

SHARAD FIBRES & YARN
PROCESSORS LIMITED

30th ANNUAL REPORT 2016-17

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
Email id : 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

29th September, 2017 at 10:00 a.m. at the registered office of the Company

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

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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
CIN:L17110MH1987PLC043970;
Email id : accounts@sharadfibres.com

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 30th 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 - 400 025 on **Friday, 29th September, 2017** at 10:00 A.M. to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated and Standalone Financial Statements) of the Company for the Financial Year ended March 31, 2017, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Jyoti Nankani (Din: 07145004), who retires from office by rotation, and being eligible offers herself for re-appointment.
3. To appoint Statutory Auditors, M/s. Darshil Doshi & Co., Chartered Accountants in place of M/s. Vinod S. Mehta, Chartered Accountants, who retire at the ensuing Annual General Meeting and to 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(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. Darshil Doshi & Co., Chartered Accountants, Mumbai (Firm Registration No.149822 with the Institute of Chartered Accountants of India) be and are appointed as the Statutory Auditors of the Company in place of M/s. Vinod S. Mehta, Chartered Accountants, the retiring Auditors, to hold office from the conclusion of the ensuing AGM until the conclusion of the 35th AGM to be held in 2022 (subject to ratification of the appointment by the members at every AGM held after this AGM) at such remuneration as may be agreed upon by the Audit Committee / Board of Directors in consultation with the Statutory Auditors.”

SPECIAL BUSINESS:

4. 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 Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode

of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution."

5. 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 Dalmia Polypro Industries Private Limited for availing services for an aggregate value upto Rs. 10 Crores on annual basis, for the Financial Year 2017-2018, 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."

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

sd/-

Date: - May 30, 2017.

**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. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. 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 from **23rd September, 2017 to 29th September, 2017** (both days inclusive) for determining the names of members.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
10. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
11. The shares of the Company are listed on BSE Ltd., Mumbai.

12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

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

- a. The Company has appointed **BIGSHARE SERVICES PRIVATE LIMITED** as Common Registrar & Transfer Agent of the Company for physicals as well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.
 - b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat this information should be passed on directly to their respective Depository Participants and not to the Company.
14. Relevant documents referred to in the Notice and in the Explanatory Statements are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
 15. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
 16. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
 17. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
 18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with the Depository Participant to enable us to send you the Annual Reports and other communications via email.
 19. **SHAREHOLDER INSTRUCTIONS FOR E-VOTING**
 - (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI,

Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given below. The members are requested to go through them carefully.

- (ii) The Board of Directors of the Company has appointed M/s. GMJ & Associates, Company Secretaries, Mumbai as Scrutinizer to scrutinise the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) The facility for voting through e-voting system shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through e-voting.
- (iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (v) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e-voting facility.
- (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **Friday, 22nd September, 2017.**
- (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, 22nd September, 2017,** 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, 22nd September, 2017** may obtain the User ID and password from **BIG SHARE SERVICES PRIVATE LIMITED** (Registrar & Transfer Agents of the company).
- (ix) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company (www.sharadfibres.com) and on the website of CDSL <https://www.evotingindia.com>. The results shall simultaneously be communicated to the Stock Exchange.
- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Friday, 29th September, 2017.**
- (xi) The instructions for shareholders voting electronically are as under:
 - a) The voting period begins on **Tuesday, 26th September, 2017 at 10.00 AM. and ends on Thursday, 28th September, 2017 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) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) Log on to the e-voting website www.evotingindia.com
- d) Click on Shareholders
- e) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- f) Next enter the Image Verification as displayed and Click on Login.
- g) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- h) If you are a first time user follow the steps given below:

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

- i) After entering these details appropriately, click on “**SUBMIT**” tab.

- j) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l) Click on the EVSN for the relevant < **SHARAD FIBRES AND YARN PROCESSORS LIMITED** > on which you choose to vote.
- m) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- o) After selecting the resolution you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.
- p) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
- q) You can also take out print of the voting done by you by clicking on "**Click here to print**" option on the Voting page.
- r) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- s) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- t) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com.

In case of members receiving the physical copy:

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

The voting period begins on **Tuesday, 26th September, 2017 at 10.00 AM. and ends on Thursday, 28th September, 2017 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, 22nd September, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cDSLindia.com

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

sd/-

DATE: - May 30, 2017.

**ADITYA DALMIA [DIN: 00634890]
DIRECTOR**

ANNEXURE TO THE NOTICE

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

ITEM NO. 4:

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting. Accordingly, the Board recommends the passing of the Ordinary Resolution at Item No. 4 of the accompanying Notice for members approval.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

ITEM NO. 5:

As per Regulation 23 of Listing Regulations 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 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 2017-2018.

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

Particulars	Information
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 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. 5 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. 5 of this Notice.

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

sd/-

DATE: - May 30, 2017.

**ADITYA DALMIA [DIN: 00634890]
DIRECTOR**

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have great pleasure in presenting the 30th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2017.

FINANCIAL RESULTS:	Year ended 31.03.2017 Rs. In Lakh	Year ended 31.03.2016 Rs. In Lakh
Gross Revenue	480.14	588.41
Profit (Loss) before tax	12.41	19.47
Tax Expense:		
Current tax expense for current year	-	-
Deferred tax	-	-
Tax expense for Earlier years	-	-
Profit (Loss) for the period	12.41	19.47
Earning per Equity Share		
Basic	0.31	0.49
Diluted	0.31	0.49

FINANCIAL HIGHLIGHTS FOR PAST 3 YEARS :

Particulars	(Rs. in Lakh)		
	2016-2017	2015-2016	2014-2015
Total revenue	480.14	588.41	998.00
Profit before depreciation and amortization	22.41	25.75	28.25
Depreciation and amortization	9.99	6.28	4.71
Profit before exceptional items & tax	12.41	19.47	23.54
Exceptional items		-	-
Profit before tax	12.41	19.47	23.54
Tax expense		-	-
Net profit after tax	12.41	19.4	23.54
Equity shares	4366400	4006400	4006400
EPS	0.31	0.49	0.59

1. REVIEW OF OPERATIONS:

During the year under review, the Company earned total revenue of Rs. 480.14/- Lakh as against Rs. 588.41/-Lakh in the previous year. The Net Profit for the year stood at Rs. 12.41/-Lakh as compared to Rs. 19.4/-Lakh 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, 2017. 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, 2017 was Rs. 4,36,64,000/- divided into 43,66,400 Equity shares, having face value of Rs. 10/- each fully paid up. During the year under review, the Company has issued 3,60,000 Equity Shares of Rs.10/- each at par on Preferential basis to Non-Promoters.

The Company has not issued any shares with differential voting rights nor granted any stock options or sweat equity.

5. 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. JyotiNankani, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

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, there was no change in the Key Managerial Personnel of the Company. The details of the existing Key Managerial Personnel is as under:

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

9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors of your Company met 12 (Twelve) times during the year ended March 31, 2017. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Sr. No.	Date of Board Meeting
1.	29.04.2016
2.	30.05.2016
3.	12.07.2016
4.	12.08.2016
5.	26.08.2016
6.	03.09.2016
7.	05.10.2016
8.	07.11.2016
9.	12.11.2016
10.	19.11.2016
11.	30.01.2017
12.	14.02.2017

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

Sr. No.	Name of Director	Designation	No. of Board Meeting attended	Attendance at last AGM
1	Mr. Ravi Dalmia	Managing Director	12	Yes
2	Mr. Aditya Dalmia	Whole-time Director	12	Yes
3	Mr. Unnikrishnan Nair	Independent Director	12	Yes
4	Mr. Surendra Singh	Independent Director	12	Yes
5	Ms. Jyoti Nankani	Woman Director	12	Yes

Separate Meeting of the Independent Directors:

The Independent Directors held a Meeting on 5th December, 2016 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:

During the Year,BST Exports Private Limited has become wholly owned subsidiary of your Company.

Dalmia Exim Limitedis awholly owned subsidiary of BST Exports Private Limited, therefore, pursuant to Section 2(87) of the Act, Dalmia Exim Limited is a deemed subsidiary of your Company.

Further, a statement containing the salient features of the Financial Statements of the Subsidiaries in the prescribed format AOC-1 - “**Annexure A**” is attached as a part of Financial Statements.

The Company does not have joint venture or associate companies.

11. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements have been prepared by your Company in accordance with the requirements of Accounting Standard 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements together with Auditor’s Report thereon forms part of the Annual Report.

12. COMMITTEES OF THE BOARD:

12.1 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:

Sr. No.	Date of Committee Meeting
1.	29.04.2016
2.	30.05.2016
3.	12.08.2016
4.	12.11.2016
5.	14.02.2017

The Attendance of the Members of the Audit Committee of the Company is as under:

Sr. No.	Name of Director	Designation	No. of Committee Meeting attended
1	Mr. AdityaDalmia	Member	5
2	Mr. Unnikrishnan Nair	Chairperson	5
3	Mr. Surendra Singh	Member	5

12.2 NOMINATION AND REMUNERATION COMMITTEE:

The Committee members met twice during the financial year i.e. 29/04/2016 and 12/07/2016

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.

