



DHANLAXMI COTEX LIMITED

285, PRINCESS STREET, CHATURBHUJ JIVANDAS HOUSE,
2ND FLOOR, MUMBAI - 400 002.
PH.: 6622 8050, 2200 8176 / 77, FAX : (91-22) 2208 9558
E-mail : dhanlaxmi@hathway.com

dcotex1987@gmail.com
Phone :- 022-66228050/45

Date: 30th September, 2019

To,
The Bombay Stock Exchange Ltd
Corporate Relationship Dept,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai - 400 001

Ref: BSE Scrip Code: 512485

Sub: Submission Of Adopted of 33rd Annual General Meeting of Dhanlaxmi Cotex Limited by the Members

Dear Madam/Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the copy of duly approved and adopted Annual Report for F.Y. 2018-19 of the Company by its members at 33rd Annual General Meeting held on today on Monday, 30th September, 2019 commenced at 11.30 A.M., at the registered office of the Company.

Kindly take the above information on record.

Thanking You
Yours faithfully,
For Dhanlaxmi Cotex Limited

Ramautar Jhavar

Ramautar Jhavar
(Managing Director)





DHANLAXMI COTEX LIMITED

NOTICE OF 33rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 33rd Annual General Meeting of the members of **DHANLAXMI COTEX LIMITED (CIN: L51100MH1987PLC042280)** will be held on **Monday, 30th September, 2019 at 11.30 a.m.** at the Registered office of the company at 285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2019, including Balance Sheet as at **31st March, 2019**, the Statements of Profits & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To appoint a director in place of **Mrs. Kamla S. Jhawar** (DIN: 00301157), who retires by rotation and, being eligible, offered herself for re-appointment.
3. **To re- appoint Statutory Auditors and fix their remuneration:**

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

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Amendment) Act 2017 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and resolution passed by the Members of the Company at the 31st Annual General Meeting (AGM) of the Company held on **29th September, 2017**, the appointment **M/s. R. Soni & Co.**, Chartered Accountants, (Firm Registration No130349W) as Statutory Auditors of the Company for a period of five years commencing from the conclusion of 31st AGM till the conclusion of 36th AGM of the Company to be held in the year 2022 be and hereby continues for the said term, without seeking any further ratification from the shareholders of the Company for their appointment as statutory auditors till the conclusion of their tenure.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to decide and finalize the terms and remuneration plus taxes at the applicable rates and reimbursement of out of pocket expenses and travelling expenses etc. as may be mutually agreed between Statutory Auditors and the Company based on recommendation of Audit Committee.”

SPECIAL BUSINESS:

4. **Approval of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013**

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

“RESOLVED THAT pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder as amended from time to time, the consent



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of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity or associate or joint venture of the Company, (in which any director is deemed to be interested) upto an aggregate sum of 500 Crores (Rupees Five Hundred Crores Only), respectively for each entity in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its business activities.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

5. Appointment of Mr. Mahesh Jhavar as a Whole Time Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Mahesh Jhavar (DIN: 00002908) as the Whole Time Director of the Company for the period and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. Mahesh Jhavar in the best interests of the Company and as may be permissible at law, viz.:

- a) Period: 5 years w.e.f. 17th June, 2019 to 16th June, 2024 with the liberty to either party to terminate the appointment on One months’ notice in writing to the other.
- b) Salary: Rs 5,00,000 per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs.10,00,000/- (Rupees Ten lakhs only) per month (not Inclusive of following perquisites)
 - i. Companies Contribution to Provident Fund;
 - ii. Gratuity as per rules of the Company;



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- iii. Provision for use of Company Car for official duties:
 - iv. Telephone at the residence including payment of Local/STD/ISD Calls for business use;
 - v. Payment of maintenance charges of society where he is residing, as per bills
 - vi. Reimbursement of medical expenses incurred for self and family without any ceiling.
 - vii. Reimbursement of Electricity charges
 - viii. Payment of Club fees/admission fees for two clubs.
 - ix. Leave and encashment of Leave at the end of the tenure in accordance with the rules of the Company
- c) The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Managing Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.
- d) As long as Mr. Mahesh Jhawar (DIN: 00002908) functions as the Whole Time Director of the Company, his office shall not be subject to retirement by rotation.
- e) The Board or the Chairman of the Board may on the recommendation of the Nomination and Remuneration Committee of the Board give annual increases in basic salary, various allowances and perquisites, as may be deemed appropriate, so that the payment to Mr. Mahesh Jhawar in respect of the aforesaid, does not exceed the limits specified above, during the period of his appointment.

RESOLVED FURTHER THAT the Board of Directors, the Chairman of the Board and the Nomination and Remuneration Committee of the Board be and are hereby severally authorized to take such steps as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

6. Regularization of Appointment of Mr. Rahul Jhawar (DIN no: 07590581) as a Non-Executive Director in the Company.

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

‘RESOLVED THAT pursuant to the provisions of Sections 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure



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Requirements)Regulations, 2015 (LODR /Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Rahul Jhavar (DIN: [07590581](#)), who was appointed as an Additional Director of the Company with effect from August 09, 2019, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Non-Executive Director be and is hereby appointed as a Non-Executive Director of the Company whose office is liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. Appointment of Mrs. Niyati Ketan Shah (Non-Executive -DIN – 02171577), as an Independent Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, **Mrs. Niyati Ketan Shah (DIN – 02171577)**, who was appointed as an Additional Director of the Company in terms of Section 161 of the Companies Act, 2013, and Articles of Association of the Company by the Board of Directors with effect from **09th August, 2019** and who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the company has received a notice in writing from a Member proposing her candidature for the office of Director, pursuant to Section 160 of the Act and who holds office up to the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company, not liable to retirement by rotation, for a term of five (5) consecutive years up to **08th August, 2024**.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. Payment of remuneration to Executive Directors

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to Section 197 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for payment of remuneration to the Executive Directors who are Promoters or members of Promoter Group as under

(a) annual remuneration to an Executive Director who is a Promoter or member of Promoter Group, exceeding



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5 Crores or 2.5 per cent (2.5%) of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 ("Net Profit"), whichever is higher; or

- (b) aggregate annual remuneration to all Executive Directors who are Promoters or members of Promoter Group, where there is more than one such Executive Director, exceeding 5 per cent (5%) of the Net Profit;

RESOLVED FURTHER THAT the approval hereinabove granted for payment of remuneration to Executive Directors who are Promoters or members of Promoter Group ("such Executive Directors") shall be effective for the Financial Year commencing from April 1, 2019 and for subsequent years till the expiry of respective term of such Executive Directors,"

"RESOLVED FURTHER THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for payment of remuneration to the Whole-time Directors including Executive Director exceeding ten per cent of the Net Profits of the Company in any financial year;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorize executives of the Company for the purpose of giving effect to the above Resolution."

By Order of the Board of Directors

Sd/-

Ramautar S. Jhawar

(Chairman & Managing Director)

Place: Mumbai

Date: 09-08-2019

REGISTERED OFFICE:

285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002

Phone: 022-66228050/55

Email: dcotex1987@gmail.com Website: <http://dcl.net.in/>



DHANLAXMI COTEX LIMITED

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
 2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
 3. Members/ proxies are requested to bring their copies of annual reports and the attendance slip duly completed and signed at the meeting, quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
 4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office at C J House, 2nd Floor, 285 Princess Street, Mumbai-400002 not less than forty eight hours before the commencement of the meeting.
 5. Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from **Monday, September 23, 2019 to Monday, September 30, 2019 (both days inclusive)** for the purpose of the AGM.
 6. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITT/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already appointed **M/s. Bigshare Services Pvt. Ltd as the Registrar & Share Transfer Agent, having their office at 1st floor, Bharat tin works building, opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.**
 7. Members are requested to notify immediately any change in their address:
 - a. To their Depository Participants (Dps) in respect of their electronic share accounts, and
 - b. To the share transfer **M/s. Bigshare Services Pvt. Ltd as the Registrar & Share Transfer Agent, having their office at 1st floor, Bharat tin works building, opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.**
 - c. Email Id: investor@bigshareonline.com.
 8. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
 9. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
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10. Members who are holding shares in physical form are requested to get their shares dematerialized with any depository participants in their own interest.
11. During the period beginning 24 hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.
12. Members are requested to carry the copy of the Annual Report sent to them. Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a print copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode. Members are requested to register/update their email address for receiving all communication including Annual Report, Notices etc. from the Company electronically.
13. Brief details of the Directors, who are seeking appointment / re-appointment, are annexed hereto as per the requirements of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
14. Members may also note that the notice of the **33rd Annual General Meeting** and the Annual report for 2018-2019 will also be available on the Company's website www.dcl.net.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days from 11.00 a.m. to 1.00 p.m. from Monday to Friday. Members are requested to bring their copies of the Annual report at the time of attending the Annual General Meeting.

By Order of the Board of Directors

Sd/-

Ramautar S. Jhwar

(Chairman & Managing Director)

Place: Mumbai

Date: 09-08-2019

REGISTERED OFFICE:

285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002

Phone: 022-66228050/55

Email: dcotex1987@gmail.com Website: <http://dcl.net.in/>



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Voting through Electronic Means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as per LODR,2015 (including any statutory modification or re- enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the below provisions, through the e- voting services provided by **Central Depository Securities Ltd (CDSL)**. The members may cast their votes using an electronic voting system from a place other than the venue.

The instructions for shareholders voting electronically are as under:

- (i) In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise voting rights on the items of business given in the notice through electronic voting system, to members holding shares as on , being the cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by **Central Depository Securities Ltd (CDSL)**. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting (remote e-voting)

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories (holding shares either in physical form or in authorized form) as on **Monday, 23rd September, 2019** the "Cut-off date" shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.

- (ii) The voting period begins on **27th September, 2019 at 9.00 a.m.** and ends on **29th September, 2019 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 **Monday, 23rd September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper
- (iv) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- (v) The shareholders should log on to the e-voting website www.evotingindia.com.
- (vi) Now to cast your vote: Click on Shareholders.
- (vii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.



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- (viii) Next enter the Image Verification as displayed and Click on Login.
- (ix) 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.
- (x) 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 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) Members holding shares in physical form will then directly reach 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.
- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiv) Click on the EVSN for the relevant "**DHANLAXMI COTEX LIMITED**" on which you choose to vote.
- (xv) 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.
- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvii) 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.
- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
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- (xx) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxi) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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.
- (xxii) 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.
- (xxiii) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xxiv) In case of Members who are entitled to vote but have not electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.
- (xxv) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. The procedure to be followed for e-voting through mobile app is the same as provided hereinabove.
- (xxvi) The Company has appointed **M/s. Pankaj Trivedi & Co., Practicing Company Secretaries (C.P. No. 15301)** as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- (xxvii) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xxviii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xxix) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the
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Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- (xxx) The results on resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
- (xxxi) The results declared along with the Scrutinizer's report(s) will be available on the website of the Company (www.dcl.net.) and on service provider's website CDSL and communication of the same to the BSE Limited within 48 hours from the conclusion of the AGM.
- (xxxii) Route map from Marine Lines Station to 285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002.
- (xxxiii) The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.
- (xxxiv) The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

ROUTE MAP TO AGM



By Order of the Board of Directors

Sd/-

Ramautar S. Jhwar

(Chairman & Managing Director)

Place: Mumbai

Date: 09-08-2019

REGISTERED OFFICE:

285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002

Phone: 022-66228050/55 Email: dcotex1987@gmail.com Website: <http://dcl.net.in/>



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

The following Explanatory Statement, as required by Section 102 of the Companies Act, 2013 accompanying Notice dated **09.08.2019**.

ITEM NO. 4

Approval of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013

The shareholders had vide resolution passed through AGM notice dated September 29, 2018 consented and authorized the Board of Directors to make investments / acquisitions / give loan(s) and / or guarantee(s) / provide any security(ies), in excess of limits prescribed under Section 186 of the Companies Act, 2013 viz., 60% of the paid-up share capital, free reserves and securities premium of the Company or 100% of free reserves and securities premium of the Company, whichever is more or up to Rs.500 crore, whichever is higher. The board of directors has been judicious in acting upon the delegations by the shareholders including limits and regularly monitoring the same through proper review mechanisms.

The Company is expected to render support for the business requirements of other companies in the group whom directors are interested, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the Dhanlaxmi Group.

In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their business activities. The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for business activities of the entities in the Dhanlaxmi Group whom directors are interested, from time to time.

None of the directors or Key Managerial Personnel and / or their relatives is deemed to be interested or concerned financial or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

The board recommends passing the resolution as set out at item no.4 of this notice as a special resolution.

ITEM NO. 5

Appointment of Mr. Mahesh Jhawar as an Whole Time Director of the Company.

Pursuant to the provisions of Sections 196, 197 and other applicable provisions, read with Schedule V of the



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Companies Act, 2013 and the Rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors at its meeting held on 17th June, 2019 re-appointed Mr. Mahesh Jhavar (DIN 00002908) as the Whole Time Director of the Company with effect from 17th June, 2019 to 16th June, 2024 for a period of five years.

Mr. Mahesh Jhavar has been associated with the Company since Incorporation and during such association; he has served in various positions in the Company. Mr. Mahesh Jhavar re-designated as a Whole Time Director of the Company (from Non-executive director to WTD) w.e.f 17th June, 2019.

Considering his long association with the Company and adequate experience in various fields, the Board recommends confirmation of the appointment of Mr. Mahesh Jhavar as a Whole Time Director of the Company of the Company for a period of five years with effect from 17th June, 2019 on the terms as to remuneration, allowances etc. as set out in the resolution being item No.5 of the accompanying Notice subject to necessary approvals

Considering Mr. Mahesh Jhavar's experience, seniority and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

A brief resume of Mr. Mahesh Jhavar as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out as an Annexure to this Notice.

In view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid within the limits arrived at in accordance with the requirements of the said section II, subject to the following:-

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A special resolution has been passed at a general meeting of the Company.

The Nomination and Remuneration Committee at its meeting held on 17th June, 2019 has already approved the remuneration payable Mr. Mahesh Jhavar. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon and The Board recommends the Special Resolution set out at Item No.5 of the accompanying Notice for the approval by the Members.

Mr. Ramautar Jhavar, Mr. Mahesh Jhavar & Mrs. Kamla Ramautar Jhavar and their relatives are concerned or interested, financially or otherwise in the Resolution set out at Item No.5 of the Notice.



DHANLAXMI COTEX LIMITED

The specified information while seeking approval/consent of the shareholders as required under Schedule V is listed out herein below:

I **General Information :**

1	Nature of Industry	Investment and Trading in Shares & Securities and Financing Activities
2	Date or expected date of commencement of commercial production	Commercial operations commenced in the year 1987.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

4 Financial performance based on given indicators

Particulars	As per audited financial results for the year (Rs. In lakhs)		
	2015-16	2016-2017	2017-2018
Paid up Capital	48713500	48713500	48,713,500
Reserves & Surplus	259683944	302660019	313,962,715
Statement of Profit and Loss			
Domestic Revenue from Operations (Net)	219257634	136715140	287,933,083
Export Revenue from Operations	-	-	-
Total Revenue from Operations (Net)	219257634	136715140	287,933,083
Other Income	34556315	10286236	30,014,524
Total Revenue	253813949	147001376	317,947,607
Total Expenses	251583197	142800232	307,274,232
Profit before Taxation	2230752	4201144	10,673,375
Tax Expenses/ (Income) including Deferred Tax	175562	531608	1,745,806
Net Profit	2055190	3669536	8,927,569
5	Foreign investments or collaborators, if any	NIL	
6	Background details of Mr. Mahesh Jhavar	Mr. Mahesh Jhavar is Commerce Graduate having 25 years' experience in Textile	



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		<p>Business & Finance Business and field of business management and administration His Director Identification Number is 00002908. He is one of the Senior Most Person of the Company and has been in the service of the Company for the last over 30 years holding a very senior position and has rich experience about the affairs of the Company.</p>
7	Past remuneration	Rs.5 Lakh per month (not inclusive of all perquisites and benefits).
8	Recognition or awards	-
9	Job profile and his suitability	<p>His job involves diverse fields of finance, law, taxation and corporate affairs. It requires long term strategy and in depth knowledge of the Textile market to remain cost efficient and competitive. Further, the Managing Director is entrusted with the powers and authority to manage the affairs of the Company subject to superintendence, direction and control of the Board of Directors. He is having vast experience of Corporate management and possesses all required competencies. Thus, he is ideally suited for the job.</p>
10	Remuneration proposed	As mentioned in the resolution.
11	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	<p>In the past few years, the remuneration of Senior Executives in the industry in general has gone up manifold. The remuneration proposed to be paid to the Whole Time Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general,</p>



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		profile and responsibilities of Mr. Mahesh Jhavar before approving the remuneration as proposed hereinabove.
12	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Besides the remuneration proposed, Mr. Mahesh Jhavar, he is a Co-promoter of the Company also holds 1,74,900 equity Shares of the Company and Mr. Ramautar Jhavar and Mrs. Kamla R. Jhavar are related to him.
13	Reasons of loss or inadequate profits	N.A
14	Steps taken or proposed to be taken for improvement	N.A
15	Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

ITEM NO. 6

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed **Mr. Rahul Jhavar (DIN – 07590581)**, as an Additional Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from **09th August, 2019**.

