted in terms of this resolution shall be made fully paid up at the time of allotment and shall rank pari passu with the existing equity shares of the Company in all respects and the same shall

be subject to lock-in for such period that may be prescribed under the ICDR Regulations.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps, actions and to do all such things and give all such directions as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any question or difficulty that may arise in regard thereto and to appoint such consultants, valuers, legal advisors, advisors and all such agencies as may be required for the issue and allotment of the Allotment Shares, without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any director or directors or to any committee of directors or any other officer or officers of the Company to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

**Regd.Office:**

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

**For and on behalf of the Board**

**DATE: - July 12, 2016.**

**Sd/-**

**ADITYA DALMIA [DIN: 00634890]**

**Director**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF 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.
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. A statement giving the details of the Directors seeking re-appointment, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships / Chairpersonships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements), 2015, are provided in the Annexure.
7. The Register of Members and the Share Transfer Books of the Company will remain closed **Thursday, August 4, 2016 to Friday, August 12, 2016** (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.

**M/S .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 **M/s. 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 Mr. Mahesh Soni, Practising Company Secretary, Mumbai (Membership No. FCS 3706) 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. **Friday, August 5, 2016**.
- (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, August 5, 2016** 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, August 5, 2016** may obtain the User ID and password from **BIG SHARE SERVICES PRIVATE LIMITED** (Registrar & Transfer Agents of the company).
- (ix) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the

Company ([www.sharadfibres.com](http://www.sharadfibres.com)) and on the website of CDSL <https://www.evotingindia.com>. The results shall simultaneously be communicated to the Stock Exchange.

- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **August 12, 2016**.
- (xi) The instructions for shareholders voting electronically are as under:
  - a) The voting period begins on **Tuesday, August 9, 2016 at 10.00 AM. and ends on Thursday, August 11, 2016 at 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - b) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - c) Click on Shareholders
  - d) 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.
  - e) Next enter the Image Verification as displayed and Click on Login.
  - f) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - g) If you are a first time user follow the steps given below:

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

Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
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- h) After entering these details appropriately, click on “**SUBMIT**” tab.
- i) 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.
- j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k) Click on the EVSN for the relevant <**Company Name**> on which you choose to vote.
- l) 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.
- m) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- n) 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.
- o) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.
- q) 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.
- r) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- s) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**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.
- (B) The voting period begins on **Tuesday, August 9, 2016 at 10.00 AM. and ends on Thursday, August 11, 2016 at 5:00 P.M.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, August 5, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Regd.Office:**

220, Unique Industrial Estate ,  
Off. Veer Savarkar Marg,  
Prabhadevi,  
Mumbai - 400025

**Date: July 12, 2016.**

**For and on behalf of the Board**

**For Sharad Fibres and Yarn Processors Limited**

**Sd/-  
Aditya Dalmia DIN: 00634890  
Chairman**

## ANNEXURE TO THE NOTICE

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

#### ITEM No. 4 :

As per Regulation 23 of Listing Regulations (effective from December 1, 2015) and Section 188 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) transactions with a related party shall be considered 'Material' if the transaction/transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds 10 (ten) percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company and shall require prior approval of the Audit Committee and approval of the Shareholders through resolution in General Meeting. Accordingly, transactions with M/s. Dalmia Polypro Industries Private Limited, (a 'Related Party' as defined under Section 2 (76) of Companies Act, 2013 and Regulation 2 (zb) of the Listing Regulations) has been placed before the Members for their approval by way of Ordinary Resolution for the Financial Year 2015-16 & 2016-17.

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

<b>Particulars</b>	<b>Information</b>
Name of Related Party	Dalmia Polypro Industries Private Limited
Nature of Relationship	Group Company
Name of Director(s) or Key Managerial Personnel who is related, if any.	Mr. Aditya Dalmia
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 during the financial year 2016-17	Upto Rs. 10 Crores on annual basis
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. 4 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.

None of the Directors, Key Managerial Personnel and relatives thereof except Mr. Aditya Dalmia, are in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of this Notice.

#### **ITEM NO.5:**

Mr. Aditya Dalmia, aged 56 years, was appointed as the Director of the Company since incorporation of the Company. The Board of Directors of the Company at their meeting have proposed to appoint Mr. Aditya Dalmia as the Whole-time Director of the Company for a period of 3 years w.e.f. October 1, 2016 pursuant to Section 196, 197, Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Mr. Aditya Dalmia has an experience of over three decades and has been an entrepreneur for over two decades in the field of Sales, Marketing, Operations Management and Finance.

The terms of appointment & ceiling of remuneration of Rs.30,00,000/- p.a. have been approved by the Board of Directors. This ceiling is on the overall remuneration proposed and the Board will be at liberty to vary the same within this aforesaid overall ceiling.

Details of Salary benefits and perquisites of Mr. Aditya Dalmia:

#### **1. SALARY:**

Period of appointment	Scale Rs.*
3 Years	Rs. 40,000/--Rs.2,00,000/-

#### **2. GENERAL INFORMATION:**

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

(Rs. in Lacs)

Sr. No.	Particulars	2015-2016	2014-2015	2013-2014
1.	Gross Income	588.40	998.00	610.59
2.	Profit before tax	19.47	23.54	21.83
3.	Profit after tax	19.47	23.54	21.83
4.	Dividend paid (including tax)	Nil	Nil	Nil
5.	Rate of dividend %	Nil	Nil	Nil

5. Foreign Investments or collaborations, if any: N.A.

#### **I. Information about the appointee**

- (1) Background details : Mr. Aditya Dalmia has an experience of over three decades and has been an entrepreneur for over two decades in the field of Sales, Marketing, Operations Management and Finance.

- (2) Past remuneration: NIL
- (3) Recognition or awards : Not Applicable
- (4) Job profile and his suitability : He is in charge of Sales, Marketing, Operations Management and Finance Department of the Company.
- (5) Remuneration proposed: Rs. 30,00,000/- p.a. (This is proposed remuneration and actual will be decided from time to time within the overall ceilings by the Board.)
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Not possible being a unique nature of the industry. However as compared to the size of our company, the remuneration to be paid is going to be very comparative as per the industry norms.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: N.A.

#### II. Other Information:

- (1) Reasons of loss or inadequate profits: Because of market competition.
- (2) Steps taken or proposed to be taken for improvement: The Management is making efforts to make the Company performance oriented.
- (3) Expected increase in productivity and profits in measurable terms: The management expects about 10-20% increase in performance and profits.

#### III. Disclosures:

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

No other Director except Mr. Aditya Dalmia is interested or concerned in the resolution. The Board recommends the resolution set forth in Item No.5 for the approval of the Members.

#### **ITEM NO.6:**

In order to strengthen the financial position of the Company so as to increase its capacity to raise funds for the future growth of the business. The Company intends to grow inorganically by acquiring companies having reasonable cliental. The Company believes that it has reasonable market presence and has been taking certain structural measures to strengthen its operating performance. In order to make available required funds and having regard to its present stressed condition, it is proposed to make preferential issue of securities of the Company.

Consent of the shareholders is sought for issuing Securities as stated in the resolution which may result in issuance of further shares of the Company in accordance with the terms and nature of Securities to be issued by the Company.

In terms of Section 62(c) of the Companies Act, 2013 read with the Chapter VII of the ICDR Regulations, the proposed preferential allotment requires approval of the Company's members ("Members") by way of a special resolution. The Board, therefore, seeks approval of the Members for the special resolution set out in the notice, by way of a special resolution.

