



# DHANLAXMI COTEX LIMITED

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

CIN No: L51100MH1987PLC042280

Date: 28<sup>th</sup> August, 2018

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

Ref: BSE Scrip Code: 512485

Sub: Notice of 32<sup>nd</sup> Annual General Meeting of Dhanlaxmi Cotex Limited

Dear Madam/Sir,

Please find enclosed herewith the Notice of 32<sup>nd</sup> Annual General Meeting of Dhanlaxmi Cotex Limited scheduled to be held at 285, Princess Street, C. J. House, 2nd Floor, Mumbai – 400 002 on Friday, 28<sup>th</sup> September, 2018 at 11.30 a.m.

Kindly take the above information on record.

Thanking You

Yours faithfully,  
For Dhanlaxmi Cotex Limited

Ramautar Jhavar  
(Managing Director)





# DHANLAXMI COTEX LIMITED

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## **NOTICE OF 32<sup>nd</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the members of **DHANLAXMI COTEX LIMITED (CIN:L51100MH1987PLC042280)** will be held on **Friday, 28<sup>th</sup> September, 2018** at **11.30 a.m.** at the Registered office of the company at 285, Princess Street, C. J. House, 2<sup>nd</sup> 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 31<sup>st</sup> March, 2018, including Balance Sheet as at 31<sup>st</sup> March, 2018, 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** ((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 31<sup>st</sup> Annual General Meeting (AGM) of the Company held on **29<sup>th</sup> 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 31<sup>st</sup> AGM till the conclusion of 36<sup>th</sup> 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. **Appointment of Mr. Natwar Nagarmal Agarwal as an Independent Director (Non- Executive) of the Company**

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



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“**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, Mr. Natwar Nagarmal Agarwal (**DIN-08170211**), 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 09<sup>th</sup> July, 2018 and who has submitted a declaration that he 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 his 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 July, 2023.

**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.”

**5. Appointment of Mrs. Jayashree Iyer (DIN-01520083) as an Independent Director (Non- Executive) 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. Jayashree Iyer (DIN-01520083)**, who was appointed as an Additional Director of the Company in the Board meeting held on dated **11<sup>th</sup> August, 2018** 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 **03<sup>rd</sup> August, 2018** (Consent Date) 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 **02<sup>nd</sup> August, 2023**.

**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.”

**6. To increase Borrowing Powers of the Board of Directors under Section 180 (1) (c) of the Companies Act, 2013 upto Rs. 500 Crores and to consider and, if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution.**

“**RESOLVED THAT** in suppression of earlier resolution passed in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the



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consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of 500 Crores (Rupees Five Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors may do all such acts, deeds and things as may be necessary or delegate the powers in respect thereof as permissible under applicable provisions of the Companies Act, 2013."

**7. Creation of Security under Section 180 (1) (a) of the Companies Act, 2013 in connection with the borrowings of the Company and to consider and, if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, and subject to other approvals, if applicable or required under any statute(s) / rule(s)/ regulation(s) or any law for the time being in force or required from any other concerned authorities and in supersession of all earlier Resolutions passed in this regard under the Companies Act (earlier in force), consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favor of banks/financial institutions, other investing agencies and trustees for the holders of debentures/ bonds/other instruments to the debenture/ bonds issued or proposed to be issued, loan and /or other credit facilities availed or proposed to be availed together with interest thereon and such other costs, charges, expenses and other moneys payable by the Company as per the terms and conditions of the issue of bonds/debentures issued/ proposed to be issued or the loan agreement and/or other documents pertaining to credit facilities entered into or proposed to be entered into by the Company, within the overall borrowing limits fixed of Rs. 500 Crores (Rupees Five Hundred Crores) pursuant to Section 180(1)(c) of the Companies Act, 2013."

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

**8. To make Investments, give Loans, Guarantees and provide Securities beyond the prescribed limits and to consider and, if thought fit, to pass with or without modification(s) the following**

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## **Resolution as a Special Resolution.**

“**RESOLVED THAT** pursuant to Section 186 and all other applicable provisions of the Companies Act, 2013, if any, and the rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and other necessary approvals, if any, and to the extent required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any of its duly authorized committees or one or more Directors) at its discretion to (i) give any loans to any person or other body corporate, or (ii) give any guarantees or to provide security in connection with a loan to any other body corporate or person, or (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of Company’s paid up capital and its free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, provided that the total loans or investments made, guarantees given, and securities provided shall not exceed an aggregate amount of Rs. 500 Crores.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments or loans or guarantees or securities and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection.”