Pursuant to the provision of Section 161 of the Act, being an Additional Director, **Mr. Rahul Jhavar (DIN – 07590581)** will hold office up to the date of the ensuing AGM and is eligible to be appointed as a Director of the Company. The Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of **Mr. Rahul Jhavar (DIN – 07590581)** for the office of Director of the Company.

The Company has received from **Mr. Rahul Jhavar** (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.

Brief profile of **Mr. Rahul Jhavar** and the disclosures required under Regulation 36 (3) of the SEBI (LODR), Regulation 2015 are given as additional information about the directors, which forms part of the Notice.

Mr. Ramautar Jhavar, Mr. Mahesh Jhavar & Mrs. Kamla Ramautar Jhavar and their relatives are concerned or interested, financially or otherwise in this Special Resolution set out at Item No.6 of the Notice.



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ITEM NO. 7

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed **Mrs. Niyati Ketan Shah (DIN – 02171577)**, as an Additional Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from **09th August, 2019**.

Pursuant to the provision of Section 161 of the Act, being an Additional Director, **Mrs. Niyati Ketan Shah (DIN – 02171577)** will hold office up to the date of the ensuing AGM and is eligible to be appointed as an Independent Director of the Company. The Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of **Mrs. Niyati Ketan Shah (DIN – 02171577)** for the office of Independent Director of the Company.

The Company has received from **Mrs. Niyati Ketan Shah** (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.

Mrs. Niyati Ketan Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. Based on the declarations received from **Mrs. Niyati Ketan Shah** in terms of Section 149(7) of the Companies Act, 2013, the Board is of the opinion that she meets with the criteria of independence and she possesses appropriate skills, experience and knowledge.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day and is also available on the website of the Company www.dcl.net.in. **Mrs. Niyati Ketan Shah** is not related to any other Director and Key Managerial Personnel of the Company.

Brief profile of **Mrs. Niyati Ketan Shah** and the disclosures required under Regulation 36 (3) of the SEBI(LODR), Regulation 2015 are given as additional information about the directors, which forms part of the Notice.

Except **Mrs. Niyati Ketan Shah**, none of the Directors and Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the Members.

ITEM No. 8

As required under Regulation 17 (6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the fees or compensation payable to executive directors who are promoters or members of the promoter group of the listed entity, shall be subject to the approval of the shareholders by special resolution in general meeting, if –



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- I. Annual remuneration payable to such executive director exceeds Rs. 5 Crore or 2.5 per cent (2.5%) of the net profits of the listed entity, whichever is higher; or
- II. Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent (5%) of the net profits of the listed entity. Further, the approval of the shareholders under the said Regulations shall be valid only till the expiry of the term of such director.

In view of the above and in order to have a flexibility for payment of annual remuneration to the Executive Director(s) who are Promoter(s) or Member(s) of Promoter Group in excess of the limits as mentioned in Regulation 17 (6)(e) of the Listing Regulations from Financial Year 2019-20 and for subsequent years, till the expiry of respective term of such Executive Directors, it is necessary to obtain the approval of shareholders by way of Special Resolution.

Further, section 197 and other applicable provisions of the Companies Act, 2013 provide that aggregate annual remuneration to all the whole-time directors including managing director exceeding ten per cent of the Net Profits of the Company in any financial year shall require approval of shareholders by means of a special resolution.

In view of the above and in order to have a flexibility for payment of annual remuneration in excess of ten per cent of the net profits of the Company in any financial year, to the Whole-time Directors including Managing Director, it is necessary to obtain the approval of shareholders by way of Special Resolution.

Mr. Ramautar Jhavar, Mr. Mahesh Jhavar & Mrs. Kamla Ramautar Jhavar and their relatives are concerned or interested, financially or otherwise in the Resolution set out at Item No.8 of the Notice.

By Order of the Board of Directors

Sd/-

Ramautar S. Jhavar

(Chairman & Managing Director)

Place: Mumbai

Date: 09-08-2019

REGISTERED OFFICE:

285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002

Phone: 022-66228050/55

Email:dcotex1987@gmail.com Website: <http://dcl.net.in/>



DHANLAXMI COTEX LIMITED

DETAILS OF THE DIRECTOR SEEKING APPOINTMENT/ REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (IN PURSUANCE OF REGULATION 36(3) OF THE LISTING REGULATION)

SR. NO.	NAME OF THE DIRECTORS	Mrs. Kamla Ramautar Jhawar	Mr. Mahesh S. Jhawar	Mr. Rahul M. Jhawar	Mrs. Niyati Ketan Shah
1	Date of Birth	16-09-1961	26-04-1961	28-01-1992	15-08-1967
2	Date of Appointment	30-03-2015	17-06-2019	09-08-2019	09-08-2019
3	DIN	00301157	00002908	07590581	02171577
4	No. of Equity shares held in the company	5,08,500	1,74,900	92,900	-
5	Qualifications	Graduate	Graduate (B.Com)	Graduate	Graduate
6	Brief Profile	10 years of experience in financial market and & field of business management and administration	He has more than 25 years' experience in Textile Business, Commercial & Financial, and Capital Market & field of business management and administration	He has more than 5 years' experience in Textile Business, Financial Market	She has more than 10 years' experience in, Financial Market
7	List of other Directorships (excluding Foreign Company)	1. DHANLAXMI EXPORT FABRIC LLP 2. JASODA TRACON LLP 3. SEMAI TRADING LLP 4. JHAWAR PROPERTY DEVELOPERS LLP 5. DHANLAXMI COTEX LIMITED 6. JHAWAR COMMODITIES PRIVATE LIMITED 7. GUZMANIA TRADING PRIVATE LIMITED	1. DHANLAXMI EXPORT FABRIC LLP 2. JASODA TRACON LLP 3. RAMAVTAR TRADING LLP 4. JHAWAR PROPERTY DEVELOPERS LLP 5. DHANLAXMI FABRICS LIMITED 6. DHANLAXMI COTEX LIMITED 7. SOHANLAL EXPORT FABRICS PVT LTD 8. DHANESH FABRICS	1. WESTERN CHLORIDES AND CHEMICALS LIMITED 2. JHAWAR PROPERTY DEVELOPERS LLP	1. MONTEX PROPERTIES AND ADVERTISING PRIVATE LIMITED 2. SEVEN HILLS INN PRIVATE LIMITED 3. S. RAHEJA VISION LLP



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			PRIVATE LIMITED 9.DHANLAXMI VIDYUT PRIVATE LIMITED 10.DFL FABRICS PRIVATE LIMITED 11. JHAWAR TRADE AND INVESTMENTS PRIVATE LIMITED 12. MR SHARE BROKING PRIVATE LIMITED 13. V R M SHARE BROKING PRIVATE LIMITED		
8	Membership/Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee)	NIL	<u>Dhanlaxmi Cotex Limited</u> Membership in Audit Committee Membership in SRC Committee <u>Dhanlaxmi Fabrics Limited</u> Membership in SRC Committee	NIL	NIL
9	Number of Board meeting attended	6 of 6	6 of 6	0	0
10	Relationships, if any between Directors & Co-Promoters interest	Spouse of Managing Director, Mr. Ramautar S. Jhawar	Brother of Managing Director Mr. Ramautar S. Jhawar	Son of Mr. Mahesh S. Jhawar	No relationship



DHANLAXMI COTEX LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **33rd Annual Report** of the Company together with the Audited Financial Statements for the year ended **31st March, 2019**.

SUMMARY OF FINANCIAL RESULTS OF THE COMPANY:

(Rs. in Rupees)

PARTICULARS	FINANCIAL RESULTS	
	2018-2019	2017-2018
Revenue from Operation -	49,031,016	28,79,33,083
Revenue from other Income	9,918,627	3,00,14,524
Total Revenue	58,949,643	31,79,47,607
Profit before Depreciation & Interest	46,80,540	1,43,41,837
Depreciation	15,846	14,263
Interest	497,718	36,54,199
Profit after Depreciation & Interest	4,166,976	1,06,73,375
Provision for Taxation	498,328	17,42,600
Provision for Tax (deferred)	227	3,206
Profit/ Loss after Tax	3,668,875	89,27,569

STANDALONE FINANCIAL RESULTS:

The company is mainly engaged into business of Finance and Investment & Share Trading. During the year under review, your Company earned a total Income of **Rs. 58,949,643** /- comprising mainly of sale of shares, interest, dividend and long term and short term investment profit, against this the total expenditure amounted to **Rs.54,782,667** /-. As the result of this the Company has earned net profit after tax of **Rs. 3,668,875/-** against the Net profit after tax of **Rs. 89,27,569/-** for the previous year.

The management of the Company hereby very optimistic regarding same performance of the Company in future.

TRANSFER TO RESERVES:

No fund was transferred to General Reserve.



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DIVIDEND:

During the year, your directors have not recommended any dividend on Equity Shares for the year under review

DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 (1) and 74 of the Companies Act, 2013 read together with the companies (Acceptance of Deposits) Rules, 2014. Your Company held no deposit in any form from anyone during the year s **31st March, 2019**, which was overdue or unclaimed by the depositors.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the year under review, there were no material changes and commitments affecting the financial position of the Company.

NUMBER OF MEETINGS OF THE BOARD:

The Board met **6 (Six)** times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

BOARD OF DIRECTORS:

The Composition of the Board during the year as per the provisions of Regulation 17(1) of listing regulation read with the Companies Act, 2013. During the period under review,

During the year Pursuant to Section 152 of the Companies Act, 2013 **Mrs. Kamla R. Jhavar**, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Your Board has recommended her re-appointment.

During the year under review, **Mr. Mahesh Jhavar** was re-appointed as a Whole-time Director for a period of 5 years with effect from 17th June, 2019 to 16th June, 2024, subject to approval of members at the ensuing Annual General Meeting.

On the recommendation of Nomination and Remuneration Committee, Mr. Natwar Nagarmal Agarwal and Mrs Jayashree Iyer was appointed as an Additional Independent Director with effect from 09th July 2018 and 03rd August, 2018 and consequently their appointment has been regularized as an Independent Directors at 32nd AGM dated 28th September, 2018.

During the year **Mr. Naveen Vyas, Non-Executive-Independent Director** had resigned from the post of Directorship w.e.f. **30th June, 2018**. The Board places on record its deep appreciation for the contribution rendered by **Mr. Naveen Vyas**, during their tenure as an **Independent Director of the company**.



DHANLAXMI COTEX LIMITED

During the year **Mr. Vijay Kumar Moyal, Non-Executive-Independent Director** had resigned from the post of Directorship w.e.f. **19th July, 2018**. The Board places on record its deep appreciation for the contribution rendered by **Mr. Vijay Kumar Moyal**, during their tenure as an **Independent Director of the company**.

During the year **Mrs. Jayashree Iyer Non-Executive-Independent Director** had resigned from the post of Directorship w.e.f. **31st July, 2019**. The Board places on record its deep appreciation for the contribution rendered by **Mrs. Jayashree Iyer**, during their tenure as an **Independent Director of the company**.

On the recommendation of Nomination and Remuneration Committee **Mr. Rahul Jhawar** was appointed as an Additional Director with effect from **09th August, 2019** on the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, is appointed as Non-Executive Director of the Company.

On the recommendation of Nomination and Remuneration Committee, your Board inducted **Mrs. Niyati Ketan Shah (DIN – 02171577)**, as an Additional Directors of the Company in the category of Independent Director subject to approval of members at the ensuing Annual General Meeting with effect from **09/08/2019 and 08/08/2024** respectively in order to comply with the requirement of Section 149(1) of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 she will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing along with deposit pursuant to Section 160 of Companies Act, 2013, proposing the appointment of **Mrs. Niyati Ketan Shah (DIN – 02171577)**, Directors of the Company. Your Board has recommended the appointment of **Mrs. Niyati Ketan Shah (DIN – 02171577)**, as an Independent Directors of the Company for a period of **five** consecutive years up to the **38th** consecutive Annual General Meeting of the Company, not liable to retire by rotation

During the year Ms. Konika Shah, appointed as a KMP and Compliance Officer of the Company. The appointment was effective from 01st October, 2018

Mr. Natwar Nagarmal Agarwal, Mr. Gopal Mohta & Mrs. Niyati Ketan Shah & Mrs. Jayashree Iyer, Independent director have given declarations that they continues to meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

None of the Directors are disqualified for appointment/ re-appointment under Section 164 of the Act. As required by law, this position is also reflected in the Auditors' Report.

As required under Regulation 36(3) of the listing Regulations with the stock exchanges, the information on the particulars of Directors proposed for appointment/re-appointment has been given in the notice of annual general meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, and based on the information provided by management, your Directors' state that:



DHANLAXMI COTEX LIMITED

- a) In the preparation of the annual accounts for the financial year ended **31st March, 2019** the applicable accounting standards have been followed.
- b) Directors have selected such Accounting policies 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 corporation as at the end of **31st March, 2019** and of the profit of the Company for the year ended on that date.
- c) Director have taken Proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) Directors have prepared the annual accounts on a 'going concern' basis;
- e) Director have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively; and
- f) Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY DIRECTORS:

The Independent Non-executive Directors of the Company, viz. **Mrs. Niyati Ketan Shah (DIN – 02171577)**, **Mr. Natwar Nagarmal Agarwal (DIN – 08170211)**, **Mrs. Jayashree Iyer (DIN: 01520083)** and **Mr. Gopal Mohta (DIN – 01877324)** have affirmed that they continue to meet all the requirements specified under Regulation 16(1)(b) of the listing regulations in respect of their position as an "Independent Director" of Dhanlaxmi Cotex Limited.

POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company adheres to the requirements prescribed in the Companies Act, 2013, rules and amendments made there under and SEBI regulations for the Appointment and remuneration of the Directors of the Company.

The policies of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act is available on website of the company at http://dcl.net.in/investor_info.html

MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Independent Directors was completed.

The evaluation framework for assessing the performance of directors of your company comprises of contribution at meetings, strategies perspective or inputs regarding the growth and performance of your company among others.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.



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Details of program for familiarization of Independent directors of the company are accessible on your company website at <http://dcl.net.in/familiarisation.html>

BOARD EVALUATION:

SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors should be done by the entire Board of Directors, excluding the director being evaluated.

The Board as a whole was evaluated on various parameters like Board Composition & Quality, Board Meetings and Procedures, adherence to the Code of Conduct etc. Based on each of the parameter, the Board of Directors formed an opinion that performance of Board as a whole has been outstanding. The Board approved the evaluation results as collated by the Nomination and Remuneration Committee.

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 a structured questionnaire was prepared. The performance Evaluation of the Independent Directors was completed. Independent Directors Meeting and Nomination and Remuneration Committee considered the performance of Non-Independent Directors and the Committees and Board as whole, reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

MEETING OF INDEPENDENT DIRECTORS:

Pursuant to the provision of Section 149 (8) of the Companies Act, 2013 read with Schedule IV and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Independent Directors of the Company held their meeting on **28th March, 2019** reviewed the performance of non-independent directors and the Board as a whole including the Chairperson of the Company, views expressed by the executive directors and non-executive directors at various level, and quantified the quality, quantity and timeliness of flow of information between the Company, management and the Board and expressed satisfaction.

DISCLOSURE FROM INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the Independent Director of the Company under Section 149(6) of the Companies Act, 2013, the Board hereby confirms that all the Independent Directors have given declarations and further confirms that they meet the criteria of Independence as per the provisions of Section 149(6) read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.



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STATUTORY AUDITORS:

Statutory Auditor:

M/s. R. Soni & Co., Chartered Accountants, Mumbai was appointed in 31st Annual General Meeting (AGM) as the Statutory Auditors of the Company to hold office from the conclusion of 31st AGM until the conclusion of the 36th AGM.

AUDITORS REPORT:

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 134 (1) of the Companies Act, 2013.

COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company occurred during Financial Year 2018- 19, till the date of this report. Further there was no change in the nature of business of the Company.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

During the year, there is one associate of the company but there is no subsidiary, joint venture of the Company.