Disclosure as per Rule 13 of Chapter 4 of The Companies (Share capital & Debenture) Rules, 2014 read with Regulation 73 of the SEBI (Issue Of Capital & Disclosure Requirements) Regulations, 2009:

**(i) OBJECTS OF THE ISSUE:**

To generate long term resources for the growth of the Company and to strengthen the financial position of the Company. The proceeds of the Issue will be utilized to invest in acquiring companies having similar cliental and to strengthen the financial base of the Company

**(ii) THE TOTAL NUMBER OF SHARES OR OTHER SECURITIES TO BE ISSUED:**

3,60,000 Equity shares of Rs. 10 each

**(iii) THE PRICE OR PRICE BAND AT/WITHIN WHICH THE ALLOTMENT IS PROPOSED;**

Equity Shares of Rs. 10 Each at par or the minimum price determined as on Relevant Date in accordance with Regulation 76 of the ICDR Regulations and applicable law, whichever is higher.

**(iv) BASIS ON WHICH THE PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER;**

The shares are proposed to be allotted on preferential basis at a issue price of Rs. 10/- per share, which is higher than the price determined in accordance with the Reg. 76A & 76B of Chapter VII of SEBI (ICDR) Regulations, 2009.

**(v) Lock- In**

The Equity Shares to be allotted to non promoters pursuant to the proposed special resolution shall be subject to lock-in for a period of 1 year from the date of trading approval, consistent with SEBI ICDR Regulations.

**(vi) RELEVANT DATE WITH REFERENCE TO WHICH THE PRICE HAS BEEN ARRIVED AT;**

The Relevant date for the purpose of pricing of Equity Shares, shall be Thursday, 14th July, 2016, which is thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue

**(vii) THE CLASS OR CLASSES OF PERSONS TO WHOM THE ALLOTMENT IS PROPOSED TO BE MADE;**

The Equity shares are offered to the Non Promoter select specified investors.

**(viii) INTENTION OF THE PROMOTERS / DIRECTORS / KEY MANAGEMENT PERSONS TO SUBSCRIBE TO THE OFFER:**

The promoters / directors / key management persons have no intention to subscribe to the offer

**(ix) PROPOSED TIME WITHIN WHICH ALLOTMENT WILL BE COMPLETED**

Under regulation 74(1) of the SEBI (ICDR) Regulations, the Equity Shares are required to be allotted within a period of 15 days from the date of passing of the Special resolution. If any approval or permissions by any regulatory authority or the Central Government for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission.

**(x) THE NAMES OF THE PROPOSED ALLOTTEES AND THE PERCENTAGE OF POST PREFERENTIAL OFFER CAPITAL THAT MAY BE HELD BY THEM;**

Sr. No.	Name of the proposed allottees	(%) of the Pre Preferential Capital	(%) of the Post Preferential Capital
1	Jennifer Jane Gomes	-	5.50
2	Krishnaswaroop Seksaria	-	2.75
	TOTAL	-	8.25

**(xi) CHANGE IN CONTROL, IF ANY, IN THE COMPANY THAT WOULD OCCUR CONSEQUENT TO THE PREFERENTIAL OFFER:**

There will be no change in the management of the Company is envisaged consequent to the issue of Equity shares on Preferential Allotment Basis

**(xii) THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS HAVE ALREADY BEEN MADE DURING THE YEAR, IN TERMS OF NUMBER OF SECURITIES AS WELL AS PRICE;**

No allotment has been made on preferential issue during the financial year.

**(xiii) THE JUSTIFICATION FOR THE ALLOTMENT PROPOSED TO BE MADE FOR CONSIDERATION OTHER THAN CASH TOGETHER WITH VALUATION REPORT OF THE REGISTERED VALUER.**

Proposed Issue of shares is against Cash consideration .

**(xiv) THE PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY IN THE FOLLOWING FORMAT-**

Sr. No.	Category	PRE ISSUE		POST ISSUE	
		No. of Shares held	% of share holding	No. of shares held	% of share holding
A	Promoters' holding :				
1	Indian :				
	Individual	2694200	67.25	2694200	61.70
	Bodies Corporate	-	-	-	-
	Sub Total	2694200	67.25	2694200	61.70
2	Foreign Promoters	-	-	-	-
	<b>Sub Total (A)</b>	<b>2694200</b>	<b>67.25</b>	<b>2694200</b>	<b>61.70</b>
B	Non-Promoters' holding :				
1.	Institutional Investors				
	Mutual Funds / UTI	1500	0.04	1500	0.03
2.	Non-Institutional:				
	Bodies Corporate	65100	1.62	65100	1.49
	Indian Public	1167700	29.15	1527700	34.99
	Others (Including NRIs and Foreign Companies)	77500	1.93	77500	1.77
	Clearing Members	400	0.01	400	0.01
	<b>Sub Total(B)</b>	<b>1312200</b>	<b>32.75</b>	<b>1672200</b>	<b>38.30</b>
	<b>GRAND TOTAL(A+B)</b>	<b>4006400</b>	<b>100.00</b>	<b>4366400</b>	<b>100.00</b>

The proposed preferential allotment of Equity Shares, would be strictly in accordance with SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") and the following parameters would be subject to such changes as may be required to conform to the SEBI Regulations. Such proposed preferential issue will comprise of Equity Shares not exceeding 3,60,000 Equity Shares of a face value of Rs.10/- each.

The Company has sought indication from proposed allottees whether it would be desirous to subscribe to 3,60,000 Equity shares of a face value of Rs.10/- each. The proposed allottees in turn has confirmed and conveyed its intent to subscribe to 3,60,000 Equity Shares of Rs.10/- each.

**(xv) CERTIFICATE FROM AUDITORS:**

The Certificate issued by M/s H. P Sanghvi & Co., Company Secretaries, as to the Pricing of the issue and that this preferential issue of securities is being made in accordance with the guidelines on Preferential Allotment issued by SEBI will be placed before the shareholders at the Meeting and is also available for inspection at the Registered Office of the company during the business hours on any working days.

The Board recommends passing of the said Resolution.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or in any way interested in the Special Resolution set out in Item No.6.

**REGD.OFFICE:**

220, Unique Industrial Estate ,  
Off. Veer Savarkar Marg,  
Prabhadevi,  
Mumbai - 400025

**Date: - July 12, 2016.**

FOR AND ON BEHALF OF THE BOARD  
**For Sharad Fibres and Yarn Processors Limited**

Sd/-  
Aditya Dalmia [DIN: 00634890]  
Chairman

## DIRECTORS' REPORT

To,  
The Shareholders,

Your Directors have great pleasure in presenting the 29<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2016.

<b>FINANCIAL RESULTS:</b>	<b>Year ended 31.03.2016 Rs. In Lacs</b>	<b>Year ended 31.03.2015 Rs. In Lacs</b>
Gross Revenue	588.41	998.00
Profit (Loss) before tax	19.47	23.54
<b>Tax Expense:</b>		
Current tax expense for current year	-	-
Deferred tax	-	-
Tax expense for Earlier years	-	-
<b>Profit (Loss) for the period</b>	<b>19.47</b>	<b>23.54</b>
<b>Earning per Equity Share</b>		
Basic	0.49	0.59
Diluted	0.49	0.59

### FINANCIAL HIGHLIGHTS FOR PAST 3 YEARS :

<b>Particulars</b>	<b>(Rs. in Lacs)</b>		
	<b>2015-2016</b>	<b>2014-2015</b>	<b>2013-2014</b>
Total revenue	588.41	998.00	610.59
Profit before depreciation and amortization	25.75	28.25	26.33
Depreciation and amortization	6.28	4.71	4.49
Profit before exceptional items & tax	19.47	23.54	21.83
Exceptional items	-	-	-
Profit before tax	19.47	23.54	21.83
Tax expense	-	-	-
Net profit after tax	19.4	23.54	21.83
Equity shares	4006400	4006400	4006400
EPS	0.49	0.59	0.54

#### **1. REVIEW OF OPERATIONS:**

During the year under review, the Company earned total revenue of Rs. 588.41 Lacs as against Rs.998 Lacs in the previous year. The Net Profit for the year stood at Rs. 19.4 Lacs as compared to Rs. 23.54 Lacs in the previous year.