The Attendance of the Members of the Nomination & Remuneration Committee of the Company is as under:

Sr. No.	Name of Director	Designation	No. of Committee Meeting attended
1	Mr. AdityaDalmia	Member	2
2	Mr. Unnikrishnan Nair	Chairperson	2
3	Mr. Surendra Singh	Member	2
4	Ms. JyotiNankani	Member	2

12.3 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 four times during the financial year i.e.30.05.2016, 12.08.2016, 12.11.2016 & 14.02.2017.

The Attendance of the Members of the Stakeholders Relationship Committee of the Company is as under:

Sr.No.	Name of Director	Designation	No. of Committee Meeting attended
1	Mr. AdityaDalmia	Member	4
2	Mr. Unnikrishnan Nair	Chairperson	4
3	Mr. Surendra Singh	Member	4

Details of Investors Complaints received during the year:

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

There was no complaint pending for action as on 31st March 2017.

13. 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).

14. 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 5th December, 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 but has made investments in securities covered under Section 186 of the Companies Act, 2013 during the financial year 2016-17 as per the Notes to the Financial Statements of the Company.

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 B' 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 to the Company for the Financial Year 2016-17.

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 C'.

20. STATUTORY AUDITORS AND THEIR REPORT:

Your Board proposes to appoint M/s. DarshilDoshi& Co., Chartered Accountants, Mumbai (Firm Registration No.149822 with the Institute of Chartered Accountants of India) in place of M/s. Vinod S. Mehta, Chartered Accountants, the retiring Auditors, to hold office from the conclusion of the ensuing AGM until the conclusion of the 35th AGM to be held in 2022 (subject to ratification of the appointment by the members at every AGM held after this AGM). As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. DarshilDoshi& Co., Chartered Accountants that their appointment, if made, would be in conformity with the limits specified in the said Section.

The Board places on record its appreciation for the services rendering by the retiring auditors, M/s. Vinod S. Mehta, Chartered Accountants during their tenure as the Statutory Auditors of the Company.

The Auditors Report for the year ended 31/03/2017 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 D' and forms an integral part to this Report. The report for the year ended 31/03/2017 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 and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in 'Annexure E' to this Report.

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

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

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 2017-18.

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. MERGER OF BST EXPORTS PRIVATE LIMITED AND DALMIA EXIM LIMITED WITH THE COMPANY:

The Company has filed a Scheme of Amalgamation with National Company Law Tribunal by which the BST Exports Private Limited and Dalmia Exim Limited ("Transferor Companies") will be merged with the Company. The Scheme is under consideration before NCLT for Final Order.

31. 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.

32. 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.

33. CORPORATE GOVERNANCE REPORT:

Report on Corporate Governance and Management Discussion Report is not given as the same are not applicable to the company.

34. 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

Date: - May 30, 2017.

For and on behalf of the Board

FOR SHARAD FIBRES AND YARN PROCESSORS LIMITED

sd/-

**ADITYA DALMIA [DIN: 00634890]
CHAIRMAN**

**ANNEXURE 'A' TO BOARDS REPORT 2016-2017
FORM AOC-1**

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

**Statement containing salient features of the financial statement of subsidiaries/associate
companies/joint ventures**

Part "A": Subsidiaries

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

Sr. No.	Particulars	Details	Details
1.	Sr. No.	1.	2.
2.	Name of the subsidiary	BST Exports Private Limited	Dalmia Exim Limited
3.	The date since when subsidiary was acquired	7 th November, 2016	7 th November, 2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period same as Holding Company	Reporting period same as Holding Company
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6.	Share capital	Authorized Share Capital Rs. 37,00,000/- Paid up Share Capital Rs.37,00,000/-	Authorized Share Capital Rs. 25,00,000/- Paid up Share Capital Rs.25,00,000/-
7.	Reserves & surplus	(1,58,990)/-	(3,19,62,997)/-
8.	Total assets	40,98,102/-	1,17,21,430/-
9.	Total Liabilities	40,98,102/-	1,17,21,430/-
10.	Investments	25,00,000/-	Nil
11.	Turnover	Nil	Nil
12.	Profit / (Loss)before taxation	(15,235)/-	1,89,703
13.	Provision for taxation	Nil	
14.	Profit / (Loss)after taxation	(15,235)/-	1,89,703
15.	Proposed Dividend	Nil	Nil
16.	Extent of shareholding (In percentage)	100%	100% hold by BST Exports Private Limited i.e. Wholly owned subsidiary of Sharad Fibres And Yarn Processors Limited

Part "B": Associates and Joint Ventures

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

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

Regd. Office:

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

For and on behalf of the Board

FOR SHARAD FIBRES AND YARN PROCESSORS LIMITED

sd/-

Date: - May 30, 2017.
CHAIRMAN

ADITYA DALMIA
[DIN: 00634890]

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 2016-2017

[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 - 400 025. 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
1	BST EXPORTS PRIVATE LIMITED	U51909MH2011PTC211961	SUBSIDIARY	100%	2(87)(i)
2	DALMIA EXIM LIMITED	U51900MH1989PLC050406	SUBSIDIARY	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the Beginning of the Year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	2280000	0	2280000	56.91	2645798	48402	2694200	61.70	4.79
b) Central/State Govt	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	414200	0	414200	10.34	0	0	0	0	(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	-
Sub-total (A) (1):-	2694200	0	2694200	67.25	2645798	48402	2694200	61.70	(5.54)
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	-
b) Other - Individuals	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	0	0	0	0	0	0	0	0	-
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other	0	0	0	0	0	0	0	0	-
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2694200	0	2694200	67.25	2645798	48402	2694200	61.70	(5.55)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	1500	1500	0.04	0	1500	1500	0.03	0
b) Banks / FI	0	0	0	0	0	0	0	0	-
c) Central/ State Govt	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	-
e) Insurance Companies	0	0	0	0	0	0	0	0	-
f) FIs	0	0	0	0	0	0	0	0	-
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
Sub-total (B)(1):-	0	1500	1500	0.04	0.00	1500.00	1500.00	0.03	-
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	300	65400	65700	1.50	2100	63600	65700	1.50	-
ii) Overseas	0	0	0	-	0	0	0	-	-
b) Individual shareholders holding									
i) upto Rs. 1 lakh	19500	1042700	1062200	24.33	23100	1038200	1061300	24.31	(0.02)
ii) excess of Rs 1 lakh	0	104900	104900	2.40	360000	104900	464900	10.65	8.24
				-					
c) Clearing Member	400	0	400	0.01	1300	0	1300	0.03	0.02
NRI	0	77500	77500	1.93	0	77500	77500	1.77	(0.16)
Sub-total (B)(2):-	20200	1290500	1310700	32.72	386500	1284200	1670700	38.26	5.55
= (B)(1)+(B)(2)	20200	1292000	1312200	32.75	386500	1285700	1672200	38.30	5.55
C. Shares held by Custodian for GDRs & ADRs									
	0	0	0	-	0	0	0	-	-
Grand Total (A+B+C)	2714400	1292000	4006400	100.00	3032298	1285700	4366400	100.00	-

(i) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Share holding at the end of the year (31.03.2017)			% 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	-	-	-	-	-
2	ANIL KUMAR DALMIA (HUF)	24421	0.61	-	-	-	-	-
3	ANITADEVI RAVI DALMIA	25300	0.63	-	57390	1.31	-	0.68
4	PRATIBHA DALMIA	28900	0.72	-	48402	1.11	-	0.39
5	USHA S DALMIA	31900	0.80	-	-	-	-	-
6	DALMIA POLYPRO INDUSTRIES PRIVATE LIMITED	36700	0.92	-	-	-	-	-
7	AYUSHI DALMIA	37821	0.94	-	-	-	-	-
8	SANGEETA DALMIA	43550	1.09	-	-	-	-	-
9	SHARAD DALMIA	56950	1.42	-	-	-	-	-
10	ANIL DALMIA	66379	1.66	-	-	-	-	-
11	ADITYA DALMIA (HUF)	211750	5.29	-	211750	4.85	-	(0.44)
12	ADITYA DALMIA	205421	5.13	-	637915	14.61	-	9.48
13	VARUN DALMIA	97286	2.43	-	-	-	-	-
14	AMARCHAND AGARWAL	97850	2.44	-	-	-	-	-
15	SHASHI AMARCHAND DALMIA HUF	108150	2.70	-	108150	2.48	-	(0.22)
16	SHARDADEVI DALMIA	167650	4.18	-	-	-	-	-
17	SHASHI DALMIA	153471	3.83	-	789917	18.09	-	14.26
18	PRATIK DALMIA	184950	4.62	-	-	-	-	-
19	RAVI KUMAR DALMIA HUF	225200	5.62	-	225200	5.16	-	(0.46)
20	DALMIA EXIM PVT LTD	377500	9.42	-	-	-	-	-
21	RAVI AMARCHAND DALMIA	495801	12.38	-	615476	14.10	-	1.72

iii) Change in Promoters' Shareholding

Sr. No.		Shareholding at the beginning of the year (As on 01-04-2016)		Cumulative Shareholding during the year (01-04-2016 to 31-03- 2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2694200	67.25	2694200	61.70
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.	There is change in % of Promoters Shareholding due to increase in paid up capital of the Company.			
	At the End of the year	2694200	67.25	2694200	61.70