Annexure - G

REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

In compliance with Regulation 34 and Schedule V of SEBI (LODR) Regulations 2015, report on the Corporate Governance, along with a certificate from the Secretarial Auditors of the Company on compliance with the provisions is annexed and forms part of the Annual Report. **Annexure-E**



DHANLAXMI COTEX LIMITED

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION:

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are as under. The disclosures as specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The percentage increase in remuneration of each Director and Chief Financial Officer during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP	Remuneration Received (In Rs. Lakh)	% increase in Remuneration in the Financial year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Ramautar S. Jhawar (Managing Director)	60,00,000/-	25	14.29
2	Mr. Mahesh S. Jhawar (Director)	NIL	NIL	NIL
3	Mrs. Kamala Jhawar (Non- Executive Director)	NIL	NIL	NIL
4	Mr. Chandra Kishore Bohra (Chief Financial Officer)	4,19,941/-	8.72	1
5	Ms. Konika Shah (appointed w.e.f 01-10-2019)	85,200/-	-	0.20

In terms of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee(s) drawing remuneration in excess of limits set out in said rules forms part of the annual report

POSTAL BALLOT:

No postal ballot was held during the year 2018-2019

RISK MANAGEMENT AND INTERNAL CONTROLS:

The Company has the risk management and internal control framework in place commensurate with the size of the Company. However Company is trying to strengthen the same. The details of the risks faced by the Company and the



DHANLAXMI COTEX LIMITED

mitigation thereof are discussed in detail in the Management Discussion and Analysis report that forms part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the extent as are applicable to the Company, are given in **Annexure - 'D'** to the Directors' Report.

LISTING OF SHARES:

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year **2018-2019 and 2019-2020**.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy. The Whistle Blower Policy is hosted on company's website http://dcl.net.in/investor_info.html

During the financial year 2018-19, no cases under this mechanism were reported in the Company and any of its subsidiaries.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The company has framed policy in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2018-19, no cases in the nature of sexual harassment were reported at any workplace of the company.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT, REMUNERATION ETC.:

The Nomination and Remuneration Committee recommends to the Board the policy relating to remuneration for the Directors, Key Managerial Personnel and other employees, same has been uploaded on the website of the Company at http://dcl.net.in/investor_info.html



DHANLAXMI COTEX LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) read with Schedule Part V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with Stock Exchange in India, is presented in a separate Section forming part of the Annual Report. **Annexure-F**

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

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 at all locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to Board.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

SECRETARIAL AUDITORS AND THEIR REPORT:

M/s Pankaj Trivedi & Co., Company Secretary in Practice was appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for financial year 2018-2019 is **Annexure-A** to this Board's Report. The Secretarial Audit Report for F. Y 2018-19 is enclosed and marked as **Annexure-A**.

COMMENTS ON REMARKS/OBSERVATION/QUALIFICATION MADE BY SECRETARIAL AUDITORS:

Mr. Pankaj Trivedi, Company Secretary in Practice, in his Secretarial Audit Report for financial year 2018-19 have drawn the attention of the management on some the non-compliances, which have been marked as qualification in his report.

In connection with the same management herewith give the explanation for the same as follows:

The Company does not follow practice of consolidation of accounts of Associate Company in its Financials. The Company holds only 20% holding in MR Share Broking Private Limited which is below 51%, so the MR Share Broking Private Limited is not subsidiary Company. The Company about to dilute its holding in the company below 20% during the year



DHANLAXMI COTEX LIMITED

The promoters had already dematerialized 31,850 shares of promoter holding during the year and now only 6650 are remained for demat which according to explanation given by them will be get demat in due course of time.

The management has decided to make an application to Bank for seeking registration as required under section 45(IA) of RBI Act, 1934. However due to practical difficulties no such application was made during the year under review. The Management is seeking opinion of some RBI professionals for making good of said default.

The Company is very much regular and compliance savvy in terms of making timely disclosures and filing with concerned regulatory. However as far as non-submission of newspaper publication made by the company to the exchange during the year under review as required under regulation 47(1) of SEBI (LODR) Regulation, 2015 is concerned, we would like to inform that all required newspaper publication has been given by the Company in papers and are also uploaded to the website of the company and are in records with the company in respective file. However due to oversight the same has not been forwarded to the exchange and upon the advice of the professional company started doing that and there was no as such motive for non-disclosure. As the all publications are already made available to stakeholders at large on company's website

As far as delay in submission of brief profile of Mr. Natwarlal Aggarwal along with the outcome of the Board meeting held on 09.07.2018 in which he was appointed was concerned, was mainly due to oversight and same has been submitted to the exchange on 18.07.2018.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has implemented a Related Party Transactions policy for the purposes of identification and monitoring of such transactions. The policy on related party transactions is uploaded on the Company's website at http://dcl.net.in/investor_info.html.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis which is reviewed and updated on quarterly basis.

Pursuant to the Section 134(3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contract or arrangement entered into by the Company with related parties referred to in Section 188(1) in Form AOC-2 in **Annexure-B** to this Board's Report.

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 are appended as Annexure B.

EXTRACT OF ANNUAL RETURNS:

Pursuant to the Section 134(3) (a) of the Companies Act, 2013, the details forming part of the extract of the Annual Return in Form MGT-9 is **Annexure- C**.



DHANLAXMI COTEX LIMITED

CORPORATE GOVERNANCE:

A Report on Corporate Governance along with a Certificate from **M/s Pankaj Trivedi & Co**, regarding compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3), Schedule V of SEBI (LODR) Regulations, 2015 with Stock Exchange read with the relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 forms part of this Report and **Annexure- E** to this Board's Report.

CEO AND CFO CERTIFICATION:

The Chief Executive Officer and Chief Financial Officer Certification as required under Regulation 17(8) read with Part B of Schedule II of the SEBI(LODR) Regulation,2015 have been appended to this report

INSURANCE OF ASSETS:

All the fixed assets, finished goods, semi-finished goods, raw material, packing material and goods of the company if any lying at different locations have been insured against fire and allied risks.

BANK AND FINANCIAL INSTITUTIONS:

Directors are thankful to their bankers for their continued support to the company.

ACKNOWLEDGMENTS:

Your Directors convey their sincere thanks to the Government, Banks, Shareholders and customers for their continued support extended to the company at all times.

The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year.

On behalf of the Board of Directors

Place: Mumbai

Dated: 09-08-2019

Sd/-

Ramautar Jhawar
Managing Director

Sd/-

Mahesh Jhawar
Director



DHANLAXMI COTEX LIMITED

Annexure -A

Secretarial Audit Report MR-3

SECRETARIAL AUDIT REPORT

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

To,

The Members,

M/s. Dhanlaxmi Cotex Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. DHANLAXMI COTEX LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and return is 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 31st March, 2019, has complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers; minutes' books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March 2019 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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under these securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **(Not applicable to the Company during the Audit Period)**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase



DHANLAXMI COTEX LIMITED

Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 - **(Not applicable to the Company during the Audit Period);**

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not applicable to the Company during the Audit Period);**
 - (f)) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the Audit period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**
- (v) Having regards to the compliance system prevailing in the Company, information representation provided by management and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;
- i. The Equal Remuneration Act, 1976;
 - ii. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. In terms of Section 129(3) of the Companies Act, 2013, M/s. M R Shares Broking Pvt Ltd is an Associate Company of M/s. Dhanlaxmi Cotex Limited. In respect of which Company need to prepare consolidated financial statements which shall be placed before Annual General meeting along with the laying of its financial statement and also needs to attach along with its financial statement, a separate statement containing the salient features of the financial statement in form AOC-1. However Company continues making default to make compliance of this provision and does not follow any of such practices.
2. According to SEBI/Cir/ISD/3/2011 dated June 17, 2011, which mandates the entire holdings of the Promoters are needed to be maintained in demat form only. However the promoters of the Company are still having 6,650 shares in physical form.
3. The Financial Assets of the Company constitute more than 50% of the total assets and income from it also exceeds 50% of the total income. Since the main activity of the Company is centre around investment and Finance, the Company needs to hold valid registration from RBI as per section 45-IA of the Reserve Bank of India Act, 1934. However till date Company has not applied for registration with RBI.



DHANLAXMI COTEX LIMITED

4. The Company has disseminated to the exchange regarding newspaper publications made by the Company during the year as required under regulation 47(1) and (3) of SEBI (LODR) Regulation, 2015.
5. The Company has got delayed in submission of brief profile of Mr. Natwarlal Aggarwal, who was appointed as an Additional Director of the Company at Board meeting held on 09.07.2018 and profile was submitted or disseminated to the exchange on 18.07.2019.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes made in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Decisions at the Board Meetings, as represented by the management and recorded in minutes, were taken unanimously.
- (iv) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (v) 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.

I further Inform/report that during the year under review, the following events or actions had a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

We further report that during the audit period.

- (i) The promoters have bought 4.93% shares of the company during the year under review.

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

**For Pankaj Trivedi & Co.,
Company Secretary in Practice**

**Sd/-
Pankaj Trivedi
(Proprietor) CP
No. 15301**

Place: Mumbai

Dated: 9th August, 2019



DHANLAXMI COTEX LIMITED

Annexure to the Secretarial Audit Report

To,

The Member,

Dhanlaxmi Cotex Limited

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

Management's Responsibility

- 1) It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

- 2) I 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 the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- 5) The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

- 6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Pankaj Trivedi & Co.,
Company Secretary in Practice**

**Sd/-
Pankaj Trivedi
(Proprietor)
ACS No.: 30512**

Place: Mumbai

Dated: 9th August, 2019



DHANLAXMI COTEX LIMITED

Annexure -B

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	MR Share Broking Pvt. Ltd. VRM Share Broking Pvt. Ltd.
b)	Nature of contracts/arrangements/transaction	Share Trading , Brokerage & Commission & Commission
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	MR Share Broking Pvt. Ltd. : Rs. 314/- VRM Share Broking Pvt. Ltd: Rs. 6546/- (Commission)
e)	Date of approval by the Board	13-08-2016 & 11-08-2017
f)	Amount paid as advances, if any	No
g)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	30-09-2016 & 29-09-2017



DHANLAXMI COTEX LIMITED

2 Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party and nature of transactions	Nature of contract /arrangement / transactions	Duration of the contract/ arrangement/ transactions	Salient terms of contract / arrangement / transactions, including value, if any	Date(s) of approval by the Board	Amounts paid as advance(s), if any
VRM Shares Broking Pvt Ltd	Sale Payment of Shares	Ongoing	Sale payment for Shares Rs.1,24,70,288/-	13-08-2016 & 11-08-2017	-
VRM Shares Broking Pvt Ltd	Purchase Payment of Shares	Ongoing	Purchase payment for Shares Rs.3,79,39,677/-	13-08-2016 & 11-08-2017	-
MR Shares Broking Pvt Ltd	Sale Payment of Shares	Ongoing	Sale payment for Shares Rs. 4,210,038/-	13-08-2016 & 11-08-2017	-
MR Shares Broking Pvt Ltd	Purchase Payment of Shares	Ongoing	Purchase payment for Shares Rs.31,04,256/-	13-08-2016 & 11-08-2017	-

On behalf of the Board of Directors

Place: Mumbai

Dated: 09.08.2019

Sd/-

Ramautar Jhavar
Managing Director

Sd/-

Mahesh Jhavar
Director



DHANLAXMI COTEX LIMITED

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

Annexure - C

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L51100MH1987PLC042280
ii	Registration Date	19.01.1987
iii	Name of the Company	DHANLAXMI COTEX LIMITED
iv	Category/Sub-category of the Company	Public Company / Limited by Shares
v	Address of the Registered office & contact details	285, Princess Street, C. J. House, 2nd Floor, Mumbai - 400 002. Phone: 022-66228050/55 Email:dcotex1987@gmail.com Website: http://dcl.net.in/
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd. 1st floor, Bharat tin works building, opp. Vasant oasis, Makwana road, Marol, Andheri East, Mumbai 400059, Maharashtra

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Investment in Shares & Securities	N.A	11.50 %
2	Trading in Shares & Securities	N.A	83.17 %
3	Financing Activities	64990	5.33 %

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	MR Share Broking Private Limited	U67120MH1999PTC122709	Associate	20% (6,00,000)	2(6)



DHANLAXMI COTEX LIMITED

IV - (A)

Statement Showing Shareholding Pattern

Code	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2018				No. of Shares held at the end of the year :31/03/2019				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(IX)	
(A)	Shareholding of Promoter and Promoter Group2									
	Indian									
(a)	INDIVIDUAL / HUF	2348665	38500	2387165	49.01	2620515	6650	2627165	53.93	4.92
(b)	Central / State government(s)	0	0	0	0					
(c)	BODIES CORPORATE	140000	0	140000	2.87	140000	0	140000	2.87	0
(d)	FINANCIAL INSTITUTIONS									
	/ BANKS	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)									
(i)	GROUP COMPANIES	291900	0	291900	5.99	291900	0	291900	5.99	0
(ii)	TRUSTS	0	0	0	0	0	0	0	0	0
(iii)	DIRECTORS RELATIVES	100	0	100	0	100	0	100	0	0
	SUB TOTAL (A)(1) :	2780665	38500	2819165	57.87	3052515	6650	3059165	62.80	4.92
	Foreign									
(a)	BODIES CORPORATE	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL	0	0	0	0	0	0	0	0	0
(c)	INSTITUTIONS	0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
	SUB TOTAL (A)(2) :	0	0	0	0	0	0	0	0	0
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	2780665	38500	2819165	57.87	3052515	6650	3059165	62.80	4.92
(B)	Public shareholding									
	Institutions									
(a)	Central/State government(s)	0	0	0	0	0	0	0	0	0
(b)	FINANCIAL INSTITUTIONS									
	BANKS	0	5000	5000	0.10	0	5000	5000	0.10	0.00
(c)	MUTUAL FUNDS / UTI	0	0	0	0	0	0	0	0	0
(d)	VENTURE CAPITAL FUNDS	0	0	0	0	0	0	0	0	0
(e)	INSURANCE COMPANIES	0	0	0	0	0	0	0	0	0
(f)	FII'S	0	0	0	0	0	0	0	0	0
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0	0	0	0	0	0
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0



DHANLAXMI COTEX LIMITED

(i)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
(j)	FOREIGN PORTFOLIO	0	0	0	0	0	0	0	0	0
(k)	INVESTORALTERNATE FUND	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1) :	0	5000	5000	0.10	0	5000	5000	0.10	0.00
(C)	Non-institutions									
(a)	<i>BODIES CORPORATE</i>									
(i)	Indian	1151235	44750	1195985	24.55	911235	44750	955985	19.62	4.93
(ii)	Overseas	0	0	0	0	0	0	0	0	0
(b)	<i>INDIVIDUAL</i>									
(i)	Individualshareholders holdingnominal share capitalupto Rs. 1 Lakh	3150	742850	746000	15.31	8150	769850	778000	15.97	0
(ii)	Individualshareholders holdingnominal share capital in excess of Rs 1 Lakh	73200	32000	105200	2.16	73200	0	73200	1.50	0
(c)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
(i)	TRUSTS	0	0	0	0	0	0	0	0	0
(ii)	CLEARING MEMBER	0	0	0	0	0	0	0	0	0
(iii)	NON RESIDENT INDIANS (NRI)	0	0	0	0	0	0	0	0	0
(iv)	DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
(v)	EMPLOYEE	0	0	0	0	0	0	0	0	0
(vi)	OVERSEAS BODIES CORPORATES	0	0	0	0	0	0	0	0	0
(vii)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(2) :	1227585	819600	2047185	42.02	992585	819600	1812185	37.20	4.82
	Total Public Shareholding (B)=(B)(1) + (B)(2)									
(C)	Shares held by Custodians and against which Depository Receipts Have been issued									
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0	0	0	0	0	0
(i)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(ii)	Public	0	0	0	0	0	0	0	0	0
	SUB TOTAL (C)(1) :	0	0	0	0	0	0	0	0	0
	(C)=(C)(1)	0	0	0	0	0	0	0	0	0
	Grand Total (A) + (B) + (C)	4008250	863100	4871350	100	4045100	826250	4871350	100	100



DHANLAXMI COTEX LIMITED

(B). SHAREHOLDING OF PROMOTERS

Sr. No	Name	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	KAMALA RAMAUTAR JHAWAR	3,88,500	7.98	0	5,08,500	10.43	0	2.46
2	LAXMI M. JHAWAR	2,08,705	4.28	0	2,08,705	4.44	0	0
3	RAMAUTAR S. JHAWAR	4,97,115	10.20	0	4,97,115	10.20	0	0
4	RAMAUTAR S. JHAWAR (Jamnadevi Jhawar Family Trust)	52500	1.08	0	52,500	1.08	0	0
5	SOHANLAL JHAWAR HUF.	20000	0.41	0	20,000	0.41	0	0
6	SOHANLAL JHAWAR FAMILY	52300	1.07	0	52,300	1.07	0	0
7	VINOD JHAWAR HUF.	25800	0.53	0	25,800	0.53	0	0
8	MUKUL VINOD JHAWAR	77,000	1.58	0	77,000	1.58	0	0
9	MAHESH JHAWAR HUF.	57300	1.18	0	57,300	1.18	0	0
10	LALIT VINOD JHAWAR	100	0	0	100	0	0	0
11	RAHUL MAHESH JHAWAR	92900	1.91	0	92,900	1.91	0	0
12	RAMAUTAR JHAWAR HUF	118800	2.44	0	1,18,800	2.44	0	0
13	VANDANA VINOD JHAWAR	2,32,895	4.78	0	2,32,895	4.78	0	0
14	DHANLAXMIEXPORT FABRIC LLP	140000	2.87	0	1,40,000	2.87	0	0
15	VINOD SOHANLAL JHAWAR	1,82,800	3.75	0	1,82,800	3.75	0	0
16	MAHESH S. JHAWAR	1,74,900	3.59	0	1,74,900	3.59	0	0
17	VINIT R JHAWAR	257950	5.30	0	3,77,950	5.30	0	2.46
18	JASODA TRACON LLP	2,39,600	4.92	0	2,39,600	7.76	0	0
	Total	28,19,165	57.87	0	30,59,165	62.80	0	4.92