Your Company is undertaking active efforts towards accelerating the growth speed and is optimistic about better performance in the future.

**2. 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.

**3. DIVIDEND:**

In view of carry forward losses, the Board does not propose any dividend for the year ended March 31, 2016. The Board does not propose to transfer any amount to General Reserves for the aforesaid financial year.

**4. SHARE CAPITAL OF THE COMPANY:**

The Paid up Equity Share Capital, as at 31st March, 2016 was Rs. 40,064,000/- divided into 40,06,400 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.

The Directors proposes to increase the paid up capital by issue of 360,000 Equity Shares of Rs. 10/- at par on preferential basis to non-promoters for which your approval is sought.

**5. FIXED DEPOSITS:**

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

**6. BOARD OF DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Ms. Jyoti Nankani, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

The Board proposes to appoint Mr. Aditya Dalmia as the Managing Director of the Company w.e.f. October 1, 2016 and recommends the Ordinary Resolution as specified in the Notice for approval of the shareholders.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

**7. 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.

**8. KEY MANAGERIAL PERSONNEL:**

During the year under review, the Company has appointed the following persons as the Key Managerial Personnel:

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

\* Ms. Madhumati Rajol was appointed as Company Secretary w.e.f. January 20, 2016.

**9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

The Board of Directors of your Company met 9 (Nine) times during the year ended March 31, 2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

<b>Sr. No.</b>	<b>Date of Board Meeting</b>
1.	29.05.2015
2.	14.08.2015
3.	18.09.2015
4.	04.11.2015
5.	09.11.2015
6.	14.11.2015
7.	02.02.2016
8.	12.02.2016
9	30.03.2016

**Separate Meeting of the Independent Directors:**

The Independent Directors held a Meeting without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I) Reviewed the performance of non-independent directors and the Board as a whole;
- II) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors;

Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**10. SUBSIDIARIES,JOINT VENTURES OR ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint venture or associate companies.

**11. COMMITTEES OF THE BOARD:**

**11.1 AUDIT COMMITTEE:**

In accordance with the provisions of the Regulation 18 of SEBI (LODR) Regulations, 2015 and Companies Act, 2013, the Company is having an Audit Committee comprising of Independent as well as Executive Directors.

The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. The details of meeting held during the financial year are as under:

<b>Sr. No.</b>	<b>Date of Board Meeting</b>
1.	29.05.2015
2.	14.08.2015
3.	14.11.2015
4.	12.02.2016

### **11.2 NOMINATION AND REMUNERATION COMMITTEE:**

The Committee members met twice during the financial year i.e. 09/11/2015 and 12/02/2016.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy lays down the criteria for selection and appointment of Board Members.

### **11.3 STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Committee has been constituted to strengthen the investor relations and to specifically look into the mechanism of redressal of grievances of shareholders pertaining to transfer of shares, non-receipt of Annual Report, issues concerning de-materialization etc.

The Committee members met twice during the financial year i.e. 29/05/2015, 14/08/2015, 14/11/2015 and 12/02/2016.

#### **Details of Investors Complaints received during the year:**

	<b>Nature of Complaints</b>	<b>Received</b>	<b>Pending</b>	<b>Disposed</b>
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	-	-	-
	Total	-	-	-

There was no complaint pending for action as on 31<sup>st</sup> March 2016.

### **12. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a Vigil Mechanism / Whistle Blower policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism /Whistle Blower policy has been posted on the website of the Company ([www.sharadfibres.com](http://www.sharadfibres.com)).

**13. PREVENTION OF SEXUAL HARASSMENT:**

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported.

**14. ANNUAL PERFORMANCE 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. 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, obligations and governance.

The performance evaluation of the Board as a whole, the Chairperson and the Non-Independent Directors was also carried out by the Independent Directors at their meeting held on 12<sup>th</sup> February, 2016.

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.

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

The Company has not granted loans or given guarantees or made any investments in securities covered under Section 186 of the Companies Act, 2013 during the financial year 2015-16.

**16. 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.

**17. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of Section 135 of the Companies Act, 2013 read with the Rules made thereunder, in respect of Corporate Social Responsibility policy were not applicable the Company for the Financial Year 2015-16.

**18. 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.

**19. RELATED PARTY TRANSACTIONS:**

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

The Company has entered into material related party transactions i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, entered during the year by your Company. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC2 is annexed as **Annexure 'B'**.

**20. STATUTORY AUDITORS AND THEIR REPORT:**

M/s. Vinod S. Mehta & Co, Chartered Accountants, (Firm Registration No.111524W), who were appointed as the Statutory Auditors of the Company at the 26<sup>th</sup> AGM held on 27<sup>th</sup> September, 2014 to hold office until the conclusion of the 30<sup>th</sup> AGM, are recommended for ratification of appointment for the Financial Year 2016-2017. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Vinod S. Mehta & Co, Chartered Accountants that their appointment, if made, would be in conformity with the limits specified in the said Section.

The Auditors Report for the year ended 31/03/2016 does not contain any qualification, reservation & adverse remark

**21. SECRETARIAL AUDITOR AND THEIR REPORT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed M/s. GMJ & Associates, Company Secretaries to undertake the Secretarial Audit of the Company.

The Secretarial Audit report is annexed herewith as **Annexure "C"** and forms an integral part to this Report. The report for the year ended 31/03/2016 does not contain any qualification, reservation & adverse remark.

**22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

The Internal Audit Department 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.

**23. RISK MANAGEMENT:**

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

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

The information on conservation of energy, technology absorption pursuant to Section 134(3) (m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company as the Company is not engaged in manufacturing activities.

Foreign Exchange earning: -Nil  
Foreign Exchange outgo:Rs. 98,388/-

**25. PARTICULARS OF EMPLOYEES:**

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

**26. DEPOSITORY SERVICES:**

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialized form in either of the two 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.

**27. ENVIRONMENT AND SAFETY:**

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

**28. LISTING:**

The shares of the Company are listed on BSE Ltd. The Company has paid Listing fees for the financial year 2016-17.

**29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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.

**30. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements related and the date of the report.

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

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

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

**32. CORPORATE GOVERNANCE REPORT:**

Report on Corporate Governance and management discussion report is not given as the same are not applicable to the company.

**33. 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.

**Regd.Office:**

220, Unique Industrial Estate,  
Off. Veer Savarkar Marg,  
Prabhadevi,  
Mumbai - 400025

For and on behalf of the Board

**FOR SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Date: - July 12, 2016**

**Sd/-**

**ADITYA DALMIA [DIN: 00634890  
CHAIRMAN**

Annexure 'A' TO BOARDS REPORT 2015-16  
Form No. MGT-9

as on the financial year ended on 2014-2015

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN:-	L17110MH1987PLC043970
ii) Registration Date:-	2nd July, 1987
iii) Name of the Company:-	SHARAD FIBRES AND YARN PROCESSORS LIMITED
iv) Category / Sub-Category of the Company:-	Company limited by shares/ Indian Non-Government Company
v) Address of the Registered office and contact details:-	220, UNIQUE INDUSTRIAL ESTATE, OFF. VEER SAVARKAR MARG, PRABHADEVI, MUMBAI 400025 Conatct details :- 022-43226969 Email id :-accounts@sharadfibres.com
vi) Whether listed company	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. BIG SHARE SERVICES PRIVATE LIMITED [Unit: Sharad Fibres and Yarn Processors Limited] E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri [East], Mumbai - 400 072 Tel: 022-28470652 Fax: 022-28475207 E-mail: info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
	NOT APPLICABLE				