Inter-se Transfer among Promoters and Market Purchases by Promoter

Sr. No	Name	Shareholding		Date	Increasing / Decreasing in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	MR. ANITADEVI RAVI DALMIA	25300	0.63	01.04.2016				
				04.07.2016	32,090	Transfer	57390	1.31
				31.03.2017	0		57390	1.31
2	MRS. PRATIBHA DALMIA	28900	0.72	01.04.2016				
				04.07.2016	19,502	Transfer	48402	1.11
				31.03.2017	0		48402	1.11
3	MR. ADITYA DALMIA	205421	5.13	01.04.2016				
				04.07.2016	4,32,494	Transfer	637915	14.61
				31.03.2017	0		637915	14.61
4	MR. SHASHI DALMIA	153471	3.83	01.04.2016				
				04.07.2016	6,36,446	Transfer	789917	18.09
				31.03.2017	0		789917	18.09
5	MR. RAVI AMARCHAND DALMIA	495801	12.38	01.04.2016				
				04.07.2016	1,19,675	Transfer	615476	14.1
				31.03.2017	0		615476	14.1

(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 (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	JENNIFER JANE GOMES	0	0	01.04.2016	NA	NA	--	--
				05.10.2016	NA	Allotment		
		240,000.00	5.50	31.03.2017			240,000.00	5.50
2	KRISHNASWAROOP RAMSWAROOP SEKSARIA	0	0	01.04.2016	NA	NA	--	--
				05.10.2016	NA	Allotment	120,000.00	2.75
		120,000.00	2.75	31.03.2017				
3	RAJIKANT KARUNAKAR NIRESHWALLA	30,000.00	0.75	01.04.2016	NA	NA	--	--
		30,000.00	0.69	31.03.2017			30,000.00	0.69
4	ESTATE INVESTMENT CO PVT LTD	28,000.00	0.70	01.04.2016	NA	NA	--	--
		28,000.00	0.64	31.03.2017			28,000.00	0.64
5	AWTANI ASHOK BHAWANDAS	22,500.00	0.56	01.04.2016	NA	NA	--	--
		22,500.00	0.52	31.03.2017			22,500.00	0.52
6	ALKESH M GOPANI	18,300.00	0.46	01.04.2016	NA	NA	--	--
		18,300.00	0.42	31.03.2017			18,300.00	0.42
7	KAMAL M JAGWANI	18,300.00	0.46	01.04.2016	NA	NA	--	--
		18,300.00	0.42	31.03.2017			18,300.00	0.42
8	PRAVIN JHUN JHUN WALA	18,300.00	0.46	01.04.2016	NA	NA	--	--
		18,300.00	0.42	31.03.2017			18,300.00	0.42
9	RANJAN BHARAT GANDHI	18,300.00	0.46	01.04.2016	NA	NA	--	--
		18,300.00	0.42	31.03.2017			18,300.00	0.42
10	VEENA JAGWANI	18,300.00	0.46	01.04.2016	NA	NA	--	--
		18,300.00	0.42	31.03.2017			18,300.00	0.42

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding		Date	Increasing / Decreasing in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	ADITYA DALMIA	205421	5.13	01.04.2016	NA	NA	205421	5.13
				29.07.2016	472844	Purchase	678265	16.93
				29.07.2016	40350	Sell	637915	15.92
		637915	14.61	31.03.2017			637915	14.61
2	RAVI DALMIA	495801		01.04.2016	NA	NA	495801	12.38
				07.06.2016	97850	Purchase	593651	14.82
				29.07.2016	83525	Sell	510126	12.73
				29.07.2016	105350	Purchase	615476	15.36
		615476	14.10	31.03.2017			615476	14.10

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	44,12,99,553.00			44,12,99,553.00
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition	46,39,000.00	57,93,972.00		1,04,32,972.00
• Reduction	41,54,745.63	1,00,000.00		42,54,745.63
Net Change	4,84,254.37	56,93,972.00		61,78,226.37
Indebtedness at the end of the financial year				
i) Principal Amount	44,17,83,807.00	56,93,972.00		44,74,77,779.00
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NOT APPLICABLE

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Aditya Dalmia	
1	Gross salary	4,80,000/-	4,80,000/-
	(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)	4,80,000/-	4,80,000/-
	Ceiling as per the Act	4,80,000/-	4,80,000/-

B. Remuneration to other directors: NOT APPLICABLE

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

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	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

There are no penalties/punishments/compounding of offences against SHARAD FIBRES AND YARN PROCESSORS LIMITED and its Directors and officers for the Year Ended on 31st March,2017.

Annexure 'C' TO BOARDS REPORT 2016-2017

FORM NO. AOC -2

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

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

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

Sr no.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board & GM	Amount paid as advances, if any
1.	Dalmia Polypro Industries Private Limited	Purchases Sales	Ongoing	82,20,435 1,38,68,058	29.04.2016	NA

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

sd/-

**Aditya Dalmia
[DIN: 00634890]
Director**

**Place:-Mumbai
Date: - 30th May, 2017**

Annexure 'D' TO BOARDS REPORT 2016-2017

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014)

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 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, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;

- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder
- 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 (Prohibition of Insider Trading) Regulations, 2015
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not applicable during the period of audit]**
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **[Not applicable during the period of audit]**
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not applicable during the period of audit]**
- v. We have also examined compliance with the applicable clauses of the Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

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

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

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

We further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, competition law, environmental laws, etc.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the compositions of the Board of Directors that took place during the period under review were carried out in Compliance with the provision of the Act.

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

Majority of the decisions being carried through were 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: MAY 30, 2017.

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

ANNEXURE

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

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

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

For GMJ & ASSOCIATES
Company Secretaries

Sd/-
[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324
PLACE: MUMBAI
DATE: MAY 30, 2017.

ANNEXURE 'E' TO THE BOARDS REPORT 2016-17

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

A. CONSERVATION OF ENERGY:

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

	Units	Current Year	Previous Year
a. Power & Fuel Consumption Electricity - Purchased			
Unit (KWH)	Units	1387716	975878
Total Amount	In Rs.	6310461/-	4437679/-
Average Rate	per unit	3.4	3.4
b. Consumption per unit of production Electricity (KWH)/Tonne		=2.20	1.35

B. TECHNOLOGY ABSORPTION:

a) Research & Development

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

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

b) Technology absorption, adaptation and innovation.

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

C. FOREIGN EXCHANGE EARNED AND USED:

The particulars regarding foreign exchange earnings and expenditure appear at note nos. 40 and 41 to the accounts.

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

Place:-Mumbai
Date:-30th May, 2017

sd/-
Aditya Dalmia
[DIN: 00634890]
Director

Annexure "F" TO BOARDS REPORT 2016-2017

[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 2016-17:-NA
2. % increase in remuneration Executive Directors, CFO and CS during the FY 2016-17: NA
3. % increase in median remuneration of the employees for the FY 2016-17:-10% to 12%
4. Total permanent employees on role of Sharad Fibres And Yarn Processors Limited as on 31.3.2017: 22
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NA
6. 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:-30th May, 2017

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 31st March, 2017, 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 31st March, 2017 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 31st March, 2017 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2017 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 Rule 11 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.
- (h) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 these are in accordance with the books of accounts maintained by the company.