DHANLAXMI COTEX LIMITED

CHANGES IN PROMOTERS SHAREHOLDING

Sr. No	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2018) / End of the year (31.03.2019)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
1	KAMALA RAMAUTAR JHAWAR	3,88,500	7.98	01/04/2018	0	0	0	0
				30/08/2018	120000	buy	5,08,500	10.43
				31/03/2019	0		5,08,500	10.43
2	LAXMI M. JHAWAR	208705	4.284	01/04/2018	0		208705	4.284
				31/03/2019				
3	RAMAUTAR S. JHAWAR	497115	10.204	01/04/2018	0		497115	10.204
				31/03/2019				
4	SOHANLAL JHAWAR HUF.	20000	0.411	01/04/2017	0		20000	0.411
				31/03/2018				
5	VINOD JHAWAR HUF.	25800	0.530	01/04/2018	0		25800	0.530
				31/03/2019				
6	SOHANLAL JHAWAR FAMILY	52300	1.074	01/04/2018	0		52300	1.074
				31/03/2019				
7	RAMAUTAR S. JHAWAR (JAMNADEVI JHAWAR FAMILY TRUST)	52500	1.078	01/04/2018	0		52500	1.078
				31/03/2019				
8	MAHESH JHAWAR HUF .	57300	1.176	01/04/2018	0		57300	1.176
				31/03/2019				
9	LALIT VINOD JHAWAR	10	0.00	01/04/2018	0		100	0.002
				31/03/2019				



DHANLAXMI COTEX LIMITED

CHANGES IN PROMOTERS SHAREHOLDING

Sr. No	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2018) / End of the year (31.03.2019)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
10	RAHUL MAHESH JHAWAR	92900	1.907	01/04/2018 31/03/2019	0		92900	1.907
11	MUKUL VINOD JHAWAR	77000	1.581	01/04/2018 31/03/2019	0		77000	1.581
12	RAMAUTAR JHAWAR HUF .	118800	2.439	01/04/2018 31/03/2019	0		118800	2.439
13	VANDANA VINOD JHAWAR	232895	4.781	01/04/2018 31/03/2019	0		232895	4.781
14	DHANLAXMI EXPORT FABRIC	140000	2.874	01/04/2018 31/03/2019			140000	2.874
15	VINOD SOHANLAL JHAWAR	182800	3.753	01/04/2018 31/03/2019	0		182800	3.753
16	MAHESH S. JHAWAR	174900	3.590	01/04/2018 31/03/2019	0		174900	3.590
18	JASODA TRACON	239600	4.919	01/04/2018 31/03/2019			239600	4.919
19	VINIT R JHAWAR	257950	5.295	01/04/2018 30.08.2019 31/03/2019	0	Buy	377950	7.76



DHANLAXMI COTEX LIMITED

D. TOP TEN NON PROMOTERS MOVEMENT

Sr. No	NAME	No. of Shares at the beginning/End of the year	Date	Increase/Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	ESKAY NIRYAT PVT LTD	529,540	31-Mar-18	0	-	529,540	10.87
		529,540	31-Mar-19	0		529,540	10.87
2	AJAY MULTI PROJECTS LTD.	381695	31-Mar-18	0		381695	7.84
			07 Sept 2018	-240000	Transfer	141695	2.91
		141695	31-Mar-19	0	Transfer	141695	2.91
3	NIDHI AGRO PVT LTD	240,000	31-Mar-18	0	Transfer	240,000	4.93
		240,000	31-Mar-19	0	Transfer	240,000	4.93
4	AMIT R SEHGAL	73,200	31-Mar-18	0	Transfer	73,200	1.50
		73,200	31-Mar-19	0	Transfer	73,200	1.50
5	INDER KUMAR JAIN	18,000	31-Mar-18	0	Transfer	18,000	0.37
		18,000	31-Mar-19	0	Transfer	18,000	0.37
6	SPECTRUM EQUITY FUND LTD.	15,200	31-Mar-18	0	Transfer	15,200	0.31
		15,200	31-Mar-19	0	Transfer	15,200	0.31
7	TULSIRAM BHARADIA	15,000	31-Mar-18	0	Transfer	15,000	0.31
		15,000	31-Mar-19	0	Transfer	15,000	0.31
8	JASWANT PATEL	12,300	31-Mar-18	0	Transfer	12,300	0.25
		12,300	31-Mar-19	0	Transfer	12,300	0.25
9	DINANATH RATHI	12,000	31-Mar-18	0	Transfer	12,000	0.25
		12,000	31-Mar-19	0	Transfer	12,000	0.25
10	RAMADEVI MAHESHWARI	12,000	31-Mar-18	0	Transfer	12,000	0.25
		12,000	31-Mar-19	0	Transfer	12,000	0.25
11	SPECTRUM GLOBAL FIN TRUST LTD.	12,000	31-Mar-18	0	Transfer	12,000	0.25
		12,000	31-Mar-19	0	Transfer	12,000	0.25



DHANLAXMI COTEX LIMITED

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
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 director and/or Manager:

Amount in Rs.

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Ramautar S. Jhawar - Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Rs. 60,00,000/-	Rs. 60,00,000/-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	Rs. 60,00,000/-	Rs. 60,00,000/-
	Ceiling as per the Act		



DHANLAXMI COTEX LIMITED

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
		Mrs. Kamala Jhawar	Mr. Mahesh Jhawar	Mr. Gopal Mohta	Mr. Natwar Agarwal	Mrs. Jayashree Iyer	
1	Directors (a) Fee for attending board committee meetings (b) Commission (c)Others, please specify Total (1)	- - - Nil	- - - Nil	6000 - - Nil	- - - Nil	4000 - - Nil	10000 - - Nil
2	Other Non Executive Directors (a) Fee for attending board committee meetings (b) Commission (c)Others please specify. Total (2) Total Managerial Remuneration Total (B)=(1+2) Overall Ceiling as per the Act.	6000 - - Nil Nil N.A	6000 - - Nil Nil	- - - Nil Nil	- - - Nil Nil	- - - Nil Nil	12000 - - Nil Nil

*Mrs. Jayashree Iyer (**Appointed w.e.f 03-08-2018**)

*Mr. Nateshwar Nagarmal Agarwal (**Appointed w.e.f 09-07-2018**)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl.No.	Particulars of Remuneration	Key Managerial Personnel CFO Chandra Kishore Bhora*	COMPANY SECRETARY Ms. Konika Shah	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	4,19,941 - -	85,200 - -	5,05,141 - -
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission -as % of profit -others (specify)	- - -	- - -	- - -
5	Others, please specify Total Ceiling as per the Act	- - 4,19,941	- - 85,200	- - 5,05,141



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VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY Penalty Punishment Compounding			Nil		
B. DIRECTORS Penalty Punishment Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			Nil		

On behalf of the Board of Directors

Place: Mumbai

Dated: 09.08.2019

Sd/-
Ramautar Jhawar
Managing Director

Sd/-
Mahesh Jhawar
Director



DHANLAXMI COTEX LIMITED

Annexure - D

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo, Etc.

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

(A) Conservation of energy	
(i) the steps taken or impact on conservation of energy	The operations of your company are not energy intensive, however adequate measures have been taken to reduce energy consumption. : NA
(ii) the steps taken by the company for utilizing alternate sources of energy	All efforts are made to use more natural lights in office premises to optimise the consumption of energy. : NA
(iii) the capital investment on energy conservation equipments	Nil
(B) Technology absorption:	
(i) the efforts made towards technology absorption	N.A
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	N.A
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	N.A
(iv) the expenditure incurred on research and development	Nil
(C) Foreign exchange earnings and outgo.	The details of the same is given in notes of accounts.



DHANLAXMI COTEX LIMITED

ANNEXURE-E

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE:

The Company's philosophy on corporate governance is to attain high level of transparency and accountability in the functioning of the Company and in its relationship with employees, shareholders, creditors, lenders and ensuring high degree of regulatory compliances.

The Company also believes that its systems and procedures will enhance corporate performance and maximize shareholder value in the long term.

The Company is in compliance with the Corporate Governance norms stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st April, 2018 to 31st March, 2019.

BOARD OF DIRECTORS:

As on 31st March, 2019, the Company's Board of Directors comprised of **6 (Six)** directors of which THREE are Non-Executive Independent Directors and TWO is Non-Executive Director and ONE is Executive Director i.e. Mr. Ramautar Jhwar is the Managing Director. The Board also met the requirement of Woman Director as prescribed under Listing Regulations, 2015.

The Board has received confirmation from the Non- Executive and Independent Directors that they qualify to be considered as independent as per the definition of 'Independent Director' stipulated in Regulation 16 (1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013 (hereinafter called "the Act").

None of the Directors hold directorships in more than 20 companies. Further, any individual director's directorships in public companies do not exceed 10. None of the Directors is serving as a member of more than ten committees or as the Chairman of more than five committees across all the public companies of which he is a Director.

The number of directorships and committee Chairmanships/Memberships held by the Directors in other public companies as on **March 31, 2019** are given below:

The Composition of the Board of Directors, Attendance of each Director at the Board Meeting, last AGM, and Number of other Directorship and Chairmanship/Membership of Committee of each Director in various companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies. Chairmanship/ Membership of Board Committees include only audit and Stakeholders Relationship Committees.

COMPOSITION OF BOARD AS ON 31ST MARCH, 2019

SR.NO.	NAME OF DIRECTOR	CATEGORY
1	Mr. Ramautar Jhwar	Managing Director & Chairman
2	Mr. Mahesh Jhwar (WTD w.e.f. 17-06-2019)	Non- Executive Director
3	Mrs. Kamla Jhwar	Non- Executive Director
4	Mr. Gopal Mohta	Independent Director
5	Mrs. Jayashree Iyer	Independent Director
6	Mr. Natwar Nagarmal Agarwal	Independent Director



DHANLAXMI COTEX LIMITED

Mr. Vijay Kumar Moyal , Independent Director of the Company had **resigned w.e.f 19.07.2018** and Mr. Naveen Vyas, Independent Director had **resigned w.e.f 30.06.2018**.

MEETINGS AND ATTENDANCE DURING THE YEAR 2018-2019:

Board Meetings were conducted 6 (Six) times during the year as follows:

Sr. No	Date	Board Strength	No. Of. Directors Present
1	28/05/2018	6	5
2	09/07/2018	6	5
3	11/08/2018	6	6
4	25/09/2018	6	6
5	14/11/2018	6	5
6	11/02/2019	6	6

The record of Attendance at Board Meetings and Membership of Board of Directors as on 31st March, 2019:

No	Name of Directors	No of Board Meetings attended during the Year	Attendance at the AGM (28-09-2018)	No. of Membership of Committees	No. Of Chairmanships of Committees
1	Mr. Ramautar Jhawar	6	Yes	3	0
2	Mr. Mahesh Jhawar	6	Yes	4	0
3	Mrs. Kamla Jhawar	6	Yes	0	0
4	Mrs. Jayashree Iyer	4	Yes	3	3
5	Mr. Nagarmal Agarwal	3	NO	3	0
6	Mr. Gopal Mohta	6	Yes	5	1

Mr. Vijay Kumar Moyal , Independent Director of the Company had **resigned w.e.f 19.07.2018** and Mr. Naveen Vyas, Independent Director had **resigned w.e.f 30.06.2018**.

NOTES:

1. Evaluation of Independent Directors and Boards Performance

The Board evaluated each of Independent Directors participation in the Board and their vast experience, expertise and contribution to the Board and Company. Each and every related party transaction is very well scrutinized and checks were made so that the Company is a beneficiary.

2. Separate Meeting of Independent Director

The Independent Directors held a meeting on **28th March, 2019**, without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at the meeting and they have reviewed the performance of non-independent directors and the Board, performance of the Chairman and information flow structure of the Company.



DHANLAXMI COTEX LIMITED

3. Familiarization Program

The Company has taken up the initiative to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the Company, etc. The detail of such familiarization program has been disclosed on the company's website.

4. Details of Director appointed and re-appointed during the year:

The details of Director re-appointed in the ensuing Annual General Meeting has been given in the 'Notice' calling the 33rd Annual General Meeting of the Company.

5. Code of Conduct

The Company has adopted a Code of Conduct ("Code") which applies to all the Board members and Senior Management Personnel of the Company. It is the responsibility of all Board members and Senior Management Personnel to familiarize them with Code and comply with its provisions. The Code has been circulated to all the members of the Board and Senior Management Personnel and they have confirmed compliance with the Code. A declaration signed by the Chairman and Managing Director to this effect is given below.

All Directors and members of the senior management have confirmed their adherence to the provisions of the said code

6. Present Directorship in other Companies and Committee Position Including Dhanlaxmi Cotex Limited)-

Sl. No.	Name of Director	Number of Directorship held in Public Companies (including <u>Dhanlaxmi Cotex Limited</u>)-*	Directorship held in Public Listed Companies and Committee Position(s)			
			Name of the company	Listed	Committee(s)**	Position
1.	RAMAUTAR SOHANLAL JHAWAR	2	Dhanlaxmi Cotex Limited Managing Director (Interested)	Listed	-	-
			Dhanlaxmi Fabrics Limited Non-Executive (Interested)	Listed	Audit Committee Stakeholder Relationship Committee	Member Member
2.	MAHESH SOHANLAL JHAWAR	2	Dhanlaxmi Cotex Limited Director (Interested)	Listed	Audit Committee Stakeholder Relationship Committee	Member Member
			Dhanlaxmi Fabrics Limited Executive (Interested)	Listed	Audit Committee Stakeholder Relationship Committee	Member Member



DHANLAXMI COTEX LIMITED

3.	KAMLA JHAWAR	1	Dhanlaxmi Cotex Limited Non-Executive Director (Interested)	Listed	-	-
4.	GOPAL MOHTA	2	Dhanlaxmi Cotex Limited Non-Executive (Independent)	Listed	Audit Committee Stakeholder Relationship Committee	Chairman Member
			Dhanlaxmi Fabrics Limited Non-Executive (Independent)	Listed	Audit Committee Stakeholder Relationship Committee	Member Member
5.	NATWAR NAGARMAL AGARWAL	1	Dhanlaxmi Cotex Limited Non-Executive (Independent)	Listed	Audit Committee Stakeholder Relationship Committee	Member Member
6.	JAYASHREE IYER	2	Dhanlaxmi Cotex Limited Non-Executive (Independent)	Listed	Audit Committee Stakeholder Relationship Committee	Member Chairperson
			Dhanlaxmi Fabrics Limited Non-Executive (Independent)	Listed	Audit Committee Stakeholder Relationship Committee	Member Chairperson

* It does not include Alternate Directorship, Directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.

** Membership / Chairmanship of only Audit Committee and Stakeholder Relationship Committee in all public limited companies (including Dhanlaxmi Cotex Limited) have been considered.

7. Skill/ expertise/ competence of the Board of Directors

The Board comprises qualified members who bring in the required skill, competence and expertise that allow them to make effective contribution to the Board and its Committees.

The table below summarizes the list of core skills/expertise/competencies identified by the Board of Directors desired in the context of the business(es) and sector(s) of the Company for it to function effectively and those actually available with the Board:

Skill area	Description	Number of Directors having particular skills
Financials	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control System	6
Leadership and Strategic Planning	Ability to understand organization, processes, strategic planning and risk management. Experience in developing talent, succession planning and driving change and long term growth.	6



DHANLAXMI COTEX LIMITED

Legal and Governance	Ability to protect shareholders' interests and observe appropriate governance practices. Monitor risk and compliance management system including legal framework.	3
Corporate Governance	Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values	6

Circular Resolution :

The Company has passed circular resolution dated 27/03/2019 for amendment of code of practice and procedures for fair disclosure of UPSI pursuant to regulation 8(1) of SEBI (Prohibition of insider trading) Regulation, 2019.

AUDIT COMMITTEE:

(A) Terms of reference of the Audit Committee are:

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statements and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties; (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.
- (ix) to review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

(B) Composition of Audit Committee and Meeting held during the year:

The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015



DHANLAXMI COTEX LIMITED

Sr.No.	Name of Members	Category	Designation
1.	Mr. Gopal Mohta	Independent Director	Chairman
2.	Mr. Natwar Nagarmal Agarwal	Independent Director	Member
3.	Mrs. Jayashree Iyer	Independent Director	Member
4	Mr. Mahesh Jhavar	Non- Executive Director	Member

Company has conducted **4(Four)** Audit Committee Meeting during the year.