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 (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
(1) Indian									
a) Individual/ HUF	2280000	0	2280000	56.91	2280000	0	2280000	56.91	-
b) Central/State Govt	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	414200	0	414200	10.34	414200	0	414200	10.34	-
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other	0	0	0	0	0	0	0	0	-
	0	0	0	0	0	0	0	0	-
<b>Sub-total (A) (1):-</b>	<b>2694200</b>	<b>0</b>	<b>2694200</b>	<b>67.25</b>	<b>2694200</b>	<b>0</b>	<b>2694200</b>	<b>67.25</b>	<b>-</b>
(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	-
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
<b>Total shareholdin g of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2694200</b>	<b>0</b>	<b>2694200</b>	<b>67.25</b>	<b>2694200</b>	<b>0</b>	<b>2694200</b>	<b>67.25</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	1500	1500	0.04	0	1500	1500	0.04	-
b) Banks / FI	0	0	0	-	0	0	0	-	-
c) Central/ State Govt	0	0	0	0	0	0	0	0	-
d) Venture Capital Funds	0	0	0	0	0	0	0	0	-
e) Insurance Companies	0	0	0	0	0	0	0	0	-
f) FIs	0	0	0	0	0	0	0	0	-
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>1500</b>	<b>1500</b>	<b>0.04</b>	<b>0.00</b>	<b>1500.00</b>	<b>1500.00</b>	<b>0.04</b>	<b>-</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	100	65400	65500	1.63	300	65400	65700	1.64	0.01
ii) Overseas	0	0	0	-	0	0	0	-	-
b) Individual shareholders holding									
i) upto Rs. 1 lakh	11500	1050900	1062400	26.52	19500	1042700	1062200	26.51	(0.01)
ii) excess of Rs 1 lakh	0	104900	104900	2.62	0	104900	104900	2.62	-
c) Clearing Member	400	0	400	0.01	400	0	400	0.01	-
NRI	0	77500	77500	1.93	0	77500	77500	1.93	-
<b>Sub-total (B)(2):-</b>	<b>12000</b>	<b>1298700</b>	<b>1310700</b>	<b>32.72</b>	<b>20200</b>	<b>1290500</b>	<b>1310700</b>	<b>32.72</b>	<b>-</b>
<b>Total shareholdin g of Public Shareholding (B)</b>	<b>12000</b>	<b>1300200</b>	<b>1312200</b>	<b>32.75</b>	<b>20200</b>	<b>1292000</b>	<b>1312200</b>	<b>32.75</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>2706200</b>	<b>1300200</b>	<b>4006400</b>	<b>100.00</b>	<b>2714400</b>	<b>1292000</b>	<b>4006400</b>	<b>100.00</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Share holding at the end of the year (31.03.2016)			% 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	RASHI DALMIA	17250	0.43	-	17250	0.43	-	-
2	ANIL KUMAR DALMIA (HUF)	24421	0.61	-	24421	0.61	-	-
3	ANITA DALMIA	25300	0.63	-	25300	0.63	-	-
4	PRATIBHA DALMIA	28900	0.72	-	28900	0.72	-	-
5	USHA S DALMIA	31900	0.80	-	31900	0.80	-	-
6	DALMIA POLYPRO INDUSTRIES PRIVATE LIMITED	36700	0.92	-	36700	0.92	-	-
7	AYUSHI DALMIA	37821	0.94	-	37821	0.94	-	-
8	SANGEETA DALMIA	43550	1.09	-	43550	1.09	-	-
9	SHARAD DALMIA	56950	1.42	-	56950	1.42	-	-
10	ANIL DALMIA	66379	1.66	-	66379	1.66	-	-
11	ADITYA KUMAR DALMIA (HUF)	211750	5.29	-	211750	5.29	-	-
12	ADITYA DALMIA	205421	5.13	-	205421	5.13	-	-
13	VARUN DALMIA	97286	2.43	-	97286	2.43	-	-
14	AMARCHAND AGARWAL	97850	2.44	-	97850	2.44	-	-
15	SHASHI DALMIA HUF	108150	2.70	-	108150	2.70	-	-
16	SHARDADEVI DALMIA	167650	4.18	-	167650	4.18	-	-
17	SHASHI DALMIA	153471	3.83	-	153471	3.83	-	-
18	PRATIK DALMIA	184950	4.62	-	184950	4.62	-	-
19	RAVI DALMIA HUF	225200	5.62	-	225200	5.62	-	-
20	DALMIA EXIM PVT LTD	377500	9.42	-	377500	9.42	-	-
21	RAVI DALMIA	495801	12.38	-	495801	12.38	-	-

iii) Change in Promoters' Shareholding

Sl No.		Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,694,200.00	67.25	2,694,200.00	67.25
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.	No Change			
	At the End of the year	2,694,200.00	67.25	2,694,200.00	67.25

## (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 (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	RAJNIKANT KARUNAKAR NIRESHWALIA	30,000	0.75	01.04.2015	-			
		30,000	0.75	31.03.2016			30,000	0.75
2	THE ESTATE INVESTMENT CO PVT LTD	28000	0.7	01.04.2015	-			
		28,000	0.7	31.03.2016			28,000	0.7
3	AWTANI ASHOK BHAWANDAS	22500	0.56	01.04.2015	-			
		22500	0.56	31.03.2016			22,500	0.56
4	ALKESH M GOPANI	18,300	0.46	01.04.2015	-			
		18,300	0.46	31.03.2016			18,300	0.46
5	KAMAL M JAGWANI	18300	0.46	01.04.2015	-			
		18300	0.46	31.03.2016			18,300	0.46
6	VEENA JAGWANI	18300	0.46	01.04.2015	-			
		18300	0.46	31.03.2016			18,300	0.46
7	RANJAN BHARAT GANDHI	18300	0.46	01.04.2015	-			
		18300	0.46	31.03.2016			18,300	0.46
8	PRAVIN JHUN JHUN WALA	18300	0.46	01.04.2015	-			
		18300	0.46	31.03.2016			18,300	0.46
9	MOHANLAL BAGRI	13400	0.33	01.04.2015	-			
		13400	0.33	31.03.2016			13,400	0.33
10	VINOD GUPTA	10000	0.25	01.04.2015	-			
		10000	0.25	31.03.2016			18,300	0.25

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding		Date	Increasing / Decreasing in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Ravi Dalmia	495801	12.38	01.04.2015	-	-	-	-
		495801	12.38	31.03.2016	-	-	495801	12.38
2	Aditya Dalmia	205421	5.13	01.04.2015	-	-	-	-
		205421	5.13	31.03.2016	-	-	205421	5.13

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	443,589,159.00	6,943,981.00	-	450,533,140.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>443,589,159.00</b>	<b>6,943,981.00</b>	<b>-</b>	<b>450,533,140.00</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	2,289,606.00	6,943,981.00	-	9,233,587.00
<b>Net Change</b>	<b>2,289,606.00</b>	<b>6,943,981.00</b>	<b>-</b>	<b>9,233,587.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	441,299,553.00	-	-	441,299,553.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>441,299,553.00</b>	<b>-</b>	<b>-</b>	<b>441,299,553.00</b>

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>
---

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary		
	(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)		
	Ceiling as per the Act		

<b>B. Remuneration to other directors: NOT APPLICABLE</b>
---

Sr. No	Particulars of Remuneration	Name of the Director	Total
1	<b>Independent Directors</b>		
	• Fee for attending board committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
2	<b>Other Non-Executive Directors</b>		
	• 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		

<b>C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : NOT APPLICABLE</b>
---

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total
1	Gross salary		
	(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		

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

Annexure 'B' TO BOARDS REPORT 2015-16

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 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 & GM	Amount paid as advances , if any
1.	M/s.Dalmia Polypro Industries Private Limited	Purchases Sales	Ongoing	1,56,66,090 2,26,28,742	29.05.2015	NA

For and on behalf of the Board  
For SharadFibres and Yarn Processors Limited

Place:-Mumbai  
Date: - 12th July, 2016

Sd/-  
AdityaDalmia [DIN: 00634890]  
Director

Annexure "C" TO BOARDS REPORT 2015-16

**Form No.MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(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,  
**M/s.SHARAD FIBRES AND YARN PROCESSORS LIMITED**  
220, Unique Industrial Estate,  
Off. Veer Savarkar Marg,  
Prabhadevi, Mumbai: - 400 025