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

Place: **Mumbai**
Date: **30th May, 2017**

sd/-
Parag V. Mehta
Partner
Membership No: 036867

“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 31st March 2017, 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 2017 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:

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

- (viii) 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 paid managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule 5 to the Companies Act, 2013.
- (xii) In 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 : **30th May, 2017**

sd/-
Parag V. Mehta
Partner
Membership No: 036867

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 31st March, 2017 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 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: **Mumbai**
Date: **30th May, 2017**

sd/-
Parag V. Mehta
Partner
Membership No: 036867

SHARAD FIBRES & YARN PROCESSORS LIMITED
Balance Sheet as on 31/03/2017

Particulars	Note No.	Year Ended 31/03/2017	Year Ended 31/03/2016
<u>I. EQUITY AND LIABILITIES</u>			
Shareholder's Fund			
(a) Share Capital	3	4,36,64,000	4,00,64,000
(b) Reserves & surplus	4	(43,02,48,737)	(43,14,90,263)
Non -current Liabilities			
(a) Long Term Borrowings	5	44,69,16,228	44,09,14,986
(b) Other Long term Liabilities	-	-	-
(c) Long term Provisions	-	-	-
(d) Deffered Tax Liabilities (net)	-	-	-
Current Liabilities			
(a) Short Term Borrowings	6	5,61,551	4,03,025
(b) Other Current Liabilities	7	47,644	50,739
(c) Short-Term Provisions	-	-	-
(d) Trade Payables	8	-	13,61,954
Total		6,09,40,686	5,13,04,442
<u>II. ASSETS</u>			
Non -current Assets			
(a) Fixed Assets	9		
(I) Tangible Assets		1,40,82,582	67,21,565
(II) Intangible Assets		-	-
(III)Capital Work in progress		-	-
(IV) Intangible Assets under Developments		-	-
(b) Non-Current Investments	10	37,00,000	-
(c) Long Term Loans & advances	11	31,93,164	31,34,056
(d) Other Non-Current Assets	-	-	-
(e) Deferred Tax Assets	-	-	-
Current Assets			
(a) Current investments	-	-	-
(b) Inventories	12	1,05,20,665	87,39,647
(c) Trade Receivables	13	2,66,01,385	2,86,72,923
(d) Cash and Cash equivalents	14	24,64,272	20,40,899
(e) Short - Term Loans and Advances	15	1,72,575	1,95,353
(f) Other Current Assets	16	2,06,012	18,00,000
Total		6,09,40,686	5,13,04,442

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/-
Parag V. Mehta
Partner
M. No. 036867

sd/-
Aditya Dalmia
CFO & Director

sd/-
Madhumati
Company Secretary

sd/-
Ravi Dalmia
Managing Director

Place: Mumbai
Date: 30.05.2017

Place: Mumbai
Date: 30.05.2017

SHARAD FIBRES & YARN PROCESSORS LIMITED
Statement of Profit and Loss for the 31/03/2017

Particulars	Note No.	Year Ended 31/03/2017	Year Ended 31/03/2016
I. Revenue from Operations	17	4,77,28,032	5,88,25,106
II. Other Income	18	2,86,343	15,573
III. Total Revenue (I + II)		4,80,14,375	5,88,40,679
IV. Expenses :			
Cost of Material consumed	19	4,72,80,797	3,94,57,873
Change in Inventories of finished goods, Work-in-progress and Stock in trade	20	(64,84,732)	1,29,22,717
Employee Benefits expenses	21	22,59,962	13,85,003
Finance Cost	22	1,96,404	75,494
Depreciation and Amortization expense	9	9,99,629	6,28,155
Administrative and Other Expenses	23	25,20,790	24,24,348
Total Expenses		4,67,72,850	5,68,93,591
V. Profit before exceptional and extraordinary item and Tax		12,41,525	19,47,088
VI. Exceptional Item		-	-
VII. Profit before extraordinary items and Tax		12,41,525	19,47,088
VIII. Extraordinary Items			
IX. Profit Before Tax		12,41,525	19,47,088
X. Tax Expenses			
1) Current Tax		-	-
2) Deferred Tax		-	-
XI. Profit (Loss) for the period from continuing operations		12,41,525	19,47,088
XII. Profit / Loss for the Previous Year		-	-
XIII. Profit (Loss) for the period		12,41,525	19,47,088
XIV. Earning per Equity Share			
(1) Basic		0.31	0.49
(2) Diluted		0.31	0.49

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/-
Parag V. Mehta
Partner
M.No. : 036867

Place: Mumbai
Date: 30.05.2017

sd/-	sd/-	sd/-
Aditya Dalmia CFO & Director	Madhumati Company Secretary	Ravi Dalmia Managing Director

Place: Mumbai
Date: 30.05.2017

SHARAD FIBRES & YARN PROCESSORS LTD.**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31/03/2017**

Particulars	Amount 31-03-2017	Amount 31-03-2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extra-ordinary items	12,41,525	19,47,088
Adjustments for :		
(-/+) Income for Non-operating Activities	-	(3,676)
(+) Depreciation & Amortization	9,99,629	6,28,156
(-) Sundry balances written back	(2,61,045)	
Operating Profit before Working Capital Changes	19,80,109	25,71,568
Adjustments for :		
(+) Decrease / (-) (Increase) in Trade Receivables	20,71,538	29,89,811
(+) Decrease Other Current Assets	15,93,988	-
(+) Decrease Short Term Loans And Advances	22,779	-
(+) Decrease / (-) (Increase) in Inventories	(17,81,018)	81,47,307
(-) (Decrease) / + Increase in Trade Payables & Other Current liabilities	(11,04,004)	(4,79,291)
	8,03,282	1,06,57,827
Cash generated from Operating Activities	27,83,392	1,32,29,395
(-) Expenses for Non-operating Activities		
(-) Payment of Tax (Net of Refund)	(60,304)	-
Cash Flow before Extra Ordinary Items	27,23,088	1,32,29,395
(-) Taxes Paid		
Net Cash from Operating Activities	27,23,088	1,32,29,395
B. CASH FLOW FROM INVESTING ACTIVITIES		
(-) Purchase of Fixed Assets	(83,60,690)	(10,42,025)
(-) Purchase of Non Current Investments	(37,00,000)	-
(+) Decrease Long Term Loans And Advances	1,190	(14,06,339)
(+) Sundry Balances written back	-	3,676
Net Cash Used in Investing Activities	(1,20,59,500)	(24,44,688)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(+) Fresh issue of shares	36,00,000	
(+) Increase In Reserves & Surplus	-	-
(-) Decrease in Long Term Borrowings	60,01,242	(91,95,155)
(-) Decrease in Short Term Borrowings	1,58,526	(19,975)
Net Cash Used in Financing Activities	97,59,768	(92,15,130)
Net Increase in Cash & Cash Equivalents (A+B+C)	4,23,355	15,69,578
Opening Balance of Cash & Cash Equivalents	20,40,899	4,71,321
Closing Balance of Cash & Cash Equivalents	24,64,254	20,40,899
Components of Cash & Cash Equivalents		
Currents Account Balances	19,82,043	13,16,559
Bank Deposits	38,900	38,900
Cash on hand	4,43,329	6,85,440
Total Cash and Cash Equivalents (As per Note 16)	24,64,272	20,40,899

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/-

Parag V. Mehta

Partner

M. No. 036867

sd/-

Aditya Dalmia

CFO & Director

sd/-

Madhumati

Company Secretary

sd/-

Ravi Dalmia

Managing Director

Place: Mumbai

Date: 30.05.2017

Place: Mumbai

Date: 30.05.2017

SHARAD FIBRES & YARN PROCESSORS LIMITED

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st MARCH, 2017

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.

B) USE OF ESTIMATES:

The Preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known or materialized.

C) PROPERTY, PLANT & EQUIPMENT & 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.

D) 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.

E) 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.

F) 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 & Loss Account as required by AS-11.

G) 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.

H) 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.

I) 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.

J) 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.

K) TRADE PAYABLES:

Unpaid amount as on 31.03.2017 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.

L) INVESTMENTS:

Investments are valued at Cost as the company is holding the investments on the long-term basis.

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.

N) 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.

O) OTHER NOTES:

A) Expenditure in foreign currency during the financial year on account of :
Foreign Traveling Expenses – Rs. Nil (Rs. 98,388/-)

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.

P) RELATED PARTY DISCLOSURE:

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

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

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

(ii) Transaction during the year with related parties:

<u>LOAN TAKEN</u>				
<u>ASSOCIATES</u>	Opening	Taken	Repaid	Closing
Dalmia Exim Pvt Ltd	-	-	-	-
	(69,43,981)		(69,43,981)	-
Total	-	-	-	-

<u>LOAN GIVEN</u>				
<u>ASSOCIATES</u>	Opening	Taken	Repaid	Closing
Shardadevi Dalmia	-	-	-	-
	(4,35,000)		(4,35,000)	-
Total	-	-	-	-

<u>Remuneration / Salary</u>				
Name of related party	Relation	Nature	Amount	Amount
			31.03.2017	31.03.2016
Aditya Dalmia	Key Management Personnel	Directors Remuneration	4,80,000	-
Total			4,80,000	-

<u>Sales/ Purchases</u>				
Name of related party	Relation	Nature	Amount	Amount
			31.03.2017	31.03.2016
Dalmia Polypro Industries Private Limited	Associate	Sales	1,38,68,058	2,26,28,742
Dalmia Polypro Industries Private Limited	Associate	Purchases	82,20,435	1,56,66,090
Total			82,20,435	1,56,66,090

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

Chartered Accountants

FRN: 111524W

For M/S SHARAD FIBRES & YARN PROCESSORS LTD.