April – June	July – September	October – December	January – March
28.05.2018	11.08.2018	14.11.2018	12.02.2019

Meetings and Attendance of the Audit Committee during the year:

Sr. No	Name of Member	No. of Meeting Held During the Year	No. of Meeting held	No. of Meeting Attended
1	Mr. Gopal Mohta-(Chairperson)	Independent Director	4	4
2	Mr. Natwar Nagarmal Agarwal	Independent Director	4	2
3	Mrs. Jayashree Iyer	Independent Director	4	3
4	Mr. Mahesh Jhavar	Non- Executive Director	4	4

(C) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Verify with regard to related party transactions, whether Committee laid down parameters for determining a particular transaction as significant and reviewed the necessity of such transactions;
3. Management letters / letters of internal control weaknesses issued by the statutory auditor;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
6. to review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

The Constitution of AC Committee has been changed during the year by appointment & resignation of Directors

NOMINATION AND REMUNERATION COMMITTEE:

(A) Terms of Reference of Nomination and Remuneration Committee:

The Committee is empowered –

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and



DHANLAXMI COTEX LIMITED

recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report

Composition of Nomination and Remuneration Committee as on 31st March, 2019:

During the year 2018-19, one meeting of the Nomination and Remuneration Committee was held on following dates-

(a) 09th July, 2018 and 09th August, 2018

Sr. No.	Name of Members	Category	No. of Meeting held	No. of Meeting Attended
1.	Mrs. Jayashree Iyer-(Chairperson)	Independent Director	2	0
2.	Mr. Natwar Nagarmal Agarwal	Independent Director	2	0
3.	Mr. Gopal Mohta	Independent Director	2	2
4	Mr. Mahesh Jhawar	Non- Executive Director	2	2
5	Mr. Vijay Moyal	Independent Director	2	1
6	Mr. Naveen Vyas	Independent Director	2	0

(B) Remuneration Policy and Details of Remuneration

The Board has adopted the remuneration policy which is available on the website of the company.

Details of Remuneration to all the directors

Sr. No.	Name of Directors	Salary	Perquisites and allowances	Commission	Bonus/ Incentives	Stock options	Sitting Fees granted	Total
1	Mr. Ramautar Jhawar (Managing Director)	Rs. 60,00,000/-	0	0	0	0	0	Rs. 60,00,000/-
2	Mr. Mahesh Jhawar	0	0	0	0	0	6000	6000
3.	Mrs. Kamla R. Jhawar	0	0	0	0	0	6000	6000
4	Mr. Vijaykumar Moyal	0	0	0	0	0	0	0
5	Mr. Naveen Vyas	0	0	0	0	0	0	0
6	Mr. Gopal Mohta	0	0	0	0	0	6000	6000
7	Mrs. Jayashree Iyer	0	0	0	0	0	4000	4000
8	Mr. Natwar Agarwal	0	0	0	0	0	0	0



DHANLAXMI COTEX LIMITED

Notes:

(i) The Company does not have a Scheme for grant of Stock Options to the Directors or Employees.

(C) Review of information by NRC Committee

- a) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- b) To specify the manner for effective evaluation of Performance of Board, its Committees and individual directors to be carried out by the Board, by Nomination and Remuneration Committee or by Independent External Agency and review its implementation and Compliance.
- c) To decide on extension or continuation of the term of appointment of Independent Director on the basis of report of Performance evaluation of Independent Directors.
- d) To ensure remuneration to directors, Key Managerial Personnel and Senior Management involves a Balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- e) To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully, relationship of remuneration to performance is clear and meets appropriate performance Benchmarks.

The Constitution of NRC Committee has been changed during the year by appointment & resignation of Directors

STAKEHOLDER RELATIONSHIP COMMITTEE:

The Constitution of Stakeholders Relationship Committee is as per requirement of Section 178(5) of the Companies Act, 2013.

During the year 2018-2019, Stakeholders Relationship Committee was held on following dates- **09/08/2018 and 11/02/2019**

The Committee has been delegated the power of attending to share transfers

Composition of Stakeholder Relationship Committee as on 31st March, 2019:

Sr. No.	Name of Members	Category	No. of Meeting held	No. of Meeting Attended
1.	Mrs. Jayashree Iyer- (Chairperson)	Independent Director	2	0
2.	Mr. Natwar Nagarmal Agarwal	Independent Director	2	2
3.	Mr. Gopal Mohta	Independent Director	2	2
4	Mr. Mahesh Jhawar	Non- Executive Director	2	2

The Committee would look into the redressal of the shareholders' complaints in respect of all matters including transfer of shares, non-receipt of Annual Report, non-receipt of Share Certificates and investor's complaints etc.

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.



DHANLAXMI COTEX LIMITED

- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

There were No complaints were pending as on 31st March, 2019.

The Constitution of SRC Committee has been changed during the year by appointment & resignation of Directors

MANAGEMENT REVIEW AND RESPONSIBILITY:

FORMAL EVALUATION OF OFFICERS:

The Remuneration Committee of the Board approves the compensation and benefits for all executive Board members.

Another committee, headed by the MD, reviews, evaluates and decides the annual compensation of our officers from the level of executive upwards.

DISCLOSURES:

1. RELATED PARTY DISCLOSURES:

The Company has not entered into any materially significant related party transactions with its Promoters, Directors, or Management. The Company had formulated and adopted a policy with related party transaction and same is displayed on the Company's website.

The details of such related party transactions are available in the Notes to the Standalone financial statements section of the Annual Report.

2. COMPLIANCE BY THE COMPANY:

The Company has complied with the requirement of regulatory authorities on matters related to capital market and no penalties/ stricture have been imposed against the Company during the last three years.

3. ACCOUNTING TREATMENT:

The account treatments are in accordance with the applicable accounting standard. The Financial Statements for the year 2018-19 have been prepared in compliance with the new set of Indian Accounting Standards (IND AS) and the comparatives for the corresponding previous year 2016-2017 & 2017-2018 have been restated under IND AS for making items comparable.

4. RISK MANAGEMENT FRAMEWORK:

The Company has a well-defined risk management framework in place. The Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.



DHANLAXMI COTEX LIMITED

5. **VIGIL MECHANISM / WHISTLE BLOWER:**

The Company has implemented a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement. The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. All personnel have affirmed that they have not been denied access to the Chairman of the audit committee.

6. **MEANS OF COMMUNICATION:**

- a) **Quarterly results:** Quarterly/Half yearly/Annual results are regularly submitted to the Stock Exchanges where the shares of the Company are listed pursuant to the provisions of SEBI (LODR) Regulations 2015 and are published in the newspapers. The Company has also displayed the results as specified under Regulation 47 of SEBI (LODR) Regulations 2015 and on the Company's website i.e. <http://dcl.net.in/>
- b) **Newspapers wherein results normally published: National Language & Regional Language**
- c) The Company has in place, a policy on material events as required under regulation 31 of SEBI (LODR) Regulations 2015. The Company disseminates all information which is material in accordance with this policy to the stock exchanges and also on the website of the Company.
- d) The company also publishes all official news and other information prescribed under regulation 46 of the SEBI (LODR) Regulations, 2015 on the website at [://dcl.net.in/](http://dcl.net.in/)

7. **NON- MANDATORY REQUIRMENTS:**

Shareholder's Rights: The half yearly financial results are published in leading newspapers and also displayed on the Company's website <http://dcl.net.in/>.

8. **PREVENTION OF INSIDER TRADING:**

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prevention of Insider Trading) Regulation, 2015 and the same is available on the Company's website http://dcl.net.in/pdf/policies/insider_trading.pdf. This policy also includes practices and procedures for fair disclosures of unpublished price-sensitive information, initial and continual disclosures.

9. **CODE OF CONDUCT:**

In accordance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for Board of Director and Senior Management. The Code is available on the Company's website.

All members of the Board of Directors and Senior Management personnel have affirmed compliance to the Code as on **31st March, 2019**. A declaration to this effect signed by the Managing Director is annexed to this Report.

10. **CEO AND CFO CERTIFICATION:**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification is provided in this Annual Report.



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11. ANNUAL GENERAL MEETINGS:

Details of Annual General Meetings:

Particulars	F.Y.2017-2018	F.Y.2016-2017	F.Y.2015-2016
Date	28/09/2018	29/09/2017	30/09/2016
Time	11.30 a.m.	11.00 a.m.	11.00a.m.
Venue	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002
Regd. Office	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002

No Resolutions have been passed through Postal Ballot during the last 3 years.

GENERAL SHAREHOLDERS INFORMATION:

AGM:

Date	30th September,2019
Time	11.30 a.m.
Venue	285, 2nd Floor, C.J. House Princess Street, Mumbai-400 002

Financial Year (Tentative) (April 2019 to March 2020)

For consideration of Unaudited/Audited Financial Results

1. Results for quarter ending June 30, 2019	On or before 14 th August, 2019
2. Results for quarter ending September 30, 2019	On or before November 14, 2019
3. Results for quarter ending December 31, 2019	On or before February 14, 2019
4. Results for quarter ending March 31, 2020	On or before May 30, 2020
5. Annual General Meeting for the year	On or before September 30, 2020 ending March 31, 2020
E-voting period	27th September, 2019 at 9.00 a.m. and ends on 29th September, 2019 at 5.00 p.m.
Cut-off date for e-voting	Friday, 23/09/2019
Dates of Book Closure	Monday, September 23, 2019 to Monday, September 30, 2019 (both days inclusive)
Listing on Stock Exchange	Bombay Stock Exchange Ltd. Mumbai



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Demat ISIN Numbers in NSDL & CDSL	INE977F01010 for Equity Shares
Stock Code	512485
Corporate Identity Number:	L51100MH1987PLC042280
Market price Data: High, Low during each Month in the financial year 2018-19	See Table No. 1 below
Registrar and Share Transfer Agents	M/s. Bigshare Services Pvt. Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, And Maharashtra.
Distribution of shareholding & Category wise distribution	See table No. 2 & 3
De-materialization of shares and liquidity	See table No. 4
Address for correspondence	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002

1. Market price Data: High, Low during each Month in the financial year 2018-2019

High and Low of market price of the Company's shares traded on Bombay Stock Exchange Ltd., Mumbai, during the financial year **2018-2019**

Month	High(Rs.)	Low(Rs.)	Total No. of shares traded
April – 2018	18.00	18.00	0
May – 2018	18.00	18.00	0
June – 2018	18.00	18.00	0
July - 2018	18.00	18.00	0
August - 2018	17.95	17.10	240250
September – 2018	26.15	18.80	269
October – 2018	26.15	26.15	0
November - 2018	26.15	26.15	0
December - 2018	26.15	26.15	0
January - 2019	26.15	26.15	50
February – 2019	26.15	26.15	0
March – 2019	24.85	24.85	20



DHANLAXMI COTEX LIMITED

2. Distribution of shareholding as on 31st March, 2019:

Slab of share holdings No. of Equity Shares	No. of Shareholders	PERCENTAG OF TOTAL	SHARE AMOUNT RS	PERCENTAG OF TOTAL	
1	5000	1491	84.2849	3428170	7.0374
5001	10000	131	7.4053	991100	2.0345
10001	20000	73	4.1266	1138230	2.3366
20001	30000	23	1.3002	621000	1.2748
30001	40000	5	0.2826	193000	0.3962
40001	50000	10	0.5653	479000	0.9833
50001	100000	8	0.4522	549000	1.1270
100001	999999999	28	1.5828	41314000	84.8102
TOTAL		1768		48713500	100.00

3. Shareholding Pattern as on 31st March, 2019:

	Categories of Shareholders	Shares Held	% of Total
a)	Promoters	30,59,165	62.80
b)	Banks, Financial Institution, Insurance Companies, (Central/ State Govt. Institution/ Non-Govt. Institution)	5000	0.10
c)	Mutual Funds/UTI	0	00.00
d)	Foreign Institutional Investors	0	00.00
e)	Bodies Corporate	955985	19.63
f)	Public Individuals	851200	17.47
g)	NRIs / OCBs	0	00.00
h)	Clearing Members	0	00.00
i)	LLP/Partnership Firm	0	00.00
	TOTAL	4871350	100.00

4. De-materialization of shares and liquidity

As on **31st March, 2019: 4045100** shares, representing **83.04** % of the total issued capital, were held in dematerialized form and **826250** shares, representing **16.96** % of the total issued capital is held in physical form.

5. Registrar and Transfer Agent: SHARE TRANSFER SYSTEM

M/s. Bigshare Services Pvt. Ltd. continues to be the Registrar and Transfer Agent of the Company. All the work related to share Registry in terms of both Physical and Electronic segment has been allotted to M/s. Bigshare Services Pvt. Ltd., in view of the directive issued by SEBI in this regard i.e. for handling both Physical as well as Electronic transfer at a single point.



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Shareholders are therefore requested to send shares for Physical transfer to Bigshare Services Pvt. Ltd. instead of sending to the Company. As the Company's shares are compulsorily to be traded in the dematerialized form. Members holding shares in Physical Form are requested to send the share certificate to their Depository Participants to enable Registrar and Transfer Agent to take steps for dematerialization at the following:

The address of Registrar and Transfer agents is:

M/S. BIGSHARE SERVICES PVT. LTD

1st floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai 400059, Maharashtra.
Email: - investor@bigshareonline.com

6. Outstanding ADRs / GDRs:

The company has not issued any ADRs / GDRs

12. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company is committed to provide all its employees an environment free of gender based discrimination. In furtherance of this commitment, the Company strives to provide all its employees with equal opportunity and conditions of employment, free from gender based coercion, intimidation or exploitation. The Company is dedicated to ensure enactment, observance and adherence to guidelines and best practices that prevent and prosecute commission of acts of sexual harassment.

- a. Number of complaints filed during the Financial year 2018-19- NIL
- b. Number of complaints disposed of during the Financial year 2018-19- NIL
- c. Number of complaints pending as on end of the Financial year 2018-19- NIL

12. Disclosures:

- i) *Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or Relatives, etc. that may have potential conflict with the interests of the Company at large:*

The Audit Committee and the Board consider periodically the statement of related party transactions in detail together with the basis at their meetings and grant their approval. However, these transactions are not likely to have any conflict with the interest of the Company and are not materially significant.

As required by the IND AS-24, the details of related party transactions are given in Note to the notes on financial statements for the Financial Year 2018-19, forming part of Accounts.

- ii) *Management Disclosure:*

The Senior Management personnel have made disclosures to the Board relating to all material financial and commercial transactions, if any, where they may have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management personnel has entered into any such transactions during the year.

- iii) *Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any Statutory Authorities, on any matter related to Capital markets during last three years: **NIL***

- iv) *Vigil Mechanism / Whistle Blower Policy:*

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy to report genuine concerns or grievances. Protected disclosures can be made by a whistle blower through an e-mail, or telephone line or a letter to the Chairman of the Audit Committee or the Company Secretary of the Company or any member of the Audit Committee. The Policy on vigil mechanism /whistle blower policy may be accessed on the Company's website at the link <http://>



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dcl.net.in/investor_info.html. No personnel of the Company has been denied access to the Audit Committee.

- v) *Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.*

The Company is in Compliance with all mandatory requirements of Listing Regulations. In addition Company has also adopted the following Non-mandatory requirements to the extent mentioned below:

- vi) The Company's policy in dealing with Material Subsidiaries is placed on the website and can be accessed through web link http://dcl.net.in/investor_info.html. Company is not having any subsidiary Company.
- vii) The Company's policy in dealing with Related Party Transactions is placed on the website and can be accessed through web link http://dcl.net.in/investor_info.html.
- viii) Total Fees for all services paid by the Listed entity to the statutory auditor :

Total fees for financial Year 2018-19, for all services as mentioned below, was paid by the Company to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part

PAYMENT TO AUDITORS	Basic	GST	Gross
Audit Fees (Tax Audit Fees)	40000	7200	47200
Total	40000	7200	47200

- ix) *Corporate Identity Number (CIN)*

The Corporate Identity Number of the Company allotted by the Ministry of Corporate Affairs, Government of India is **L51100MH1987PLC042280**.

- x) *Compliance Certificate from Auditors on Corporate Governance*

Certificate from Statutory auditors M/s. Pankaj Trivedi & Co, Company Secretary in Practice confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

- xi) *Reconciliation of Share Capital Audit report (formerly known as Secretarial Audit Report) and Certificate of Compliance with Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

The SEBI vide Circular No. CIR/MRD/DP/30/2010 dated 6th September, 2010 has modified the terminology of Secretarial Audit, as **Reconciliation of Share Capital Audit**. A qualified Practicing Company Secretary has carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and total issued and listed capital. The Reconciliation of Share Capital Audit (formerly known as Secretarial Audit Report) confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL. The audit is carried out by **M/s. Pankaj Trivedi & Co.**, Practicing Company Secretaries every quarter and report thereon is submitted to the Stock Exchanges along with half yearly Compliance Certificate as per Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and placed before the Board of Directors.

- (xiii) *Compliance Of Corporate Governance Requirements Specified In Regulation 17 To 27 And Regulation 46(2)(B) To (I) Of Listing Regulations.*

Your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 of the Listing Regulations.