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. 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, 2016 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, 2016, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

[Cont...2]

- iv. 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 (Substantial Acquisition of Shares and Takeovers) Regulations 2011.
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15<sup>th</sup> May, 2015).
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable during the period of audit]**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not applicable during the period of audit]**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the period of audit]**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not applicable during the period of audit]**

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts applicable to the Company, which are as under:

- i. The Factories Act, 1948.
- ii. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- iii. The Payment of Bonus Act, 1965.
- iv. The Payment of Gratuity Act, 1972.
- v. The Industrial Disputes Act, 1947.
- vi. The Air (Prevention and Control of Pollution) Act, 1981.
- vii. The Water (Prevention and Control of Pollution) Act, 1974.
- viii. The Income Tax Act, 1961.
- ix. Central Sales Tax (Dadra Nagar Haveli) Rules, 1983.
- x. The Dadra Nagar Haveli, Value Added Tax Rules, 2005.
- xi. Chapter V of the Finance Act, 1994.

We have also examined compliance with the applicable clauses of the Following:

**[Cont...3]**

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015.
- ii. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1st December, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We, further report that:

The Company has made quarterly submissions with the Stock Exchange (BSE Limited) as required under the Listing Agreement / SEBI (LODR) Regulations, 2015, on timely basis except minor delays in few instances.

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 during the Financial Year under review.

Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting.

Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

For **GMJ & ASSOCIATES**  
*Company Secretaries*

**Sd/-**  
**[MAHESH SONI]**  
**PARTNER**  
**FCS: 3706 COP: 2324**  
**PLACE: MUMBAI**  
**DATE: 12<sup>th</sup> July, 2016**

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

## ANNEXURE A

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

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

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

For GMJ & ASSOCIATES  
Company Secretaries

Sd/-  
[MAHESH SONI]  
PARTNER  
FCS: 3706 COP: 2324

PLACE: MUMBAI  
DATE:12<sup>th</sup> July, 2016.

Annexure "D" TO BOARDS REPORT 2015-16

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

1. Ratio of the remuneration to each executive Director to the median remuneration of the employees of the Company for FY 2015-16: -NA
2. % increase in remuneration Executive Directors, CFO and CS during the FY 2015-16: NA
3. % increase in median remuneration of the employees for the FY 2015-16: -10% to 12%
4. Total permanent employees on role of Sharad Fibres And Yarn Processors Limited as on 31.3.2016: 25
5. Relationship between average increase in remuneration and Company's performance: - EPS of the co. increases from 0.54 to 0.59 and Remuneration to employees from 10% to 12%
6. Comparison of the remuneration of the KMPs against the performance of the Company: -NA
7. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer: NA
8. 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: NA
9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company; The Company Pays Remuneration to Key Managerial Personnel as per the Market trends.
10. The key parameters for any variable component of remuneration: NA
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NA
12. Affirmation that the remuneration is as per the remuneration policy of the company: Yes

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

Place:-Mumbai  
Date:-12<sup>th</sup> July, 2016

Sd/-  
Aditya Dalmia [DIN: 00634890]  
Director

## **Independent Auditor's Report**

To the Members of  
**SHARAD FIBRES & YARN PROCESSORS LIMITED**

### **Report on the Stand alone Financial Statements**

We have audited the accompanying stand alone financial statements of **SHARAD FIBRES & YARN PROCESSORS LIMITED** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2016, the statement of profit and loss and the cash flow statement for the year and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect of the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial

control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet and the statement of profit and loss, dealt with by this Report, are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (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 derivatives 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 incorporated in India.

**For Vinod S. Mehta & Co.**  
Chartered Accountants  
(Firm Reg. No. 111524W)

Place: **Mumbai**  
Date: **30<sup>th</sup> May, 2016**

**Sd/-**  
**Girish L. Shethia**  
Partner  
Membership No: 044607

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

The Annexure referred to in paragraph 1 of our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) a) In our opinion and according to the information and explanations given, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;  
  
(b) These fixed assets have been physically verified by the management at reasonable intervals; and if any material discrepancies which were noticed on such verification, the same have been properly dealt with in the books of account;  
  
(c) The title deeds of immovable properties are held in the name of the company.
- (ii) In our opinion and according to the information and explanations given, physical verification of inventory has been conducted at reasonable intervals by the management and if any material discrepancies were noticed, they have been properly dealt with in the books of account;
- (iii) In our opinion and according to the information and explanations given to us, 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 our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Further, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable in this regard, have been complied with.
- (vi) As per the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (l) of section 148 of the companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our 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 us, 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.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

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

- (viii) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (ix) 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 us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our 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 our opinion and according to the information and explanations given to us, 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 us and based on our 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 us and based on our 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 us and based on our 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 Vinod S. Mehta & Co.**  
Chartered Accountants  
(Firm Reg. No. 111524W)

Place : **Mumbai**  
Date : **30<sup>th</sup> May, 2016**

**Sd/-**  
**Girish L. Shethia**  
Partner  
Membership No: 044607

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **SHARAD FIBRES & YARN PROCESSORS LIMITED** ("the Company") as of 31 March 2016 in conjunction with our 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**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over 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 our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

Place: **Mumbai**  
Date: **30<sup>th</sup> May, 2016**

**For Vinod S. Mehta & Co.**  
Chartered Accountants  
(Firm Reg. No. 111524W)

**Sd/-**  
**Girish L . Shethia**  
Partner  
Membership No: 044607

**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
Balance Sheet as on 31/03/2016

Particulars	Note No.	Year Ended 31/03/2016	Year Ended 31/03/2015
<b><u>I. EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's Fund</b>			
(a) Share Capital	3	40,064,000	40,064,000
(b) Reserves & surplus	4	(431,490,263)	(433,437,351)
<b>Non -current Liabilities</b>			
(a) Long Term Borrowings	5	440,914,986	450,110,141
(b) Other Long term Liabilities	-	-	-
(c) Long term Provisions	-	-	-
(d) Deffered Tax Liabilities (net)	-	-	-
<b>Current Liabilities</b>			
(a) Short Term Borrowings	6	403,025	423,000
(b) Other Current Liabilities	7	50,739	274,250
(c) Short-Term Provisions	-	-	-
(d) Trade Payables	8	1,361,954	1,617,734
<b>Total</b>		<b>51,304,442</b>	<b>59,051,774</b>
<b><u>II. ASSETS</u></b>			
<b>Non -current Assets</b>			
(a) Fixed Assets	9		
(I) Tangible Assets		6,721,565	6,307,695
(II) Intangible Assets		-	-
(III)Capital Work in progress		-	-
(IV) Intangible Assets under Developments		-	-
(b) Non-Current Investments	-	-	-
(c) Long Term Loans & advances	10	3,134,056	3,571,180
(d) Other Non-Current Assets	-	-	-
(e) Deferred Tax Assets	-	-	-
<b>Current Assets</b>			
(a) Current investments	-	-	-
(b) Inventories	11	8,739,647	16,886,954
(c) Trade Receivables	12	28,672,923	31,662,734
(d) Cash and Cash equivalents	13	2,040,899	471,321
(e) Short - Term Loans and Advances	14	195,353	151,890
(f) Other Current Assets	15	1,800,000	-
<b>Total</b>		<b>51,304,442</b>	<b>59,051,774</b>