sd/-

Parag V. Mehta

Partner

Membership No.: 036867

sd/-

Aditya Dalmia

CFO & Director

sd/-

Madhumati

Company Secretary

sd/-

Ravi Dalmia

Managing Director

Place: Mumbai

Date : 30.05.2017

Place: Mumbai

Date : 30.05.2017

Sharad Fibres & Yarn Processors Limited
Notes to the Financial Statements

Note No. 3
Share Capital

Particulars	31.3.2017	31.03.2016
a) <u>Authorized Share capital</u> 5,000,000 number of Equity Shares (Previous Year 5,000,000) of Rs. 10 each 3,000,000 Number of Preference shares(Previous Year 3,000,000) of Rs 10 each	50,000,000 30,000,000	50,000,000 30,000,000
b) <u>Issued, Subscribed & Paid up</u> 4,366,400 (Previous Year 4,006,400) Equity Shares of Rs. 10 each (Previous Year Rs. 10 each) fully subscribed and paid up	43,664,000	40,064,000
Total	43,664,000	40,064,000

Notes :

(i) a) Reconciliation of Number of shares outstanding

Particulars	31.3.2017	31.03.2016
Number of Shares at the Beginning of the reporting period	4,006,400	4,006,400
Add: Issued during the year	360,000	-
Less: Buyback of shares. Shares Forfieted during the year	-	-
Number of Shares at the End of the reporting period	4,366,400	4,006,400

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

Particulars	31.3.2017	31.03.2016
Shares at the Beginning of the reporting period	40,064,000	40,064,000
Add: Issued during the year	3,600,000	-
Less: Buyback of shares. Shares Forfieted during the year	-	-
Shares at the End of the reporting period	43,664,000	40,064,000

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

Particulars	31.3.2017	31.03.2016
Ravi Dalmia	6,15,476 (14.10%)	4,95,801 (12.38%)
Ravi Dalmia HUF	2,25,200 (5.16%)	2,25,200 (5.62%)
Aditya Dalmia	637915(14.61%)	2,05,421 (5.13%)
Dalmia Exim Pvt. Ltd	-	3,77,500 (9.42%)
Aditya Dalmia HUF	2,11,750 (5.29%)	2,11,750 (5.29%)
Shashi Dalmia	7,89,917(18.09%)	-

Note No. 4
Reserve and Surplus

Particulars	31.3.2017	31.03.2016
a) Capital Reserves	2,107,457	2,107,457
b) Capital Redemption Reserve		
c) Profit & Loss Account		
Opening Balance	(433,597,720)	(435,544,808)
Add: Surplus for the year	1,241,525	1,947,088
Total	(430,248,737)	(431,490,263)

Note No. 5
Long term Borrowings

Particulars	31.3.2017	31.03.2016
(A) Secured Borrowings		
a) Term Loans		
- from Banks	1,459,872	171,602
- from other parties	439,762,384	440,743,384
b) Deposits		
c) Loans and advances from related Parties		
d) Other Loans and Advances		
Total (A)	441,222,256	440,914,986
(B) Unsecured Borrowings		
a) Term Loans		
- from Banks		
- from other parties		
b) Deposits		
c) Loans and advances from Related Parties	5,693,972	-
d) Other Loans and Advances		
Total (B)	5,693,972	-
Total (A+B)	446,916,228	440,914,986

Notes

- (i) Loans Amounting to Rs. Nil/- (Rs. 1,71,602/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from HDFC Bank is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is 15.36%.
- (iii) Company has not defaulted in repayment of the said car loan.
- (iv) Loans Amounting to Rs. 14,59,872/- (Rs. Nil/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (v) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.29%
- (vi) Company has not defaulted in repayment of the said car loan.

Note No. 6
Short Term Borrowings

Particulars	31.3.2017	31.03.2016
a) Bank Overdraft	0	18,459
b) HDFC Car Loan (Less than 12 months)	1,71,884	3,84,567
c) ICICI Car Loan (Less than 12 months)	3,89,667	-
Total	5,61,551	4,03,025

Notes

- (i) Loans Amounting to Rs. 1,71,884/- (Rs. 3,84,567/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from HDFC Bank is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is 15.36%.
- (iii) Company has not defaulted in repayment of the said car loan.
- (iv) Loans Amounting to Rs. 3,89,667/- (Rs. Nil/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (v) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.28%.
- (vi) Company has not defaulted in repayment of the said car loan.

Note No. 7

Other Current Liabilities	31.3.2017	31.03.2016
a) Statutory Remittances	47,644	46,739
b) Advance from Customers	-	4,000
Total	47,644	50,739

Note No. 8

Trade Payables

Particulars	31.3.2017	31.03.2016
a) Sundry Creditors - As per Annexure	-	13,61,954
Total	-	13,61,954

Note No. 10

Non Current Investment

Particulars	31.3.2017	31.12.2016
Quoted		
Investment in Equity Instruments 3,70,000 Shares of BST Exports Pvt Ltd. (PY: 0) of 10 each.	37,00,000	-
Total	37,00,000	-

Note No. 11

Long Term Loans & Advances

Particulars	31.3.2017	31.03.2016
(A) UnSecured ,consider good		
a) Capital Advances	-	-
b) Security Deposits	2,61,000	2,61,000
c) Loans & Advances to Related Parties	-	-
d) Balances with revenue Authorities	29,32,164	28,73,056
Total	31,93,164	31,34,056

Note No. 12

Inventories

Particulars	31.3.2017	31.03.2016
a) Raw Material	1,36,110	48,39,824
b) Finished goods	1,03,84,555	38,99,823
Total	1,05,20,665	87,39,647

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 10%.

Note No. 13

Trade Receivable

Particulars	31.3.2017	31.03.2016
(B) UnSecured ,consider good		
a) For a period exceeding six months	2,28,69,593	2,37,04,283
b) Others Debts	37,31,792	49,68,640
Total (A)	2,66,01,385	2,86,72,923
(C) Doubtful		
a) For a period exceeding six months	-	-
b) Others Debts	-	-
Less: Provision for bad and doubtful debts		
Total (B)		
Total (A+B)	2,66,01,385	2,86,72,923

Note No. 14
Cash and cash equivalent

Particulars	31.3.2017	31.03.2016
a) Balance with banks		
- Currents Account Balances	19,82,043	13,16,559
- Margin Money	-	-
b) Bank Deposits	38,900	38,900
c) Cheques, drafts on hand	-	-
d) Cash on hand	4,43,329	6,85,440
Total	24,64,272	20,40,899

Details of Specified Bank Notes (SBN) held and transacted during the demonetisation period from 08-11-2016 to 30-12-2016

	SBNs (Rs.)	Other	Total (Rs.)
Closing Cash in hand as on 08.11.2016	-	3,88,124	-
(+) Permitted Receipts	-	2,05,006	-
(-) Permitted Payments	-	3,93,343	-
(-) Amount deposited in Banks	-	-	-
Closing Cash in hand as on 30.12.2016	-	1,99,787	-

Note No. 15
Short Term Loans and Advances

Particulars	31.3.2017	31.03.2016
Unsecured, consider good		
a) Loans & Advances	-	-
b) Staff Advances	17,498	35,000
c) Prepaid Expenses	1,12,044	1,40,053
d) Other Receivables	43,033	20,300
Total	1,72,575	1,95,353

Note No. 16
Other Current Assets

Particulars	31.3.2017	31.03.2016
Unsecured, consider good		
a) Advances to Creditors	2,06,012	18,00,000
Total	2,06,012	18,00,000

Note No. 17**Revenue from Operations**

Particulars	31/3/2017	31/03/2016
Sale of Products	4,48,39,473	5,88,25,106
Job work	28,88,559	-
Total	4,77,28,032	5,88,25,106

Note No. 18**Other Income**

Particulars	31/3/2017	31/03/2016
Interest on Bank Deposits	25,298	11,897
Sundry Balances Written back	2,61,045	3,676
Total	2,86,343	15,573

Note No. 19**Cost of Material consumed**

Particulars	31/3/2017	31/03/2016
Opening Stocks	48,39,825	64,414
Add: Purchases	2,97,39,896	3,44,86,080
Add: Direct Expenses	1,28,37,186	97,47,203
Less: Closing Stocks	1,36,110	48,39,824
Total	4,72,80,797	3,94,57,873

Note No. 20**Cost of Material Consumed change in Inventories of finished goods, Work in Progress**

Particulars	31/3/2017	31/03/2016
Finished Goods		
Closing Stock	1,03,84,555	38,99,823
less:- Opening Stock	38,99,823	1,68,22,540
	64,84,732	(1,29,22,717)

Other Direct Expenses

Particulars	31/3/2017	31/03/2016
Additive Exp.	4,82,768	6,41,710
Claim Paid	9,09,185	2,93,000
Freight & Forwarding	26,890	58,623
Labour Charges	6,62,550	-
Loading & Unloading Exp.	1,12,111	1,05,110
Packing Expenses	4,76,354	4,15,551
Power & Fuel	63,10,461	44,37,678
Rate Difference	13,470	36,323
Repair and Maintenance	2,73,434	7,12,775
Stores and Spares	16,16,818	14,84,025
Wages and Salaries	19,53,145	15,62,408
Total	1,28,37,186	97,47,203