- (Xiv) Managing Directors Declaration on Code of Conduct and Ethics:**

The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Executives. All the Directors and the Senior Executives covered by the code have affirmed compliance with the code on an annual basis.

- (xv) *Disclosures with respect to demat suspense account/ unclaimed suspense account (Unclaimed Shares): NIL*



DHANLAXMI COTEX LIMITED

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

The Members of Dhanlaxmi Cotex Limited

We have examined the compliance of conditions of Corporate Governance by **Dhanlaxmi Cotex Limited** ("the Company") for the financial year ended **March 31, 2019** as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended **March 31, 2019**, *except as mentioned in Secretarial Audit Report for the year.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Pankaj Trivedi & Co.,
Practicing Company Secretary
C P No.: 15301**

**Place: Mumbai
Date: 09.08.2019**

**Sd/-
Pankaj Trivedi
Proprietor
ACS No.: 30512**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

INVESTMENT AND TRADING DIVISION (SECURITIES)

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2019

The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

The operational performance and future outlook of the business has been reviewed by the management based on current resources and future development of the Company.

1. Industry Structure & Development

The Indian Capital Markets continued their upsurge during past financial year. The continued confidence of the FII in Indian Capital Markets as a high potential emerging markets and strong belief making our capital markets as one of the favorite investment destinations, provide further growth opportunities to domestic and international players in the capital markets.

The Company has developed its Investment and Trading Division (Securities) into a strong, profit earning business of the company.

2. Opportunities & threats

With the Global Economic recovery expected to end over next few quarters, the general opinion is of improved market conditions. The domestic market is also expected to witness a reasonable growth with increased disposable income, especially among the middle class and also in the areas of hotels and hospitals. The strong fundamentals and depth of our finance and capital markets have enabled introduction of many new products and growth opportunities to the players. The Company expects this trend to continue and is fully geared up to reap the optimum benefits from emerging growth opportunities.

Your Company will continue to predominantly focus Investment and Trading of securities business to withstand the cyclical sluggish market trends.

3. Outlook

The Outlook of the Company for the year ahead is to diversify risk and stabilize its asset quality. The Company is proactively responding to the changing business environment and is confident of sustaining its market share by improving competitive position in the market. The overall business outlook for the company is promising with improvement in overall economic environment. Efforts towards higher operational efficiencies shall continue.



DHANLAXMI COTEX LIMITED

The company continues to examine the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

4. Risks and concerns

The Company is now concentrating on investment and trading in Securities. Competition in the market continues to have an impact on the Company's operational performance and also exerts pressure on the margins.

5. Internal Control Systems and their adequacy

The Company's operating and business control procedures have been framed in order that they ensure efficient use of resources and comply with the procedures and regulatory requirements. The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

6. Human Resource Development

The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/ dissemination, creativity and responsibility. As in the past, the company enjoyed cordial relations with the employees at all levels.

7. Subsidiary Company:

As there are no subsidiaries of the Company, Investment made in Subsidiaries is NIL.

8. Segment-Wise Performance:

The Company operates in single reported segment with main business of Finance, Investment and Share Trading activity.

9. Key Financial Ratios:

In accordance with the amended SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof:

The Company has identified following ratios as key financial ratios:

Particular	FY 2018-19	FY 2017-18	% Change
Debtors Turnover Ratio	0.02	0.01	50%
Inventory Turnover Ratio	3.01	0.44	14.62%
Interest Coverage Ratio	0	0	0
Current Ratio	1176.83	87.63	7.45%
Debt Equity Ratio	0	0	0
Operating Profit Margin (%)	7.07	3.36	47.52%
Net Profit Margin (%)	6.22	2.81	3.41%
Return on Net Worth RONW (%)	1.02	2.46	1.44%



DHANLAXMI COTEX LIMITED

FORM NO. AOC-1

Annexure - G

Salient feature of Financial Statement of Associate Companies

As at 31st March, 2019

Name of Associate Company	MR Shares Broking Pvt Ltd
Reporting Currency	Indian Rupees (Rs.)
Rate	
Capital	3,00,00,000
Reserve	6,81,03,111
Total Assets	9,83,76,307
Total Liabilities	273196
Investments Other than Investment in Associate	4,11,23,555
Turnover	81,00,754
Profit before Taxation	33,80,289
Provision for Taxation	3,24,888
Profit After Taxation	30,55,401
Proposed Dividend	0
% of Shareholding	1.01

On behalf of the Board of Directors

Place: Mumbai

Sd/-

Sd/-

Dated: 09.08.2019

Ramautar Jhawar

Mahesh Jhawar

Managing Director

Director

CERTIFICATE FOR ADHERENCE TO THE CODE OF CONDUCT

(Regulation 34(3) read with Schedule V (Part D) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Declaration by the Director

Pursuant to the Schedule V (Part D) of SEBI (LODR) Regulations, 2015, I hereby confirm that the company has received affirmation on compliance with Code of Conduct for the financial year ended **March, 2019** from all the Board members and Senior Management Personnel.

All the Board Members and Senior Management Personnel affirmed that they have complied with the said Code of Conduct on an annual basis in respect of the Financial Year ended **March 31, 2019**.

For and on behalf of the Board

For **Dhanlaxmi Cotex Limited**

Ramautar Jhawar
(Managing Director)

Mahesh S. Jhawar
(Director)

Place: Mumbai

Date: 29/05/2019



DHANLAXMI COTEX LIMITED

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

CERTIFICATE BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In terms of REGULATION 17 (8) OF SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is certified as under that:

- (a) We have reviewed financial statements and cash flow statements for the quarter ended March 31, 2019 and for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transaction is entered into by the company during the quarter ended March 31, 2019 and the financial year ended March 31, 2019 which is fraudulent, illegal or violative of company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting and that no material deficiencies in the design or operation of internal controls were observed in the quarter ended March 31, 2019 and during the financial year 2018-2019.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) There has not been any significant change in internal control over financial reporting during the quarter ended March 31, 2019 and the financial year ended March 31, 2019 under reference.
 - (ii) There has not been any significant change in accounting policies during the quarter ended March 31, 2019 and the financial year ended March 31, 2019 requiring disclosure in the notes to the financial statements and
 - (iii) No instances of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting were reported in the quarter ended March 31, 2019 and the financial year ended March 31, 2019.

This Certificate is given by the undersigned with full knowledge that on its faith and strength, full reliance is placed by the Board of Directors of the Company.

For and on behalf of the Board

For **Dhanlaxmi Cotex Limited**

Ramautar Jhawar
(Managing Director)

Mahesh S. Jhawar
(Director)

Place: **Mumbai**

Date: **29/05/2019**



DHANLAXMI COTEX LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanlaxmi Cotex Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Dhanlaxmi Cotex Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 March 31, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of each key audit matter in accordance with SA 701:

The Key Audit Matter	How the matter was addressed in our Audit
<p>Measurement of Investment in accordance with Ind AS 109 "Financial Instruments" On initial recognition, investment are recognized at fair value in vase of investment which are recognized at fair value through FVOCI. In that case that transaction costs are attributable to the acquisition value of the investments. The Company's investment are subsequently classified into following categories based on the objective to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> • At Amortised cost • At fair value through profit or loss (FVTPL) 	<p>Principal Audit procedure:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the companies objectives for such investments and assessment thereof in terms of Ind AS 109. • Obtaining an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgement applied by the management.



DHANLAXMI COTEX LIMITED

<ul style="list-style-type: none">• At fair value through Other comprehensive Income (FVTOCI) <p>The company has assessed following two objectives:</p> <ul style="list-style-type: none">• Held to collect contractual cash flows.• Realising cash flows through sale of investments. The Company makes decision based on assets fair value and manages the assets to realize those fair values. <p>Since valuation of investment at fair value involves critical assumptions, significant risk in valuation and complexity in assessment of objectives, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements. Refer Note 2 & 9 to the standalone financial statements.</p>	<ul style="list-style-type: none">• Evaluated the design of internal controls relating to measurement and also tested the operating effectiveness of the aforesaid controls.• Obtaining understanding of basis of valuation adopted in respect of fair value investment and ensured that valuation techniques used are appropriate in circumstances and for which sufficient data are available to measure fair value. Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.
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Emphasis of Matters

We draw attention to -

1. The Company has not complied with requirements stipulated in Ind-AS 109 "Financial Instruments" which requires all the Investment shall be recognized to Fair value. The Company has held certain Investments, which were classified as Inventories, to the extent of Rs. 17,73,75,704/- at cost price. Effect of such valuation is reduction of value by Rs. 4,74,38,130/-.

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 to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)⁵ and cash flows of the Company in accordance with⁶ the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from



DHANLAXMI COTEX LIMITED

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

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We



DHANLAXMI COTEX LIMITED

describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, the Statement of Profit and Loss, and the Cash Flow Statement 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,
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f)) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report 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:
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For R SONI & COMPANY
Chartered Accountants
Firm's Registration No. 130349W

RAJESH SONI
Partner
Membership No. 133240

Place of Signature: Mumbai
Date: 29.05.2019



DHANLAXMI COTEX LIMITED

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31st, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There are no immovable properties held by the Company.
- (ii) The management has conducted the physical verification of inventory at reasonable intervals. We are informed that no material discrepancies were noticed on physical verification of the inventory.
- (iii) (a) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act,2013 ('the Act'),
- (b) In the case of the loans granted to any parties in the register maintained under section 189 of the act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(ii) (b) of the order is not applicable to the company in respect of payment of the principal amount.
- (c) There are no overdue amounts for period of more than ninety days in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with provision of section 185 and 186 of Act, with respect to the loan and investment made.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for any of the services rendered by the Company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, value added tax, employees' state insurance and duty of excise.



DHANLAXMI COTEX LIMITED

- (b) According to the information and explanation given to us, there is no dispute pending in respect of dues of provident fund/sales tax/wealth tax/service tax/custom duty/excise duty/cess/value added tax, were in arrears as at 31st march, 2019 for a period of more than six month from the date they became payable.
- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (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) Based upon the audit procedure performed for purpose of reporting the true and fair view of the Financial Statements and According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the record of the Company, managerial remuneration has been paid/provided in accordance with the requisite approvals.
- (xii) In our opinion and according to the information and explanations given to us, the company is not Nidhi Company. Accordingly paragraph 3(xii) of 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 Standalone financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and based on our examination of the record of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of the section 45-IA of the Reserve Bank of India Act, 1934 are applicable to the company. However, *the company has not complied with the same.*

For R SONI & COMPANY
Chartered Accountants
Firm's Registration No. 130349W

RAJESH SONI
Partner
Membership No. 133240

Place of Signature: Mumbai
Date: 29.05.2019



DHANLAXMI COTEX LIMITED

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 **DhanlaxmiCotex Limited** ('the Company') as of 31st March 2019 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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 the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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.



DHANLAXMI COTEX LIMITED

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 authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at march 31,2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India.

For R SONI & COMPANY

Chartered Accountants
Firm's Registration No. 130349W

RAJESH SONI

Partner
Membership No. 133240

Place of Signature: Mumbai

Date: 29.05.2019



DHANLAXMI COTEX LIMITED

Balance Sheet as at 31st March, 2019

(AMOUNT IN RUPEES)

Particulars	Note		As at 31/03/2019	As at 31/03/2018
ASSETS				
1 Non-Current Assets				
a. Property, Plants & Equipment	1	10,564		26,410
b. <u>Financial Assets</u>				
i) Non-Current Investments	2	151,797,722		113,940,753
c. Other Tax Assets(Net)	3	690,871		690,871
d. Other Non Current Assets	4	<u>3,205,416</u>	155,704,572	<u>1,705,416</u>
2 Current Assets				
a. Inventories	5	177,375,704		139,973,781
b. <u>Financial Assets</u>				
i) Trade Receivable	6	1,324,606		2,524,682
ii) Cash and Bank Balances	7	5,412,910		6,283,731
c. Other Current Assets	8	-		53,380,113
d. Current Investments	9	<u>22,111,425</u>	206,224,646	<u>47,671,475</u>
TOTAL ASSETS			<u>361,929,218</u>	<u>366,197,231</u>
EQUITY AND LIABILITIES				
1 EQUITY				
a. Equity Share Capital	10	48,713,500		48,713,500
b. Other Equity	11	<u>312,370,594</u>	361,084,094	<u>313,962,715</u>
Non - Current Liabilities				
c. Deferred Tax Liability			669,887	670,114
Current Liabilities				
d. <u>Financial Liabilities</u>				
i) Trade Payable	12	-		2,122,516
e. Other Current Liabilities	13	<u>175,237</u>	175,237	<u>728,386</u>
TOTAL EQUITY & LAIBILITIES			<u>361,929,218</u>	<u>366,197,231</u>

As per our attached report of even date
For R. Soni & Co.
Chartered Accountants
(Registration No. 130349W)

Rajesh Soni
Partner
(Membership No. 133240)
Place : Mumbai
Dated : 29th May, 2019.

Konika Nirmal Shah
Company Secretary

Chandrakishor Bohra
(Chief Financial Officer)

For and on behalf of the Board of Directors

Ramautar S. Jhawar
Managing Director

Mahesh S. Jhawar
Director

Kamala R. Jhawar
Director



DHANLAXMI COTEX LIMITED

Statement of Profit and Loss for the year ended 31st March, 2019.

(Amount in Rupees)

PARTICULARS	NOTE	YEAR ENDED 31/03/2019	YEARENDED 31/03/2018
A CONTINUING OPERATIONS			
1 Revenue from operations	14	49,031,016	287,933,083
2 Other Income	15	9,918,627	30,014,524
Total Revenue		58,949,643	317,947,607
3 Expenses			
(a) Purchases of Stock in Trade	16	82,781,312	287,290,381
(b) Changes in Inventories	17	(37,401,923)	(1,838,662)
(c) Employees Benefit Expenses	18	6,615,107	5,840,875
(d) Depreciation	1	15,846	14,263
(e) Other Expenses	19	2,772,325	15,967,374
Total Expenses		54,782,667	307,274,232
4 Profit Before Exceptional Items & Taxes		4,166,976	10,673,375
Exceptional Items		-	-
Profit/(Loss) Before Taxes		4,166,976	10,673,375
Tax Expenses			
(a) Current Tax		498,328	1,739,039
(b) Earlier Tax		-	3,561
(c) Deferred Tax		227	3,206
Net Tax Expenses		498,101	1,745,806
Profit/(Loss) for the period	A	3,668,875	8,927,569
Other comprehensive income			
- Items that will not be reclassified to profit or loss		(5,260,997)	2,375,127
- Income tax relating to items that will not be reclassified to profit or loss		-	-
- Items that will be reclassified to profit or loss		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
	B	(5,260,997)	2,375,127
Total comprehensive income for the period	(A+B)	(1,592,122)	11,302,696
<i>(Profit/ loss + other comprehensive income)</i>			
Earnings per Equity share (Face Value of Rs. 10/- each)			
a) Basic		0.75	1.83
b) Diluted		0.75	1.83
Significant Accounting Policies	1-25		
Notes of Financial Statements			

As per our attached report of even date
For R. Soni & Co.
Chartered Accountants
(Registration No. 130349W)

For and on behalf of the Board of Directors

Rajesh Soni
Partner
(Membership No. 133240)
Place : Mumbai
Dated : 29th May, 2019.

Konika Nirmal Shah
Company Secretary

Chandrakishor Bohra
(Chief Financial Officer)

Ramautar S. Jhawar
Managing Director

Mahesh S. Jhawar
Director

Kamala R. Jhawar
Director



DHANLAXMI COTEX LIMITED

Cash Flow Statement for the Year Ended 31 March, 2019

(AMOUNT IN RUPEES)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	4,166,976	10,673,375
Adjustments for:		
Depreciation and amortisation	15,846	14,263
(Profit) (-) Loss (+) on sale of Investment	(3,720,062)	(3,614,759)
Dividend received	(2,598,214)	(2,505,814)
Interest income	(3,144,222)	(7,443,022)
Tax Paid profit from DSP BlackRock Mutual Fund	-	(271,972)
Redemption of Keyman Insurance Policy	-	(16,178,957)
Operating profit / (loss) before working capital changes	(5,279,675)	(19,326,885)
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories (increase / decrease)	(37,401,923)	(1,838,662)
Trade and other receivables	1,200,076	7,398,250
Other current assets	53,380,113	(43,287,088)
Other non-current assets	(1,500,000)	(122,342)
Trade and other Payables	(2,122,516)	2,122,516
Other Current Liabilities	(553,149)	635,564
Cash generated from operations	13,002,600	(35,091,761)
	7,722,925	(54,418,647)
Net income tax (paid) / refunds	498,328	1,742,600
Net cash flow from / (used in) operating activities (A)	7,224,597	(56,161,247)
B. Cash flow from investing activities		
Purchase of Investment	(17,557,916)	(32,922,786)
Long Term and Short Capital Gains	3,720,062	3,614,759
Interest received	3,144,222	7,443,022
Tax Paid profit from DSP BlackRock Mutual Fund	-	271,972
Redemption of Keyman Insurance Policy	-	16,178,957
Dividend Received	2,598,214	2,505,814
Purchase of FA	-	(32,300)
Net cash flow from / (used in) investing activities (B)	(8,095,418)	(2,940,562)
C. Cash flow from financing activities		
Net cash flow from / (used in) financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(870,821)	(59,101,809)
Cash and cash equivalents at the beginning of the year	6,283,731	65,385,540
Cash and cash equivalents at the end of the year	5,412,910	6,283,731

As per our attached report of even date

For and on behalf of the Board of Directors

For R. Soni & Co.