*As per our Report of even date*

*For and on behalf of the Board*

**For Vinod S. Mehta & Co.**  
Chartered Accountants  
Firm No. 111524W

**Sd/-**  
Partner

**Sd/-**  
CFO & Director

**Sd/-**  
Managing Director

**Sd/-**  
Company Secretary

**Place: Mumbai**  
Date: 30th May, 2016

**Place: Mumbai**  
Date: 30th May, 2016

**SHARAD FIBRES & YARN PROCESSORS LIMITED**  
**Statement of Profit and Loss for the 31/03/2016**

Particulars	Note No.	Year Ended 31/03/2016	Year Ended 31/03/2015
I. Revenue from Operations	16	58,825,106	99,519,052
II. Other Income	17	15,573	281,743
<b>III. Total Revenue (I + II)</b>		<b>58,840,679</b>	<b>99,800,795</b>
IV. Expenses :			
Cost of Material consumed	18	39,457,873	101,577,845
Change in Inventories of finished goods, Work-in-progress and Stock in trade	19	12,922,717	(8,445,820)
Employee Benefits expenses	20	1,385,003	1,962,083
Finance Cost	21	75,494	72,495
Depreciation and Amortization expense	9	628,155	471,025
Administrative and Other Expenses	22	2,424,348	1,809,073
<b>Total Expenses</b>		<b>56,893,591</b>	<b>97,446,701</b>
V. Profit before exceptional and extraordinary item and Tax		1,947,088	2,354,094
VI. Exceptional Item		-	-
VII. Profit before extraordinary items and Tax		1,947,088	2,354,094
VIII. Extraordinary Items			
<b>IX. Profit Before Tax</b>		<b>1,947,088</b>	<b>2,354,094</b>
X. Tax Expenses			
1) Current Tax		-	-
2) Deferred Tax		-	-
<b>XI. Profit (Loss) for the period from continuing operations</b>		<b>1,947,088</b>	<b>2,354,094</b>
<b>XII. Profit / Loss for the Previous Year</b>		-	-
<b>XIII. Profit (Loss) for the period</b>		<b>1,947,088</b>	<b>2,354,094</b>
XIV. Earning per Equity Share			
(1) Basic		0.49	0.59
(2) Diluted		0.49	0.59

*As per our Report of even date*

*For and on behalf of the Board*

**For Vinod S. Mehta & Co.**  
Chartered Accountants  
Firm No. 111524W

**Sd/-**  
**Girish L Sethia**

**Partner**  
M.No. : 044607

**Place: Mumbai**  
Date: 30th May, 2016

**Sd/-**  
**Aditya Dalmia**  
CFO & Director

**Place: Mumbai**  
Date: 30th May, 2016

**Sd/-**  
**Ravi Dalmia**  
Managing Director

**Sd/-**  
**Madhumati**  
Company  
Secretary

**SHARAD FIBRES & YARN PROCESSORS LIMITED**

**NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART  
OF THE BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2016**

**Note No. 1: CORPORATE INFORMATION**

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

**Note No. 2: SIGNIFICANT ACCOUNTING POLICIES:**

**A) SYSTEM 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. During the year there is a change in accounting policy with respect to the method for charging depreciation. (Kindly refer note no. 24 for details)

**B) FIXED ASSETS & DEPRECIATION:**

- i) Fixed assets are stated at cost of acquisition less accumulated depreciation.
- ii) The capitalization to Fixed Assets is done on the basis of certification by the management.
- iii) Depreciation is provided:
  - a) On straight-line method at the rates prescribed in Schedule II of the Companies Act, 2013.
  - b) In respect of additions to and deletions from the Fixed Assets on pro-data basis with reference to number of completed months.

**C) INVENTORIES:**

- i) Raw Material stock is valued at cost.
- ii) Finished Goods are valued at estimated cost i.e. selling price less 10%.
- iii) The inventories have been physically verified, valued and certified by the management.

**D) REVENUE RECOGNITION:**

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers. Sales are net of trade discounts and sales tax.

**E) ACCOUNTING FOR FOREIGN CURRENCY:**

- i) Initial Recognition –  
Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii) Conversion –  
At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year end exchange rates.
- iii) Exchange Differences –  
All exchange differences arising on settlement and/or conversion on foreign currency transaction are included in the Profit and Loss Account as required by AS-11.

**F) RETIREMENT BENEFITS:**

i) Company's contributions of provident fund paid / payable during the year are charged to the Profit and Loss Account.

ii) Compensation payable to employees retired is charged out in full in the year in which such expenditure is incurred.

iii) 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 AS-15 issued by the ICAI, as the same is made on cash basis and shall be provided in the books of the company as and when paid.

**G) BORROWING COST:**

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue.

**H) TAXATION:**

(i) 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.

(ii) 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.

**I) EARNING PER SHARE:**

The company records basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 Earnings per share. Basic EPS is computed by dividing the net profit or loss for the year available for the year for equity share holders by the weighted average no of equity shares outstanding during the year.

**L) TRADE PAYABLES:**

Unpaid amount as on 31.03.2016 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.

**M) SEGMENT REPORTING:**

As per the provisions of Accounting Standard 17 on "SEGMENT REPORTING" issued by the Institute of Chartered Accountants of India, the Standard is applicable to the company.

Further, a business segment or geographical segment is a reportable segment if (a) revenue from sales to external customers and from transactions with other segments exceed 10% of total revenues (external and internal) of all segments; or (b) segment result, whether profit or loss is 10% or more of (i) combined result of all segments in profit or (ii) combined result of all segments in loss whichever is greater in absolute amount; or (c) segment assets are 10% or more of all the assets of all the segments.

However, the company does not fall into any of the above stated criteria and hence the company does not qualify as reportable geographical segment and thus no segment reporting is provided.

**Sharad Fibres & Yarn Processors Limited**  
**Notes to the Financial Statements**

**Note No. 3**  
**Share Capital**

Particulars	31.03.2016	31.03.2015
a) Authorized Share capital 5,000,000 number of Equity Shares (Previous Year 5,000,000) of Rs. 10 3,000,000 Number of Preference shares( Previous Year 3,000,000) of Rs.10	50,000,000 30,000,000	50,000,000 30,000,000
b) Issued, Subscribed & Paid up 4,006,400 (Previous Year 4,006,400) Equity Shares of Rs. 10 each (Previous Year Rs. 10 each) fully subscribed and paid up	40,064,000	40,064,000
<b>Total</b>	<b>40,064,000</b>	<b>40,064,000</b>

Notes :

**(i) a) Reconciliation of Number of shares outstanding**

Particulars	31.03.2016	31.03.2015
Number of Shares at the Beginning of the reporting period	4,006,400	4,006,400
Add: Issued during the year	-	-
Less: Buyback of shares. Shares Forfieted during the year	-	-
<b>Number of Shares at the End of the reporting period</b>	<b>4,006,400</b>	<b>4,006,400</b>

**b) Reconciliation of Shares outstanding (In terms of Value)**

Particulars	31.03.2016	31.03.2015
Shares at the Beginning of the reporting period	40,064,000	40,064,000
Add: Issued during the year	-	-
Less: Buyback of shares. Shares Forfieted during the year	-	-
<b>Shares at the End of the reporting period</b>	<b>40,064,000</b>	<b>40,064,000</b>

(ii) Details of shares held by each shareholders holding more than 5%	31.03.2016	31.03.2015
Ravi Dalmia	4,95,801 (12.38%)	4,95,801 (12.38%)
Ravi Dalmia HUF	2,25,200 (5.62%)	2,25,200 (5.62%)
Aditya Dalmia	2,05,421 (5.13%)	2,05,421 (5.13%)
Dalmia Exim Pvt. Ltd	3,77,500 (9.42%)	3,77,500 (9.42%)
Aditya Dalmia HUF	2,11,750 (5.29%)	2,11,750 (5.29%)
Central Bank of India	-	-

**Note No. 4**  
**Reserve and Surplus**

Particulars	31.03.2016	31.03.2015
a) Capital Reserves	2,107,457	2,107,457
b) Capital Redemption Reserve		
c) Profit & Loss Account		
Opening Balance	(437,898,902)	(435,544,808)
Add: Surplus for the year	(433,597,720)	2,354,094
<b>Total</b>	<b>(431,490,263)</b>	<b>(433,437,351)</b>