Note No. 21**Employee Benefits expenses**

Particulars	31/3/2017	31/03/2016
Salaries and Wages	14,57,840	11,05,206
Contribution to Provident & Other Funds	1,52,267	1,23,851
Staff Welfare expenses	1,69,855	1,55,946
Directors Remuneration	4,80,000	-
Total (A+B)	22,59,962	13,85,003

Note No. 22
Finance Cost

Particulars	31/3/2017	31/03/2016
Finance Cost	1,96,222	75,494
Bank Interest	182	-
Total (A+B)	1,96,404	75,494

Note No. 23
Administrative and Other Expenses

Particulars	31/3/2017	31/03/2016
Advertisement Expenses	39,263	76,654
Audit Fees	1,72,500	1,50,000
Bank charges	1,955	13,788
Computer Expenses	1,02,875	18,307
Consultancy Charges	16,500	3,000
Conveyance	80,421	82,910
Donation	19,800	7,000
Foreign Traveling Exp	-	98,388
Traveling Expenses	97,145	7,897
Insurance	1,58,518	1,41,141
Interest on Late Payment of TDS	2,739	14,948
Interest on Late Payment of Power Bill	9,774	-
Professional charges	2,21,994	2,31,598
Membership Fees	4,580	4,495
Miscellaneous Expenses	1,68,713	2,35,856
Motor Car Exp.	92,592	35,432
Postage Expenses	26,141	8,177
Printing and stationery	74,731	77,558
Rates and Taxes	9,60,714	9,56,853
Repair and Maintenance	-	22,429
Security Expense	2,18,745	2,01,850
Service Tax Paid	30,518	35,390
Telephone Exp.	20,572	677
Total (A+B)	25,20,790	24,24,348

Note No. 24
Payment to Statutory Auditors

Particulars	31/3/2017	31/03/2016
a) Audit Fees	1,15,000	1,00,000
b) Professional fees	57,500	50,000
Total	1,72,500	1,50,000

Note No. 9

Property, Plant & Equipment

Description	Gross Block				Depreciation/Amortisation				Net Block	
	01.04.2016	Additions	Deletions	31.03.2017	Up to 31.03.2016	For the Year	Deductions	Up to 31.03.2017	31.03.2017	31.03.2016
Tangible Assets										
Land	5,91,905	-		5,91,905	-	-		-	5,91,905	5,91,905
Building	59,59,081			59,59,081	35,34,274	75,959		36,10,233	23,48,848	24,24,807
Computer	69,000			69,000	17,480	21,850		39,330	29,670	51,520
Plant & Machinery	14,66,040	56,61,790		71,27,830	2,35,065	1,47,892		3,82,957	67,44,873	12,30,975
Equipment	6,700	-		6,700	1,783	651		2,434	4,266	4,917
Vehicles	34,82,328	26,98,900		61,81,228	12,40,476	7,31,946		19,72,422	42,08,806	22,41,852
Electrical Instalations	2,21,435	-		2,21,435	45,890	21,331		67,221	1,54,214	1,75,545
Sub-Total	1,17,96,489	83,60,690	-	2,01,57,179	50,74,968	9,99,629	-	60,74,597	1,40,82,582	67,21,521
Leased Assets										
Plant & Machinery				-				-	-	-
Vehicles				-				-	-	-
Sub-Total				-				-	-	-
Intangible Assets										
Patent				-				-	-	-
Technical Know How				-				-	-	-
Others				-				-	-	-
Sub-Total				-				-	-	-
Total	1,17,96,489	83,60,690	-	2,01,57,179	50,74,968	9,99,629	-	60,74,597	1,40,82,582	67,21,521
Previous Year	1,07,54,509	10,42,034	-	1,17,96,543	44,46,814	6,28,154	-	50,74,968	67,21,575	63,07,695

Independent Auditor's Report

To the Members of
M/S. SHARAD FIBRE & YARN PROCESSORS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/S. SHARAD FIBRE & YARN PROCESSORS LIMITED** (hereinafter referred to as “the Holding Company” and its subsidiaries together referred to as “the Group”), which comprise the Consolidated balance sheet as at 31st March, 2017, the Consolidated statement of Profit and Loss and the cash flow statement for the year, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (hereinafter referred to as “the Act”) with respect of the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and cash flows of the Group 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.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has in place an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 31st March, 2017 and their consolidated profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report to the extent applicable, 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 Consolidated balance sheet, the Consolidated statement of profit and loss, and the Consolidated Cash Flow Statement dealt with by this Report, are in agreement with the relevant books of account maintained for the purpose of Consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated 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 31st March, 2017 taken on record by the Board of Directors, none of the director is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Act; and
- f) Our report on adequacy of internal financial controls system over financial reporting of the Company and the operating effectiveness of such controls is given in **Annexure A**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigation on its financial position in its Consolidated Financial Statements.
 - ii. The Group 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.
- h) The Group has provided requisite disclosures in its Consolidated Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 these are in accordance with the books of accounts maintained by the Group.

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

Place: **Mumbai**
Date: **30.05.2017**

Parag V. Mehta
Partner
Membership No: 036867

Particulars	Note No.	Year Ended 31/03/2017
<u>I. EQUITY AND LIABILITIES</u>		
Shareholder's Fund		
(a) Share Capital	3	43,664,000
(b) Reserves & surplus	4	(432,443,848)
Non -current Liabilities		
(a) Long Term Borrowings	5	484,103,912
(b) Other Long term Liabilities	-	-
(c) Long term Provisions	-	-
(d) Deferred Tax Liabilities (net)	-	-
Current Liabilities		
(a) Short Term Borrowings	6	561,551
(b) Other Current Liabilities	7	47,644
(c) Short-Term Provisions	-	-
(d) Trade Payables	8	-
Total		95,933,259
<u>II. ASSETS</u>		
Non -current Assets		
(a) Fixed Assets	9	
(I) Tangible Assets		14,082,582
(II) Intangible Assets		-
(III)Capital Work in progress		-
(IV) Intangible Assets under Developments		-
(b) Goodwill on Consolidation		29,926,911
(c) Non-Current Investments	-	-
(d) Long Term Loans & advances	10	3,198,164
(e) Other Non-Current Assets	-	-
(f) Deferred Tax Assets	-	-
Current Assets		
(a) Current investments	-	-
(b) Inventories	11	10,520,665
(c) Trade Receivables	12	26,601,385
(d) Cash and Cash equivalents	13	11,224,966
(e) Short - Term Loans and Advances	14	172,575
(f) Other Current Assets	15	206,012
Total		95,933,259

As per our Report of even date

For and on behalf of the Board

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

Parag V. Mehta
Partner
M. No. 036867

Aditya Dalmia **Madhumati** **Ravi Dalmia**
CFO & Director Company Secretary Managing Director

Place: Mumbai
Date: 30th May, 2017

Place: Mumbai
Date: 30th May, 2017

**Consolidated Statement of Profit and Loss of Sharad Fibre & Yarn Processors Limited
for the year ended 31/03/2017**

Particulars	Note No.	Year Ended 31/03/2017
I. Revenue from Operations	16	47,728,032
II. Other Income	17	478,152
III. Total Revenue (I+II)		48,206,184
IV. Expenses :		
Cost of Material consumed	18	47,280,797
Change in Inventories of finished goods, Work-in-progress and Stock in trade	19	(6,484,732)
Employee Benefits expenses	20	2,259,962
Finance Cost	21	196,404
Depreciation and Amortization expense	9	999,629
Administrative and Other Expenses	22	2,538,165
Total Expenses		46,790,225
V. Profit before exceptional and extraordinary item and Tax		1,415,959
VI. Exceptional Item		-
VII. Profit before extraordinary items and Tax		1,415,959
VIII. Extraordinary Items		
IX. Profit Before Tax		1,415,959
X. Tax Expenses		
1) Current Tax		-
2) Deferred Tax		-
XI. Profit (Loss) for the period from continuing operations		1,415,959
XII. Profit / Loss for the Previous Year		-
XIII. Profit (Loss) for the period		1,415,959
XIV. Earning per Equity Share		
(1) Basic		0.35
(2) Diluted		0.35

As per our Report of even date

For and on behalf of the Board

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

Parag V. Mehta
Partner
M.No. : 044607

Aditya Dalmia **Madhumati** **Ravi Dalmia**
CFO & Director Company Secretary Managing Director

Place: Mumbai
Date: 30th May, 2017

Place: Mumbai
Date: 30th May, 2017

Sharad Fibre & Yarn Processors Limited
Statement of Cash Flow for the year ended on 31st March, 2017