Chartered Accountants
(Registration No. 130349W)

Ramautar S. Jhawar
Managing Director

Rajesh Soni
Partner
(Membership No. 133240)
Place : Mumbai
Dated : 29th May, 2019.

Konika Nirmal Shah
Company Secretary

Chandrakishor Bohra
(Chief Financial Officer)

Mahesh S. Jhawar
Director

Kamala R. Jhawar
Director



DHANLAXMI COTEX LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2019

(In Rupees)

A. Equity Share Capital

Particulars	Amount
Balance at at 31st March, 2018	<u>48,713,500</u>
Changes in equity share capital during the year	-
Balance at at 31st March, 2019	<u>48,713,500</u>

B. Other Equity

Particulars	Reservers and Surplus					Total
	Securities premium Reserve	Other Reserves & Incentives	General Reserves	Retained Earnings	Other items of Other comprehensive income	
Balance at at 31st March, 2018	89,827,000	1,185,603	-	181,268,446	41,681,666	313,962,715
Profit for the year				3,668,875	-	3,668,875
Final Dividend	-		-	-	-	-
Tax on Dividend	-		-	-	-	-
Trf to General Reserve	-		-	-	-	-
Fair Value effect of Investments of shares	-		-	-	(5,260,997)	(5,260,997)
Balance at at 31st March, 2019	89,827,000	1,185,603	-	184,937,322	36,420,669	312,370,594



Notes on Financial Statements for the year ended 31st March, 2019.

Note - 1

(Amount in Rupees)

	GROSSBLOCK				DEPRECIATION/AMORTISATION/IMPAIRMENT LOSSES					NETBLOCK		
	AS AT 01.04.2018	ADDITION		DEDUCTION DURING THE YEAR	AS AT 31.03.2019	UP TO 01.04.2018	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2019	AS AT 31.03.2019	AS AT 31.03.2018
		THROUGH PURCHASE	THROUGH BUSINESS COMBINATION									
Computer	82,550	-	-	-	82,550	56,140	15,845	-	-	71,986	10,564	26,410
Total	82,550	-	-	-	82,550	56,140	15,845	-	-	71,986	10,564	26,410
Previous Year	50,250	32,300	-	-	82,550	41,877	14,263	-	-	56,140	26,410	8,373



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

Note - 2

(Amount in Rupees)

SR. NON CURRENT INVESTMENTS		As at 31.03.2019			As at 31.03.2018		
No. (AT FAIR MARKET VALUE)							
	<u>QUOTED SHARES</u>	<u>FACE</u>	<u>QTY</u>	<u>AMOUNT</u>	<u>FACE</u>	<u>QTY</u>	<u>AMOUNT</u>
		<u>VALUE</u>			<u>VALUE</u>		
1	Aditya Birla Faishon & Retail Ltd.	10	23,423	5,175,312	10	23,423	3,526,333
2	Aditya Birla Capital Ltd.	10	3,150	307,598		-	-
3	Aftek Info Ltd. (Bonus)	10	7,564	12,329	10	7,564	12,329
4	Ajay Multi Projects Ltd.	10	56,800	115,304	10	56,800	113,600
5	Bank of Baroda	2	10,000	1,288,000	2	10,000	1,422,000
6	Central Bank of India	10	25,000	912,500	10	25,000	1,837,500
7	Crest Animation Com Ltd.	10	7,315	7,681	10	7,315	7,681
8	DIVIS Laboratories Ltd.	2	8,500	14,477,200		-	-
9	DSQ Software Ltd. (Bonus)		25	165		25	165
10	Elecon Engineering Co. Ltd.	2	70,000	4,427,500		-	-
11	Gas Authority of India Ltd.	10	5,000	1,736,500	10	5,000	1,643,000
12	Gas Authority of India Ltd (Bonus)	10	8,332	2,893,704	10	8,332	2,737,895
13	Garden Silk Ind. Ltd.	10	14,389	287,780	10	14,389	465,484
14	Grasim Ind. Ltd.	2	2,250	1,930,950	2	2,250	2,371,725
15	Glenmark Pharmaceuticals Ltd.	1	18,000	11,619,900		-	-
16	GPI Textiles	10	3,060	70,167	10	3,060	70,167
17	GTN Textiles Ltd.	10	5,000	46,400	10	5,000	76,000
18	Hathway Bhawani	10	3,180	12,307	10	3,180	8,650
19	Hindustan Development Corpn Ltd.	10	3,500	19,600	10	3,500	19,600
20	Indian Oil Ltd.	10	13,500	2,196,450	10	13,500	2,380,050
21	Indian Oil Ltd. (Bonus)	10	70,500	11,470,350	10	70,500	12,429,150
22	IDFC Ltd.	10	40,000	1,856,000	10	40,000	1,946,000
23	IDFC Bank Ltd.	10	50,000	2,760,000	10	50,000	2,367,500
24	Jaiprakash Associates Ltd. (Bonus)	2	5,500	30,250	2	5,500	104,225
25	JCT Ltd.	2.50	40,500	68,445	2.50	40,500	112,185
26	Karnataka Bank Ltd.	10	100,000	13,345,000	10	100,000	11,505,000
27	Kotak Mahindra Bank Ltd.	5	1,000	1,335,750	5	1,000	1,048,600
28	Kotak Mahindra Bank Ltd. (Bonus)	5	1,000	1,335,750	5	1,000	1,048,600
29	Kesar Enterprises Ltd.		-	-	10	13,125	-
30	Laurus Labs Ltd.	10	10,000	3,997,500		-	-



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

Note - 2

(Amount in Rupees)

SR. NON CURRENT INVESTMENTS		As at 31.03.2019		As at 31.03.2018	
No.	(AT FAIR MARKET VALUE)				
31	L & T Finance Holding Ltd.	-	-	10	27,500 4,318,875
32	Maars Software (Bonus)	10	24,850 6,461	10	24,850 6,461
33	NCC Ltd.	2	36,747 4,137,712	2	36,747 4,323,285
34	Nahar Polyfilm	5	14,065 528,844	5	14,065 748,961
35	Nahar Spg. Ltd.	5	34,500 3,160,200	5	34,500 2,984,250
36	Nahar Capital Ltd.	5	3,288 297,564	5	7,208 886,584
37	Nahar Industry Enterprises	10	13,787 605,939	10	13,787 991,285
38	Network -18 Media	5	53,821 1,918,719	5	53,821 3,207,732
39	OCL India Ltd.	2	10,129 10,026,191	2	10,129 13,154,532
40	Peninsula Land Ltd.	2	10,000 83,200	2	10,000 203,000
41	Punj Lloyd Ltd.	2	25,000 52,750	2	25,000 426,250
42	Reliance Industries Ltd.	10	1,587 2,163,433	10	1,587 1,401,180
43	Reliance Industries Ltd. (Bonus)	10	5,333 7,269,146	10	5,333 4,850,986
44	Sun Pharmaceutical Ltd. (Ranbaxy)	1	7,800 3,738,150	1	7,800 4,830,150
45	Shilpa Medicare Ltd.	1	10,185 3,464,937		- -
46	Sistema Shyam Teleservices Ltd.	10	9,170 77,512	10	9,170 77,512
47	TV-18 Broadcast Ltd.	2	100,454 3,566,117	2	100,454 6,735,441
48	Sundaram BNP PSU Fund		76,470 6,456,343		76,470 7,532,716
49	Motilal Oswal Select Opportunity fund	10	654,255 6,500,000		- -
50	Edelwise Crossover Opportunity Fund		- 4,000,000		- -
	Sub Total - A		141,789,607		103,932,638
	UN QUOTED SHARES				
1	M R Shares Broking Pvt. Ltd.	10	600,000 6,000,000	10	600,000 6,000,000
2	V.R.M. Share Broking Pvt. Ltd.	10	350,000 3,500,000	10	350,000 3,500,000
	Sub Total - B		9,500,000		9,500,000
	ASSOCIATE COMPANY SHARES				
1	Dhanlaxmi Fabrics Ltd.	10	347,079 508,115	10	347,079 508,115
	Sub Total - C		508,115		508,115
	Grand Total (A+B+C)		151,797,722		113,940,753



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

(Amount in Rupees)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note - 3 OTHER TAX ASSETS(NET)		
Income Tax Receivables	690,871	690,871
Total	690,871	690,871
Note - 4 OTHER NON-CURRENT ASSETS		
Long Term Loans (ICD)	2,681,156	1,181,156
Deposits -Long Term	524,260	524,260
Total	3,205,416	1,705,416
Note - 5 INVENTORIES		
Stock -in -Trade (Shares)	177,375,704	139,973,781
Total	177,375,704	139,973,781
Note - 6 TRADE RECEIVABLES		
More than Six Months	-	-
Less than Six Months	1,324,606	2,524,682
Total	1,324,606	2,524,682
Note - 7 CASH AND CASH EQUIVALENTS		
Cash in Hand	113,478	346,790
Balance with Bank	5,299,433	5,936,940
Total	5,412,910	6,283,731
Note - 8 OTHER CURRENT ASSETS		
Other Current Assets	-	101,820
Short Term Loans & Advances	-	53,278,293
Total	-	53,380,113



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

Note - 9 CURRENT INVESTMENTS

(Amount in Rupees)

SR. CURRENT INVESTMENTS		As at 31.03.2019			As at 31.03.2018		
No. (AT FAIR MARKET VALUE)							
<u>QUOTED SHARES</u>		<u>FACE</u>	<u>QTY</u>	<u>AMOUNT</u>	<u>FACE</u>	<u>QTY</u>	<u>AMOUNT</u>
		<u>VALUE</u>			<u>VALUE</u>		
1	Bank of Baroda	-	-	-	-	-	-
2	Bank of India	-	-	-	-	-	-
3	Central Bank of India	-	-	-	-	-	-
4	Chennai Super Kings- Bonus	-	2,000	-	-	-	-
5	DSP Black-Rock Mutual Fund	-	-	-	-	-	-
6	DIVIS Laboratories Ltd.	-	-	-	2	11,500	12,529,250
7	Elecon Engineering Co. Ltd.	-	-	-	2	70,000	5,386,500
8	Glenmark Pharmaceuticals Ltd.	-	-	-	1	18,000	9,488,700
9	IDFC Ltd.	-	-	-	-	-	-
10	IDFC Bank Ltd.	-	-	-	-	-	-
11	Karnatka Bank Ltd.	-	-	-	-	-	-
12	Laurus Labs Ltd.	-	-	-	10	10,000	5,031,000
13	Shilpa Medicare Ltd.	-	-	-	1	10,185	4,736,025
14	Edelwise Crossover Opportunity Fund	-	-	3,500,000	-	-	4,000,000
14	Motilaloswal Select Opportunity fund	355,078	-	3,500,000	10	654,255	6,500,000
15	HDFC Liquied Fund	-	5,375	15,111,425	-	-	-
	Total			22,111,425			47,671,475

(Amount in Rupees)

Particular	As at	
	31.03.2019	31.03.2018
Note - 10 EQUITY SHARE CAPITAL		
Authorised :		
55,00,000 Equity Shares of Rs.10/- each	55,000,000	55,000,000
(Previous Year 55,00,000 Equity Shares of Rs.10/- each per value)		
Issued, Subscribed & Paid-up :		
48,71,350 Equity Shares of Rs.10/- each	48,713,500	48,713,500
fully paid-up in cash		
(Previous Year 48,71,350 Equity Shares of Rs.10/- each per value)		
TOTAL	48,713,500	48,713,500



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

Note No 10.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2019:

Particulars	As at 31st March, 2019		As at 31st April, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	4,871,350	48,713,500	4,871,350	48,713,500
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	4,871,350	48,713,500	4,871,350	48,713,500

Note No 10.2: Terms/rights attached to equity shares

- (A) The company has only one class of equity shares having a par value of Re. 10 per share. Each holder of equity shares is entitled to one vote per share.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No 10.3: Aggregate number of bonus shares issued and sub-division of shares during the period of five years immediately preceding the reporting date :

No Bonus Shares Issued and Sub-Division of shares during the period of five years.

Name of Share Holders	As at 31st March, 2019		As at 31st April, 2018	
	No of Shares	% held	No of Shares	% held
Eskay Niryat Pvt. Ltd.	529540	10.87	529540	10.87
Ajay Multi Projects Ltd.	141695	2.91	381695	7.84
Ramautar S. Jhawar	497115	10.20	497115	10.20
Kamala R. Jhawar	508500	10.44	388500	7.97



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

(Amount in Rupees)

Particular	As at 31.03.2019	As at 31.03.2018
Note - 11 OTHER EQUITY		
Capital Reserve		
At the beginning and at the end of the year	<u>1,185,603</u>	<u>1,185,603</u>
General Reserve		
At the beginning and at the end of the year	-	-
Security Premium		
Opening Balance	89,827,000	89,827,000
Add: during the year	-	-
Closing Balance	-	-
Surplus Closing Balance	<u>89,827,000</u>	<u>89,827,000</u>
Other Comprehensive Income		
Opening Balance	41,681,666	39,306,539
Add: during the year	(5,260,997)	2,375,127
Closing Balance	<u>36,420,669</u>	<u>41,681,666</u>
Surplus		
Opening Balance (As per the last Balance sheet)	181,268,446	172,340,877
Add: Transferred from surplus	3,668,875	8,927,569
	<u>184,937,322</u>	<u>181,268,446</u>
Sub Total - B	<u>184,937,322</u>	<u>181,268,446</u>
Grand Total (A+B)	<u>312,370,594</u>	<u>313,962,715</u>
Note - 12 CURRENT LIABILITIES		
Trade Payable	-	2,122,516
Total	<u>-</u>	<u>2,122,516</u>
Note - 13 OTHER CURRENT LIABILITIES		
Creditors for Expenses	43,200	43,200
Outstanding Liabilities	132,037	685,186
Short Term Borrowings	-	-
Total	<u>175,237</u>	<u>728,386</u>



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

(Amount in Rupees)

Particular	Year Ended 31.03.2019	Year Ended 31.03.2018
Note - 14 SALES		
Sale of Shares	49,031,016	278,526,349
Sale of Grey Cotton	-	9,406,734
Total	49,031,016	287,933,083
Note - 15 OTHER INCOME		
Interest Income	3,144,222	7,443,022
Dividend Income	2,598,214	2,505,814
Misc. Income	456,130	-
Long Term Investment Profit	3,656,315	2,353,550
Short Term Investment Profit	63,747	1,261,210
Profit on sale of Keymen Policy	-	16,178,957
Tax Paid Profit from DSP BlackRock	-	271,972
India Enhanced Mutual Fund	-	-
Total	9,918,627	30,014,524
Note - 16 PURCHASES		
Purchase of Shares	82,781,312	277,970,048
Purchase of Grey Cotton	-	9,320,333
Total	82,781,312	287,290,381
Note - 17 Changes in Inventories		
Opening Stock : (Shares)	139,973,781	138,135,119
Closing Stock : (Shares)	177,375,704	139,973,781
Total	(37,401,923)	(1,838,662)



DHANLAXMI COTEX LIMITED

Notes on Financial Statements for the year ended 31st March, 2019.

(Amount in Rupees)

Particular	Year Ended 31.03.2019	Year Ended 31.03.2018
Note - 18 EMPLOYEES BENEFIT EXPENSES		
1 Directors Remuneration	6,000,000	5,400,000
2 Directors Sitting Fees	22,000	-
3 Staff Salary & Bonus	505,141	386,285
4 Staff Welfare	87,966	54,590
TOTAL	6,615,107	5,840,875

Note - 19 OTHER EXPENSES

Establishment Expenses

1 Audit Fees (See Notes)	47,200	47,200
2 Advertisement & Exhibition Expenses	31,417	30,033
3 Bank & Demat Charges	2,243	17,205
4 Bad-Debts	-	9,922,932
5 Company's Contributoin to Provident Fund	376,650	343,300
6 Conveyance Expenses	25,806	17,552
7 Computer Repair & Maintinace	70,000	51,425
8 E-Voting	5,900	5,900
9 Filing Fees	8,418	40,668
10 Interest Paid	497,718	3,654,199
11 Keyman Premium	-	400,000
12 Legal & Professional	560,400	282,971
13 Listing Fees & Depository Expenses	305,620	308,366
14 Office Expenses	105,174	89,712
15 Office Rent	60,000	60,000
16 Printing & Stationery	76,140	58,266
17 Postage,Courier & Telegram	53,081	7,607
18 Profession Tax	7,500	7,500
19 Repair & Maintenance	175,164	100,118
20 Telephone Expenses	28,003	38,464
21 Travelling Expenses	245,091	453,374
22 Vehicle Expenses	90,801	30,583
TOTAL	2,772,325	15,967,374

As per our attached report of even date

For and on behalf of the Board of Directors

For R. Soni & Co.