**Note No. 5**  
**Long term Borrowings**

Particulars	31.03.2016	31.03.2015
<b>(A) Secured Borrowings</b>		
a) Term Loans		
- from Banks	171,602	480,675
- from other parties	440,743,384	442,685,484
b) Deposits		
c) Loans and advances from related Parties		
d) Other Loans and Advances		
<b>Total (A)</b>	<b>440,914,986</b>	<b>443,166,160</b>
<b>(B) UnSecured Borrowings</b>		
a) Term Loans		
- from Banks		
- from other parties		
b) Deposits		
c) Loans and advances from Related Parties	-	6,943,981
d) Other Loans and Advances		
<b>Total (B)</b>	<b>-</b>	<b>6,943,981</b>
<b>Total (A+B)</b>	<b>440,914,986</b>	<b>450,110,141</b>

Notes

- (i) Loans Amounting to Rs. 1,71,602/- (Rs. 4,80,675/-) as shown under the head Term Loans From Bank of Secured  
(ii) The loan is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is  
(iii) Company has not defaulted in repayment of the said car loan.

**Note No. 6****Short Term Borrowings**

Particulars	31.03.2016	31.03.2015
a) Bank Overdraft	18,459	-
b) Hdfc Car Loan (Less than 12 months)	384,567	423,000
<b>Total</b>	<b>403,025</b>	<b>423,000</b>

## Notes

- (i) Loans Amounting to Rs. 3,84,567/- (Rs. 4,23,000/-) as shown under the head Term Loans From Bank of Secured  
(ii) The loan is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is  
(iii) Company has not defaulted in repayment of the said car loan.

**Note No. 7****Other Current Liabilities**

Particulars	31.03.2016	31.03.2015
a) Statutory Remittances	46,739	274,250
b) Advance from Customers	4,000	-
<b>Total</b>	<b>50,739</b>	<b>274,250</b>

**Note No. 8****Trade Payables**

Particulars	31.03.2016	31.03.2015
a) Sundry Creditors - As per Annexure	1,361,954	1,617,734
<b>Total</b>	<b>1,361,954</b>	<b>1,617,734</b>

**Note No. 9****Fixed Assets****Note No. 10****Long Term Loans & Advances**

Particulars	31.03.2016	31.03.2015
<b>(A) UnSecured ,consider good</b>		
a) Capital Advances	-	-
b) Security Deposits	261,000	261,000
c) Loans & Advances to Related Parties	-	435,000
d) Balances with revenue Authorities	2,873,056	2,875,180
<b>Total</b>	<b>3,134,056</b>	<b>3,571,180</b>

**Note No. 11****Inventories**

Particulars	31.03.2016	31.03.2015
a) Raw Material	4,839,824	64,414
b) Finished goods	3,899,823	16,822,540
<b>Total</b>	<b>8,739,647</b>	<b>16,886,954</b>

**Note:**

Valuation of Stock is as follows:

- i) Raw Material stock is valued at cost.  
ii) Finished Goods are valued at estimated cost i.e. selling price less

**Note No. 12****Trade Receivable**

Particulars	31.03.2016	31.03.2015
<b>(B) UnSecured ,consider good</b>		
a) For a period exceeding six months	23,704,283	24,593,478
b) Others Debts	4,968,640	7,069,256
<b>Total (A)</b>	<b>28,672,923</b>	<b>31,662,734</b>
<b>(C) Doubtful</b>		
a) For a period exceeding six months		
b) Others Debts		-
<b>Less: Provision for bad and doubtful debts</b>		-
<b>Total (B)</b>		
<b>Total (A+B)</b>	<b>28,672,923</b>	<b>31,662,734</b>

**Note No. 13****Cash and cash equivalent**

Particulars	31.03.2016	31.03.2015
a) Balance with banks		
- Currents Account Balances	1,316,559	271,089
- Margin Money	-	-
b) Bank Deposits	38,900	38,900
c) Cheques, drafts on hand	-	-
d) Cash on hand	685,440	161,331
<b>Total</b>	<b>2,040,899</b>	<b>471,321</b>

**Note No. 14****Short Term Loans and Advances**

Particulars	31.03.2016	31.03.2015
<b>Unsecured, consider good</b>		
a) Loans & Advances	-	-
b) Staff Advances	35,000	22,483
c) Prepaid Expenses	140,053	119,814
d) Other Receivables	20,300	9,593

<b>Total</b>	<b>195,353</b>	<b>151,890</b>
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**Note No. 15  
Other Current Assets**

<b>Particulars</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
<b>Unsecured, consider good</b>		
a) Advances to Creditors	1,800,000	-
<b>Total</b>	<b>1,800,000</b>	<b>-</b>

**Note No. 9**  
**Fixed Assets**

Description	Gross Block				Depreciation.Amortisation				Net Block	
	01.04.2015	Additions	Deletions	31.03.2016	Up to 31.03.2015	For the Year	Deductions	Up to 31.03.2016	31.03.2016	31.03.2015
<b>Tangible Assets</b>										
Land	591,905	-		591,905	-	-		-	591,905	591,905
Building	5,959,081	-		5,959,081	3,458,315	75,959		3,534,274	2,424,807	2,500,766
Computer		69,000		69,000	-	17,480		17,480	51,520	-
Plant & Machinery	1,411,640	54,400		1,466,040	144,572	90,493		235,065	1,230,975	1,267,068
Equipment	6,700	-		6,700	1,132	651		1,783	4,917	5,568
Vehicles	2,563,748	918,634		3,482,382	818,236	422,240		1,240,476	2,241,906	1,745,512
Electrical Instalations	221,435	-		221,435	24,559	21,331		45,890	175,545	196,876
<b>Sub-Total</b>	<b>10,754,509</b>	<b>1,042,034</b>	<b>-</b>	<b>11,796,543</b>	<b>4,446,814</b>	<b>628,154</b>	<b>-</b>	<b>5,074,968</b>	<b>6,721,575</b>	<b>6,307,695</b>
<b>Leased Assets</b>										
Plant & Machinery				-				-	-	-
Vehicles				-				-	-	-
<b>Sub-Total</b>				<b>-</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>										
Patent				-				-	-	-
Technical Know How				-				-	-	-
Others				-				-	-	-
<b>Sub-Total</b>				<b>-</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>10,754,509</b>	<b>1,042,034</b>	<b>-</b>	<b>11,796,543</b>	<b>4,446,814</b>	<b>628,154</b>	<b>-</b>	<b>5,074,968</b>	<b>6,721,575</b>	<b>6,307,695</b>
<b>Previous Year</b>	<b>9,577,375</b>	<b>2,119,929</b>	<b>942,795</b>	<b>10,754,509</b>	<b>4,178,733</b>	<b>471,017</b>	<b>202,935</b>	<b>4,446,814</b>	<b>6,307,694</b>	<b>5,398,642</b>

**Note No. 16****Revenue from Operations**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Sale of Products	58,825,106	99,519,052
<b>Total</b>	<b>58,825,106</b>	<b>99,519,052</b>

**Note No. 17****Other Income**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Interest on Bank Deposits	11,897	11,247
Sundry Balances Written back	3,676	610,358
Loss on Sale of Motor Car	-	(339,862)
<b>Total</b>	<b>15,573</b>	<b>281,743</b>

**Note No. 18****Cost of Material consumed**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Opening Stocks	64,414	2,715,080
Add: Purchases	34,486,080	91,981,397
Add: Direct Expenses	9,747,203	6,945,782
Less: Closing Stocks	4,839,824	64,414
<b>Total</b>	<b>39,457,873</b>	<b>101,577,845</b>