PARTICULARS	Year Ended 31-03-2017
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before Tax and Extra-ordinary items	14,15,959
Adjustments for:	
Depreciation	9,99,629
Sundry Balances W/back	(2,60,996)
Operating Profit before working capital charges	21,54,592
Adjustments for:	
Decrease/(Increase) in Trade Receivables and Other Current Assets	36,65,526
Decrease/(Increase) in Inventories	(17,81,018)
Decrease/(Increase) in Short Term Loans & advances	22,779
Increase/(Decrease) in trade payables & Other Liabilities	(14,75,884)
Cash generated from operation	25,85,994
Cash flow before Extra Ordinary Item	25,85,994
Expenses from Non operating Activities	
Taxes Paid (Net of Refund)	(60,304)
Net cash used in operating activities	25,25,690
B. CASH FLOW FROM INVESTING ACTIVITIES:	
Sale of Non Current Investments	24,00,000
Purchase of Non Current Investments	(37,00,000)
Purchase of Fixed Assets	(83,60,690)
Increase Long Term Loans And Advances	8,47,544
Net Cash used in Investing Activities	(88,13,146)
C. CASH FLOW FROM FINANCING ACTIVITIES:	
Fresh issue of shares	36,00,000
Increase/(Decrease) in Long & Short Term Borrowings:	46,89,768
OTHERS:	
Interest paid	
Net cash flow from Financing Activities	82,89,768
Net increase in cash and cash equivalents (A+B+C)	20,02,312
Opening Balance of Cash & Cash equivalents	92,22,654
Closing Balance of Cash & Cash equivalents	1,12,24,966
Components of Cash & Cash Equivalents	
Currents Account Balances	1,06,42,548
Bank Deposits	38,900
Cash on hand	5,43,518
Total Cash and Cash Equivalents (As per Note 16)	1,12,24,966

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/-
Parag V. Mehta
Partner
M. No. 036867

Place: Mumbai
Date: 30th May, 2017

sd/-	sd/-	sd/-
Aditya Dalmia	Madhumati	Ravi Dalmia
CFO & Director	Company Secretary	Managing Director

Place: Mumbai
Date: 30th May, 2017

SHARAD FIBRE & YARN PROCESSORS LIMITED
Notes to financial statements for the year ended 31/03/2017

Note No. 1- Corporate Information and Principles of Consolidation:

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

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

- a) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- b) The details of subsidiary company of M/s. Sharad Fibre & Yarn Processors Limited is as follows:

Name of the Company	Ownership in %		Country of Incorporation
	2016-17	2015-16	
BST Exports Private Limited	100	-	India

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

Name of the Company	Ownership in %		Country of Incorporation
	2016-17	2015-16	
Dalmia Exim Limited	100	100	India

Note No. 2- Significant Accounting Policies:

1. Basis of preparation of financial statement:

The financial statements have been prepared under historical cost convention on accrual basis in accordance with generally accepted accounting principles and applicable accounting standards as notified under Companies (Accounting Standard) Rules, 2016 and the provisions of Companies Act, 2013.

2. Use of Estimates:

The Preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known or materialized.

3. Property, Plant & Equipment & 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-rata basis with reference to number of completed months.

4. 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:-

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

5. Investments:

Investments are valued at Cost as the company is holding the investments on the long-term basis.

6. 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.

7. Employees Retirement Benefit:

- 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.

8. 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.

9. Earnings 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.

10. 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 conversions on foreign currency transaction are included in the Profit and Loss Account as required by AS-11.

11. 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.

12. 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.

13. 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.

14. Related party disclosure:

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

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

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

Notes to the Financial Statements

**Note No. 3
Share Capital**

Particulars	31.03.2017
a) <u>Authorized Share capital</u> 5,000,000 number of Equity Shares (Previous Year 5,000,000) of Rs. 10 each 3,000,000 Number of Preference shares (Previous Year 3,000,000) of Rs 10 each	50,000,000 30,000,000
b) <u>Issued, Subscribed & Paid up</u> 4,366,400 (Previous Year 4,006,400) Equity Shares of Rs. 10 each (Previous Year Rs. 10 each) fully subscribed and paid up	43,664,000
Total	43,664,000

Notes :

(i) a) Reconciliation of Number of shares outstanding

Particulars	31.03.2017
Number of Shares at the Beginning of the reporting period	4,006,400
Add: Issued during the year	360,000
Less: Buyback of shares. Shares Forfeited during the year	-
Number of Shares at the End of the reporting period	4,366,400

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

Particulars	31.03.2017
Shares at the Beginning of the reporting period	40,064,000
Add: Issued during the year	3,600,000
Less: Buyback of shares. Shares Forfeited during the year	-
Shares at the End of the reporting period	43,664,000

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

Particulars	31.03.2017
Ravi Dalmia	6,15,476 (14.10%)
Ravi Dalmia HUF	2,25,200 (5.16%)
Aditya Dalmia	637915(14.61%)
Dalmia Exim Pvt. Ltd	-
Aditya Dalmia HUF	2,11,750 (5.29%)
Shashi Dalmia	7,89,917(18.09%)

**Note No. 4
Reserve and Surplus**

Particulars	31.03.2017
a) Capital Reserves	2,107,457
Add: - Deposits W.off (Dalmia Exim Ltd)	(1,300,000)
Add: - Loan W.off	(1,069,544)
b) Capital Redemption Reserve	
c) Profit & Loss Account	
Opening Balance	(433,597,720)
Add: Surplus for the year	1,415,959
Total	(432,443,848)

**Note No. 5
Long term Borrowings**

Particulars	31.03.2017
(A) Secured Borrowings	
a) Term Loans	
- from Banks	1,459,872
- from other parties	476,950,068
b) Deposits	
c) Loans and advances from related Parties	
d) Other Loans and Advances	
Total (A)	478,409,940
(B) UnSecured Borrowings	
a) Term Loans	
- from Banks	
- from other parties	
b) Deposits	
c) Loans and advances from Related Parties	5,693,972
d) Other Loans and Advances	
Total (B)	5,693,972
Total (A+B)	484,103,912

Notes

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

Note No. 6
Short Term Borrowings

Particulars	31.03.2017
a) Bank Overdraft	-
b) HDFC Car Loan (Less than 12 months)	171,884
c) ICICI Car Loan (Less than 12 months)	389,667
Total	561,551

Notes

- (i) Loans Amounting to Rs. 1,71,884/- as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (ii) The loan taken from HDFC Bank is to be repaid in 36 monthly instalments of Rs. 35,250/- each. Rate of Interest charged by the Bank is 15.36%.
- (iii) Company has not
- (iv) Loans Amounting to Rs. 3,89,667/- as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.
- (v) The loan taken from ICICI Bank is to be repaid in 36 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 6.28%.
- (vi) Company has not defaulted in repayment of the said car loan.

Note No. 7

Other Current Liabilities	31.03.2017
a) Statutory Remittances	47,644
b) Advance from Customers	-
Total	47,644

Note No. 8

Trade Payables

Particulars	31.03.2017
a) Sundry Creditors - As per Annexure	-
Total	-

Note No. 10

Long Term Loans & Advances

Particulars	31.03.2017
(A) UnSecured ,consider good	
a) Capital Advances	-
b) Security Deposits	266,000
c) Loans & Advances to Related Parties	-
d) Balances with revenue Authorities	2,932,164
Total	3,198,164

Note No. 11

Inventories

Particulars	31.03.2017
a) Raw Material	136,110
b) Finished goods	10,384,555
Total	10,520,665

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 10%.

**Note No. 12
Trade Receivable**

Particulars	31.03.2017
(B) UnSecured ,consider good	
a) For a period exceeding six months	22,869,593
b) Others Debts	3,731,792
Total (A)	26,601,385
(C) Doubtful	
a) For a period exceeding six months	-
b) Others Debts	-
Less: Provision for bad and doubtful debts	
Total (B)	
Total (A+B)	26,601,385

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

Particulars	31.03.2017
a) Balance with banks	
- Currents Account Balances	1,982,042
- Currents Account Balances (Dalmia Exim Ltd)	9,217,598
- Currents Account Balances (BST Exports Pvt Ltd)	(557,092)
- Margin Money	-
b) Bank Deposits	38,900
c) Cheques, drafts on hand	-
d) Cash on hand	443,329
e) Cash on hand (Dalmia Exim Ltd)	589
f) Cash on hand (Bst Exports Pvt Ltd)	99,600
Total	11,224,966

Details of Specified Bank Notes (SBN) held and transacted during the demonetisation period from 08-11-2016 to 30-12-2016

	SBNs (Rs.)	Other Denomination Notes (Rs.)	Total (Rs.)
Closing Cash in hand as on 08.11.2016	-	488,313	488,313
(+) Permitted Receipts	-	205,006	205,006
(-) Permitted Payments	-	393,343	393,343
(-) Amount deposited in Banks	-	-	-
Closing Cash in hand as on 30.12.2016	-	299,976	299,976

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

Particulars	31.03.2017
Unsecured, consider good	
a) Loans & Advances	-
b) Staff Advances	17,498
c) Prepaid Expenses	112,044
d) Other Receivables	43,033
Total	172,575