Chartered Accountants

(Registration No. 130349W)

Ramautar S. Jhawar
Managing Director

Rajesh Soni

Partner

(Membership No. 133240)

Place : Mumbai

Dated : 29th May, 2019.

Konika Nirmal Shah

Company Secretary

Chandrakishor Bohra
(Chief Financial Officer)

Mahesh S. Jhawar

Director

Kamala R. Jhawar

Director



DHANLAXMI COTEX LIMITED

20 Related party disclosure

a) Name of the related party and description of relationship.

S.No.	Related Parties	Nature of Relationship
(i)	M R Share Broking Private Limited	
(ii)	VRM Share Broking Private Limited	Associate Company
(iii)	Ramautar Jhawar	Director
(iv)	Mahesh Jhawar	Director
(v)	Kamla Jhawar	Director
(vi)	Gopal Mohta	Director
(vii)	Natwar Agarwal	Director
(viii)	Chandra Kishore Bohra	CFO

b) Details of Transactions and Balances during the year with related parties at the year end.

S.No.	Related parties		2018-19 (Rs.)	2017-18 (Rs.)
(i)	Ramautar Jhawar		60,000	60,000
(ii)	Mahesh Jhawar		-	474,000
(iii)	Ramautar Jhawar	Director Remuneration	6,000,000	3,867,000
(iv)	M R Share Broking Private Limited	Sale of Shares	4,210,038	24,627,868
(v)	VRM Share Broking Private Limited	Sale of Shares	12,470,288	56,348,454
(vi)	M R Share Broking Private Limited	Purchase of Shares	3,104,256	18,951,651
(vii)	VRM Share Broking Private Limited	Purchase of Shares	37,939,677	78,769,831
(viii)	Chandra Kishore Bohra	CFO Remuneration	419941	386285

i) Director Remuneration is net of TDS Payable and Contribution to Provident Fund Account etc.

21 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.



DHANLAXMI COTEX LIMITED

As at 31st March 2019

Particulars	Carrying amount			Fair value	
	Through OCI	Amortised Cost	Total	Level 1	Total
Financial assets					
Investments	173,909,147	-	173,909,147	173,909,147	173,909,147
Trade Receivables	-	1,324,606	1,324,606	-	-
Other Non Current Assets	-	3,205,416	3,205,416	-	-
Cash and cash equivalents	-	5,412,910	5,412,910	-	-
	173,909,147	9,942,932	183,852,079	173,909,147	173,909,147
Financial liabilities					
Trade Payables	-	175,237	175,237	-	-
	-	175,237	175,237	-	-

As at 31st March 2018

Particulars	Carrying amount			Fair value	
	Through OCI	Amortised Cost	Total	Level 1	Total
Financial assets					
Investments	161,612,228	-	161,612,228	113,940,753	-
Trade Receivable	-	2,524,682	2,524,682	-	-
Cash and cash equivalents	-	6,283,731	6,283,731	-	-
	161,612,228	8,808,413	170,420,641	113,940,753	-
Financial liabilities					
Trade Payables	-	2,850,902	2,850,902	-	-
	-	2,850,902	2,850,902	-	-

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

C. Financial Risk Management

Risk management framework

A wide range of risks may affect the Company's business and operational or financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable



DHANLAXMI COTEX LIMITED

actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due, When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.



DHANLAXMI COTEX LIMITED

Particulars	(Amount in Rs.)	
	As at March 31, 2019	As at 31st March 2018
0 - 6 months	1,324,606	2,524,682
Beyond 6 months	-	-
Total	1,324,606	2,524,682

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances as stated in Note No. 05. The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk, interest rate risk.

Currency risk

The Company is not exposed to any currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in INR's Only. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.



DHANLAXMI COTEX LIMITED

22 Company Overview

The Company ("M/S. DHANLAXMI COTEX LIMITED") is an existing public limited company incorporated on 19th January, 1989 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at 285, Princess Street, C J House, Mumbai 400002. The Company's main activity is cornered with trading in Shares & Securities, investment in Shares & Securities & Financing Activities. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee (₹).

23 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS. Refer Note no. 24 on 'First Time Adoption of Ind AS' for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows which is separately presented in the annual report.

The financial statements were authorized for issue by the Company's Board of Directors on 29.05.2019.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (i) Investments are measured at fair value.

(B) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(i) Sales

- (i) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.



DHANLAXMI COTEX LIMITED

(i) The Company recognises income from sale of shares & securities on accrual basis.

(II) Other Income

(i) Interest Income

Interest is recognised on a time proportionate basis, taking into account the amount outstanding and the coupon rate applicable.

(ii) Dividends

Income from dividend is accounted when such dividend has been received and the Company's right to receive payment is established

(iii) Gains on Investment

The Profit/Loss on investments having a material bearing on the financial statements have been recognized on accrual basis through OCI. Actual Gain/Loss on Sale of Investment is recognised in Profit and Loss statement through corresponding debits in OCI.

(C) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

(i) All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

(i) Depreciation

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) The depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(E) Inventories Valuation

(i) Inventories are Stated at Cost

(F) Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(G) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(H) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of



DHANLAXMI COTEX LIMITED

financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(K) Investments

All equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income.

(L) Employee Benefit

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered .

(O) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

(P) Taxation

- (i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation. Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.
- (ii) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.
- (iii) Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.



DHANLAXMI COTEX LIMITED

- (M) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the no tax has been recognised in the books of Accounts.

(Q) Impairment of Assets

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

(R) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(S) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(T) Financial Instruments

(I) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

- (a) Financial assets carried at amortised cost (AC):** A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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(b) **Financial assets at fair value through other comprehensive income (FVTOCI):** A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) **Financial assets at fair value through profit or loss (FVTPL):** A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) **Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- (a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(II) **Financial Liabilities**

(i) **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

24 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.



DHANLAXMI COTEX LIMITED

Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(I) Ind AS Optional exemptions

Deemed Cost - Property, Plant and Equipment and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

(II) Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

(ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions for Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows first time adopter to apply the derecognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past Ind AS 101 retrospectively from the date of entity's choosing, transactions was obtained at the time of initially accounting for the transactions.

25 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our attached report of even date
For R. Soni & Co.
Chartered Accountants
(Registration No. 130349W)

Rajesh Soni
Partner
(Membership No. 133240)
Place : Mumbai
Dated : 29th May, 2019.

Konika Nirmal Shah
Company Secretary

Chandrakishor Bohra
(Chief Financial Officer)

For and on behalf of the Board of Directors

Ramautar S. Jhavar
Managing Director

Mahesh S. Jhavar
Director

Kamala R. Jhavar
Director



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DHANLAXMI COTEX LIMITED

RESTRICTION ON TRANSFER OF PHYSICAL SHARES & PROCEDURE FOR DEMATERIALISATION OF SHARES

ALL SHAREHOLDERS/ STAKEHOLDERS

Amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with respect to mandatory dematerialization for transfer of securities

SEBI has vide gazette notification dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only by making an amendment in Regulation 40 of the Listing Regulations which will come into effect from **December 5, 2018**.

According to the aforesaid notification, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018.

PLEASE NOTE THAT BIGSHARE SERVICES PVT. LTD , REGISTRARS AND TRANSFER AGENT AND COMPANY WILL NOT ACCEPT ANY REQUEST FOR TRANSFER OF SHARES IN PHYSICAL FORM WITH EFFECT FROM DECEMBER 5, 2018.

This restriction shall not be applicable to the request received for transmission or transposition of physical shares.

Shareholders are requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account. Please refer procedure for dematerialization of shares.

You may also visit web site of depository's viz., NSDL or CDSL for further understanding about the demat procedure:

NSDL website: <https://nsdl.co.in/faqs/faq.php> (dematerialization)

CDSL website: <https://www.cdslindia.com/downloads/faq/Demat%20CDSL%20Way%20-%20V%20-%20Dematerialization.pdf>

You may access the circulars issued by the BSE and NSE in this regard on following links:

BSE website: <https://www.bseindia.com/corporates/Displaydata.aspx?Id=cd22b184-1153-4b05-8ad9d04699161f89&Page=cir>

NSE website: https://www.nseindia.com/corporates/content/eq_listcompanies.htm



DHANLAXMI COTEX LIMITED

SHAREHOLDERS, HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO ARRANGE THE DEMATERIALIZATION OF THE SAID SHARES AT EARLIEST TO AVOID ANY INCONVENIENCE IN FUTURE FOR TRANSFERRING THOSE SHARES.

DEMATERIALIZATION OF SHARES

Dematerialization offers flexibility along with security and convenience. Holding share certificates in physical format carried risks like certificate forgeries, loss of important share certificates, and consequent delays in certificate transfers.

Dematerialization eliminates these hassles by allowing customers to convert their physical certificates into electronic format. Shares in the electronic format are held in a Demat account.

Process of dematerialization of shares

- Dematerialization starts with opening a Demat account. For demat account opening, you need to shortlist a Depository Participant (DP) that offers Demat services. A DP is an agent of the depository (NSDL and CDSL) providing depository services to investors.
- To convert the physical shares into electronic/demat form, A Dematerialization Request Form (DRF), which is available with the Depository Participant (DP), has to be filled in and deposited along with share certificates. On each share certificate, '*Surrendered for Dematerialization*' needs to be mentioned.
- The DP needs to process this request along with the share certificates to the company and simultaneously to registrars and transfer agents through the depository
- Once the request is approved, the share certificates in the physical form will be destroyed and a confirmation of dematerialization will be sent to the depository
- The depository will then confirm the dematerialization of shares to the DP. Once this is done, a credit in the holding of shares will reflect in the investor's account electronically.
- This will take about 15 to 30 days after the submission of dematerialization request
- Dematerialization is possible only with a Demat account.

Benefits of dematerialization

- It allows you to conveniently manage your shares and transactions from anywhere;
- Stamp duty is not levied on your electronic securities;
- When you open a demat account, it provides paperless transactions of securities;



DHANLAXMI COTEX LIMITED

DHANLAXMI COTEX LIMITED

Registered Office: 285, Princess Street, 2nd Floor, Chaturbhuj Jivandas House, Mumbai-400002

Email: dcotex1987@gmail.com | **Website:** dcl.net.in | **CIN:** L51100MH1987PLC042280 | **Tel:** 022-66228050

ATTENDANCE SLIP

33rd Annual General Meeting, September 30, 2019 at 11.30 A.M.

Name of the Member:

Regd. Folio No.	* DP ID:
No. of Equity Shares held	* Client ID:

Name of the Shareholder	
Name of Proxy	

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the **33rd Annual General Meeting of the Company** on **Monday, September 30, 2019 at 11.30 A.M.** at the registered office of the Company at 285, Princess Street, 2nd Floor, Chaturbhuj Jivandas House, Mumbai-400002.

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

If Member, please sign here

If Proxy, please sign here

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Shareholders are informed that no duplicate attendance slips will be issued at the venue of meeting. Members are requested to bring their copies of the Annual Report to the meeting.



DHANLAXMI COTEX LIMITED

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DHANLAXMI COTEX LIMITED

DHANLAXMI COTEX LIMITED

Registered Office: 285,Princess Street,2nd Floor, ChaturbhujJivandas House, Mumbai-400002
Email: dcotex1987@gmail.com | **Website:** dcl.net.in | **CIN:** L51100MH1987PLC042280 | **Tel:** 022-66228050

Form No. MGT – 11

PROXY FORM

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

33rd Annual General Meeting, September 30, 2019 at 11.30 A.M.

Name of the member(s): Registered address: Email Id: Folio No./Client Id / DP ID:	
--	--

I/We, being the member(s) holding shares of the above named Company, hereby appoint the following as my/ our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Monday, September 30, 2019 at 11.30 A.M.** at the Registered Office of the Company at 285,Princess Street,2nd Floor, Chaturbhuj Jivandas House, Mumbai-400002

1. Mr./Ms.....of in the district of..... or failing him / her
2. Mr./Ms.....of in the district of..... or failing him / her
3. Mr./Ms.....of in the district of..... or failing him / her
4. Signed this day of, 2019

.....
Signature of the Member

Affix One
Rupee
Revenue
Stamp

Note: This form in order to be effective shall be duly stamped, completed and deposited at the Registered Office of the Company not less than 48 hours before the meeting.





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DHANLAXMI COTEX LIMITED

Form No. MGT – 12

Ballot Paper

[Pursuant to Section 109(5) of the Companies Act, 2013 (the Act) and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

CIN: L51100MH1987PLC042280

Name of Company: DHANLAXMI COTEX LIMITED

Registered Office: 285, Princess Street, 2nd Floor, ChaturbhujJivandas House, Mumbai-400002

Email: dcotex1987@gmail.com | **Website:** dcl.net.in | **Tel:** 022-66228050

33rd Annual General Meeting, September 30, 2019 at 11:30 A.M.

Sr.No.	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal Address	
3	Registered Folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in following manner:

Sr.No.	Item No.	No. of Shares held	I assent to the resolution	I dissent from the resolution
1	To receive, consider and adopt the audited financial statement of the Company for the year ended 31st March, 2019 , including balance sheet as at 31st March, 2019 , the statements of profits & loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon			
2	To appoint a director in place of Mrs. Kamla R. Jhawar , who retires by rotation and, being eligible, offered herself for re-appointment			
3	To re- appoint Statutory Auditors and fix their remuneration			
4	To Approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013			
5	Appointment of Mr. Mahesh Jhawar as Whole Time Director of the Company			
6	Regularization of Appointment of Mr. Rahul Jhawar (DIN : 07590581) as an Non-Executive Director in the Company			
7	Appointment of Mrs. Niyati Ketan Shah (Non-Executive) (DIN:02171577) as an Independent Director of the Company			
8	Payment of remuneration to Executive Directors			

Place: Mumbai

Date:

(Signature of Shareholder)



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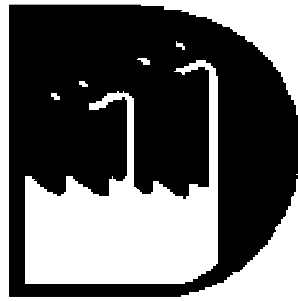
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CIN : L51100MH1987PLC042280

33rd Annual Report 2018-2019



DHANLAXMI COTEX LIMITED

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DHANLAXMI COTEX LIMITED

33RD ANNUAL REPORT

Board of Directors

Shri Ramautar Jhawar

(Managing Director)

Shri Mahesh Jhawar

(Director)

Smt. Kamala R. Jhawar

(Director)

Mr. Rahul Jhawar

(Director)

(Appointed w.e.f 09-08-2019)

Shri Vijay Kumar Moyal

(Independent Director resigned w.e.f 19-07-2018)

Shri Navin Vyas

(Independent Director resigned w.e.f 30-06-2018)

Mr. Natwar Nagarmal Agarwal

(Independent Director appointed w.e.f 09-07-2018)

Mrs. Jayashree Iyer

(Resigned w.e.f 31.07.2019)

Mrs. Niyati K. Shah

(Appointed w.e.f 09-08-2019)

Mr. Gopal Mohta

(Independent Director)

Registered & Administrative Office

285, Princess Street, 2nd Floor,
Chaturbuj Jivandas House, Mumbai - 400 002.

Bankers

HDFC Bank Ltd.

Auditors

M/s. R.Soni & Co.
Chartered Accountants
1509, Ghanshyam Enclave, New Link Road,
Near Lalji Pada Police Chowki,
Kandivali (West), Mumbai - 400 067

Registrar and Share Transfer Agents

Bigshare Services Pvt. Ltd.
1st floor, Bharat tin works building, opp. vasant oasis,
makwana road, Marol, Andheri East,
Mumbai 400059, Maharashtra

Listing on Stock Exchange

Bombay Stock Exchange Ltd.



DHANLAXMI COTEX LIMITED

MAP

The image shows a Google Maps interface with a blue sidebar on the left and a map on the right. The sidebar contains the following information:

- Origin: Marine Lines, Mumbai, Maharashtra
- Destination: 285, Shamaldas Gandhi Marg, Navajeev
- Options: Send directions to your phone
- Route 1: via Shamaldas Gandhi Marg (6 min, 500 m)
- Route 2: via Maharshi Karve Rd and Shamaldas Gandhi Marg (7 min, 550 m)
- Route 3: via Jss Rd and Shamaldas Gandhi Marg (7 min, 550 m)

The map on the right shows the area around Marine Lines, Mumbai. A red pin marks the destination at 285, Shamaldas Gandhi Marg, Navajeev. Three walking routes are highlighted with blue lines and icons. The first route is the shortest, taking 6 minutes and covering 500 meters. The other two routes take 7 minutes and cover 550 meters. The map also shows various landmarks, including the Ministry of Corporate Affairs Office, Gur Lady of Delours Church, and Metro INOX Cinema.