**Note No. 19****Cost of Material Consumed change in Inventories of finished goods, Work in Progress**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
<b>Finished Goods</b>		
Closing Stock	3,899,823	16,822,540
less: - Opening Stock	16,822,540	8,376,720
	<b>(12,922,717)</b>	<b>8,445,820</b>

**Other Direct Expenses**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Additive Exp.	641,710	-
Claim Paid	293,000	-
Freight & Forwarding	58,623	123,872
Labour Charges	-	37,200
Loading & Unloading Exp.	105,110	68,225
Packing Expenses	415,551	313,840
Power & Fuel	4,437,678	3,586,849
Rate Difference	36,323	76,214
Repair and Maintenance	712,775	1,116,438
Short Material Received	-	(20,758)
Stores and Spares	1,484,025	721,179
Wages and Salaries	1,562,408	922,723
<b>Total</b>	<b>9,747,203</b>	<b>6,945,782</b>

**Note No. 20****Employee Benefits expenses**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Salaries and Wages	1,105,206	976,400
Contribution to Provident & Other Funds	123,851	85,644
Staff Welfare expenses	155,946	564,039
Directors Remuneration		336,000
<b>Total (A+B)</b>	<b>1,385,003</b>	<b>1,962,083</b>

**Note No. 21**  
**Finance Cost**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Finance Cost	75,494	72,171
Bank Interest	-	324
<b>Total (A+B)</b>	<b>75,494</b>	<b>72,495</b>

**Note No. 22**  
**Administrative and Other Expenses**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
Advertisement Expenses	76,654	121,077
Audit Fees	150,000	100,000
Bank charges	13,788	6,960
Computer Expenses	18,307	1,974
Consultancy Charges	3,000	50,562
Conveyance	82,910	85,475
Donation	7,000	11,100
Foreign Traveling Exp	98,388	129,517
Traveling Expenses	7,897	-
Insurance	141,141	101,594
Interest on late payment of PF	14,948	-
Professional charges	231,598	416,680
Membership Fees	4,495	5,995
Miscellaneous Expenses	235,856	243,593
Motor Car Exp.	35,432	107,540
Postage Expenses	8,177	1,830
Printing and stationery	77,558	13,126
Rates and Taxes	956,853	136,409
Repair and Maintenance	22,429	73,598
Security Expense	201,850	182,609
Service Tax Paid	35,390	17,427
Telephone Exp.	677	2,007
<b>Total (A+B)</b>	<b>2,424,348</b>	<b>1,809,073</b>

**Note No. 23**  
**Payment to Statutory Auditors**

<b>Particulars</b>	<b>31/03/2016</b>	<b>31.03.2015</b>
a) Audit Fees	100,000	70,000
b) Professional fees	50,000	30,000
<b>Total</b>	<b>150,000</b>	<b>100,000</b>

#### **Note No. 24: OTHER NOTES**

- a. Expenditure in foreign currency during the financial year on account of :  
Foreign Traveling Expenses – Rs. 98,388/- (Rs. 1,29,517/-)
- b. The Balance appearing to the debit & credit of the various parties are subject to confirmation by parties. Previous year figures have been rearranged and regrouped wherever necessary to make them comparable with those of current year.

c. **CONTINGENT LIABILITIES:**

Contingent Liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved. Contingent Liabilities not provided for:-

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

(i) List of related parties with whom transactions have taken place and relationship:

<b>Sr.No.</b>	<b>Name of the Related Party</b>	<b>Relationship</b>
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	Sharad Dalmia	Relative
6	Varun Dalmia	Relative
7	Pratik Dalmia	Relative
8	Shashi Dalmia	Relative
9	Pratibha Dalmia	Relative
10	Dalmia Exim Ltd.	Associate
11	Dalmia Polypro Industries Limited	Associate
12	S. J. International	Associate
13	Pratik Overseas Corporation	Associate
14	S. Dalmia Intermediate Pvt. Ltd.	Associate

**Transaction during the year with related parties:**

<b><u>LOAN TAKEN</u></b>				
<b><u>ASSOCIATES</u></b>	<b>Opening</b>	<b>Taken</b>	<b>Repaid</b>	<b>Closing</b>
Dalmia Exim Pvt Ltd	6,943,981	-	6,943,981	-
	(6,943,981)			(6,943,981)
<b>Total</b>	<b>6,943,981</b>	<b>-</b>	<b>6,943,981</b>	<b>-</b>

<b><u>LOAN GIVEN</u></b>				
<b><u>ASSOCIATES</u></b>	<b>Opening</b>	<b>Taken</b>	<b>Repaid</b>	<b>Closing</b>
Shardadevi Dalmia	435,000	-	435,000	-
	(435,000)			(435,000)
<b>Total</b>	<b>435,000</b>	<b>-</b>	<b>435,000</b>	<b>-</b>

<b><u>Remuneration / Salary</u></b>				
<b>Name of related party</b>	<b>Relation</b>	<b>Nature</b>	<b>Amount</b>	<b>Amount</b>
			<b>31.03.2016</b>	<b>31.03.2015</b>
Surendra Bahadur Singh	Key Management Personnel	Sitting Fees	-	336,000
Pratibha Dalmia	Relative	Salary	-	150,000
<b>Total</b>			<b>-</b>	<b>486,000.00</b>

<b><u>Sales/ Purchases</u></b>				
<b>Name of related party</b>	<b>Relation</b>	<b>Nature</b>	<b>Amount</b>	<b>Amount</b>
			<b>31.03.2016</b>	<b>31.03.2015</b>
Dalmia Polypro Industries Private Limited	Associate	Sales	22,628,742	-
Dalmia Polypro Industries Private Limited	Associate	Purchases	15,666,090	11,427,567
<b>Total</b>			<b>15,666,090.00</b>	<b>11,427,567</b>

**For M/S SHARAD FIBRES & YARN PROCESSORS LTD.**

**For M/S. VINOD S. MEHTA & CO.**

Chartered Accountants

**FRN: 111524W**

Sd/-

**Girish L. Shethia**  
Partner

**Place: Mumbai**  
**Date : 30.05.2016**

Sd/-

**Aditya Dalmia**  
Director

**Place: Mumbai**  
**Date : 30.05.2016**

Sd/-

**Ravi Dalmia**  
Director

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

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

Tel. No. 022-43226969 Fax No. 022-40027257; Email Id: **accounts@sharadfibres.com**;

Website: www.sharadfibres.com CIN: L17110MH1987PLC043970

## ATTENDANCE SLIP

DP ID*	
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Folio No.	
-----------	--

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

No. of Share(s)	
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Name & Address of Shareholder:.....

.....

I/We hereby record my / our presence at the 29<sup>th</sup> Annual General Meeting of the Company held on 12<sup>th</sup> day of August, 2016 at 9:00 A.M. at 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025.

\_\_\_\_\_  
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 : 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025  
Email Id : accounts@sharadfibres.com  
Website: :www.sharadfibres.com  
Name of the Member(s) :  
Registered address :  
E-Mail Id :  
Folio No./Client Id/DP Id :

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

1. Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him
2. Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him
3. Name: ..... Address: .....  
E-mail Id: ..... Signature: .....

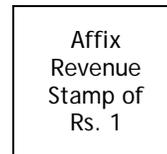
and as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, 12<sup>th</sup> August, 2016 at 9:00 A.M at 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
<b>Ordinary Business</b>			
1.	To approve and adopt Audited Financial Statement, for the year ended 31 <sup>st</sup> March, 2016 and reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Ms. Jyoti Nankani, who retires by rotation.		
3.	Ratification of Appointment of M/s. Vinod S. Mehta, Chartered Accountants as Auditors and fixing their remuneration.		
<b>Special Business</b>			
4.	To approve the Related Party Transactions with M/s. Dalmia Polypro Industries Private Limited.		
5.	Appointment of Mr. Aditya Dalmia as whole-time Director		
6.	Issue of 3,60,000 Equity Shares on Preferential basis		

Signed this..... day of .....2016.

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

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



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