**Note No. 15
Other Current Assets**

Particulars	31.03.2017
Unsecured, consider good	
a) Advances to Creditors	206,012
Total	206,012

Note No. 16**Revenue from Operations**

Particulars	31/3/2017
Sale of Products	44,839,473
Job work	2,888,559
Total	47,728,032

Note No. 17**Other Income**

Particulars	31/3/2017
Interest on Bank Deposits	25,298
Sundry Balances Written back	261,011
Sundry Balances Written back (Dalmia Exim Ltd)	191,843
Total	478,152

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

Particulars	31/3/2017
Opening Stocks	4,839,825
Add: Purchases	29,739,896
Add: Direct Expenses	12,837,186
Less: Closing Stocks	136,110
Total	47,280,797

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

Particulars	31/3/2017
Finished Goods	
Closing Stock	10,384,555
less:- Opening Stock	3,899,823
	6,484,732

Other Direct Expenses

Particulars	31/3/2017
Additive Exp.	482,768
Claim Paid	909,185
Freight & Forwarding	26,890
Labour Charges	662,550
Loading & Unloading Exp.	112,111
Packing Expenses	476,354
Power & Fuel	6,310,461
Rate Difference	13,470
Repair and Maintenance	273,434
Stores and Spares	1,616,818
Wages and Salaries	1,953,145
Total	12,837,186

Note No. 20**Employee Benefits expenses**

Particulars	31/3/2017
Salaries and Wages	1,457,840
Contribution to Provident & Other Funds	152,267
Staff Welfare expenses	169,855
Directors Remuneration	480,000
Total (A+B)	2,259,962

Note No. 21
Finance Cost

Particulars	31/3/2017
Finance Cost	196,222
Bank Interest	182
Total (A+B)	196,404

Note No. 22
Administrative and Other Expenses

Particulars	31/3/2017
Advertisement Expenses	39,263
Audit Fees	184,000
Bank charges	1,955
Bank charges (BST Exports Pvt Ltd)	8,465
Computer Expenses	102,875
Consultancy Charges	16,500
Conveyance	80,421
Donation	19,800
Foreign Traveling Exp	-
Traveling Expenses	97,145
Insurance	158,518
Interest on late payment	2,739
Interest	9,774
Professional charges	221,994
Membership Fees	4,580
Miscellaneous Expenses	168,713
Motor Car Exp.	92,592
Postage Expenses	26,141
Printing and stationery	74,731
Rates and Taxes	960,714
Rates and Taxes (BST Exports Pvt Ltd)	1,020
Rates and Taxes (Dalmia Exim Ltd)	(3,610)
Repair and Maintenance	-
Security Expense	218,745
Service Tax Paid	30,518
Telephone Exp.	20,572
Total (A+B)	2,538,165

Note No. 23
Payment to Statutory Auditors

Particulars	31/3/2017
a) Audit Fees	115,000
b) Professional fees	57,500
c) Audit Fees (BST Exports PVt Ltd)	2,875
d) Professional fees (BST Exports PVt Ltd)	2,875
e) Audit Fees (Dalmia Exim Ltd)	2,875
f) Professional fees (Dalmia Exim Ltd)	2,875
Total	184,000

ATTENDANCE SLIP

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

Client ID*	
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No. of Share(s)	
-----------------	--

Name & Address of Shareholder

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I/We hereby record my/our presence at the 30th Annual General Meeting of the Company held on 29th September, 2017 at 10:00 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: aditya@dalmiapolypro&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: _____ Email id: _____
 Address: _____ or failing him
- 2) Name: _____ Email id: _____
 Address: _____ or failing him
- 3) Name: _____ Email id: _____
 Address: _____ or failing him

and as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30thAnnual General Meeting of the Company, to be held on Friday ,29thSeptember, 2017at 10:00 A.M. at 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025and at any adjournment thereof in respect of such resolutions as areindicated below:

Resolution No.	Particulars	For	Against
Ordinary Business			
1.	To approve and adopt Audited Financial Statement, for the year ended 31 st March, 2017 and reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Ms. Jyoti Nankani, who retires by rotation.		
3.	Appointment of M/s. Darshil Doshi & Co., Chartered Accountants as Auditors and fixing their remuneration.		
Special Business			
4.	Ordinary Resolution under Section 20 of the Companies Act, 2013 authorising Company to charge for service of documents to members of the Company.		
5.	Approval for Related Party Transaction with Dalmia Polypro Industries Private Limited.		

Signed this..... day of2017.

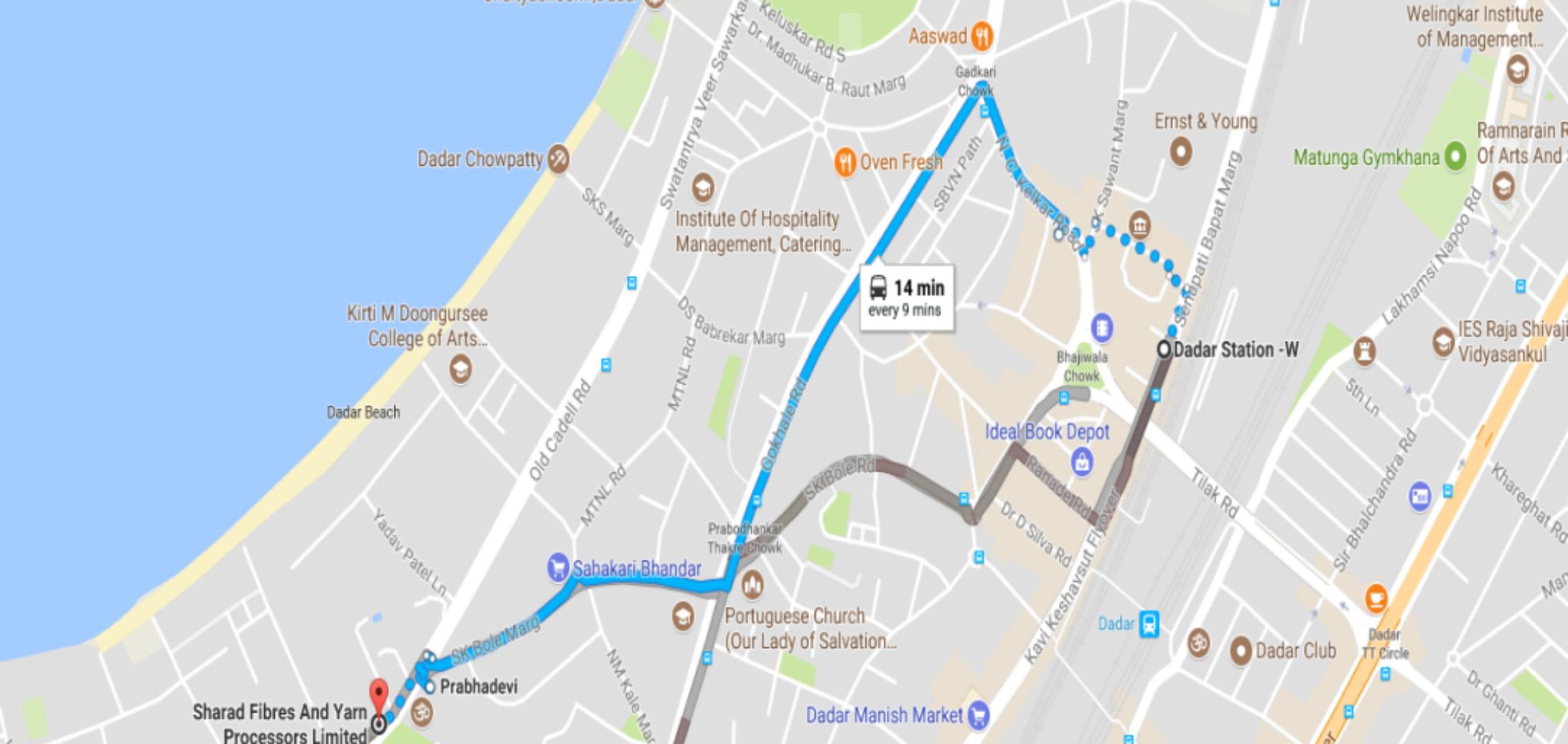
Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix Revenue Stamp of Rs. 1

Note:

- (1) This form duly completed should be deposited at the Registered Office of the Company Not later than 48 hoursbefore the commencement of 30thAnnual 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.



Sharad Fibres And Yarn Processors Limited

Prabhadevi

Sahakari Bhandar

Portuguese Church (Our Lady of Salvation...)

Dadar Manish Market

Ideal Book Depot

Dadar Club

Dadar Station - W

14 min every 9 mins

Dadar Chowpatty

Institute Of Hospitality Management, Catering...

Kirti M Doongursee College of Arts...

Dadar Beach

Oven Fresh

Aaswad

Ernst & Young

Matunga Gymkhana

Ramnarain F Of Arts And

IES Raja Shivaji Vidyasankul

Welingkar Institute of Management...