**By Order of the Board of Directors**

**Sd/-**

**Ramautar S. Jhwar**

**(Chairman & Managing Director)**

Place: **Mumbai**

**Date: 11-08-2018**

**REGISTERED OFFICE:**

285, Princess Street, C. J. House, 2<sup>nd</sup> Floor, Mumbai – 400 002

Phone: 022-66228050/55

Email: dcotex1987@gmail.com

Website: <http://dcl.net.in/>



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## 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 authorised 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, 2<sup>nd</sup> 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 **Friday, September 21, 2018 to Friday, September 28, 2018 (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/FITTC/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](mailto: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 2017-2018 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 2017-2018 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 **32<sup>nd</sup> Annual General Meeting** and the Annual report for 2017-2018 will also be available on the Company's website [www.dcl.net.in](http://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. Jhawar

(Chairman & Managing Director)

Place: **Mumbai**

Date: **11-08-2018**

**REGISTERED OFFICE:**

285, Princess Street, C. J. House, 2<sup>nd</sup> Floor, Mumbai – 400 002

Phone: 022-66228050/55

Email: [dcotex1987@gmail.com](mailto: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 **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 dematerialised form) as on **Friday, 21st September, 2018** 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 **25<sup>th</sup> September, 2018 at 9.00 a.m.** and ends on **27<sup>th</sup> September, 2018 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, 21st September, 2018** 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](http://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](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>

- (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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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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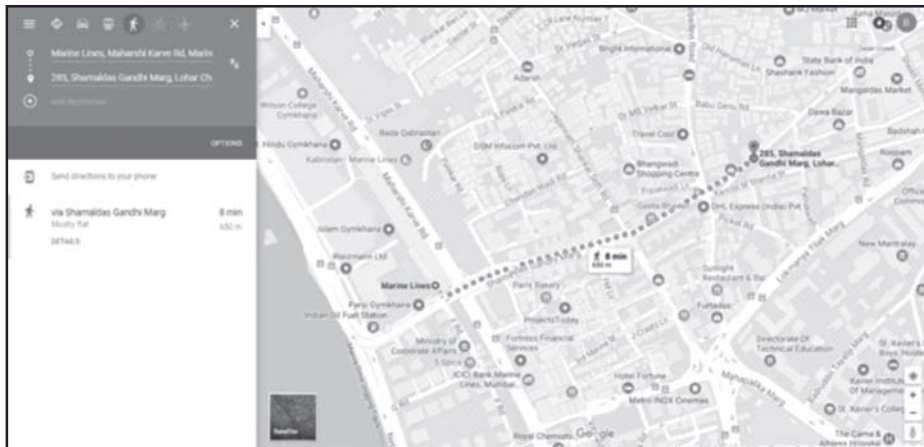


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Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- (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](http://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. Jhawar

(Chairman & Managing Director)

Place: **Mumbai**

Date: **11-08-2018**

### REGISTERED OFFICE:

285, Princess Street, C. J. House, 2<sup>nd</sup> Floor,

Mumbai – 400 002 Phone: 022-66228050/55

Email: [dcotex1987@gmail.com](mailto: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 sets out the material facts relating to business under Item Nos. 4 and 8, mentioned in the accompanying Notice dated **11.08.2018**.

### **ITEM NO. 4**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed **Mr. Natwar Nagarmal Agarwal (DIN – 08170211)**, as an Additional Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from **09<sup>th</sup> July, 2018**.

Pursuant to the provision of Section 161 of the Act, being an Additional Director, Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) 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 Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) for the office of Independent Director of the Company.

The Company has received from Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) (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.

Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his 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 Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) in terms of Section 149(7) of the Companies Act, 2013, the Board is of the opinion that he meets with the criteria of independence and he 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](http://www.dcl.net.in). Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) is not related to any other Director and Key Managerial Personnel of the Company.

Brief profile of Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**) 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 Mr. Natwar Nagarmal Agarwal (**DIN – 08170211**), 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. 4 of the Notice.



## DHANLAXMI COTEX LIMITED

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The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

### **ITEM NO. 5**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed **Mrs. Jayashree Iyer (DIN-01520083)**, as an Additional Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from **03<sup>rd</sup> August, 2018** .

Pursuant to the provision of Section 161 of the Act, being an Additional Director, **Mrs. Jayashree Iyer (DIN-01520083)** 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. Jayashree Iyer (DIN-01520083)** for the office of Independent Director of the Company.

The Company has received from **Mrs. Jayashree Iyer (DIN-01520083)** (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. Jayashree Iyer (DIN-01520083)** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his 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. Jayashree Iyer (DIN-01520083)** in terms of Section 149(7) of the Companies Act, 2013, the Board is of the opinion that he meets with the criteria of independence and he 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](http://www.dcl.net.in). **Mrs. Jayashree Iyer (DIN-01520083)** is not related to any other Director and Key Managerial Personnel of the Company.

Brief profile of **Mrs. Jayashree Iyer (DIN-01520083)** 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. Jayashree Iyer (DIN-01520083)**, 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. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members

### **ITEM NO. 6 & 7**

An Ordinary Resolution passed by the Company at its 30<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016 (being Resolution under item number 3 & 4 therein) inter alia, authorised the Board of Directors of the Company ("the Board")

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## DHANLAXMI COTEX LIMITED

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pursuant to Section 180 (1) (c) & 180 (1) (a) of the Companies Act, 2013, to borrow monies in excess of the aggregate of the Company's Paid-up capital and Free Reserves subject to a ceiling of Rs. 100 crores.

The overall borrowing limit needs to be increased from the present Rs. 100 crores to Rs. 500 crores in view of additional fund requirements of the Company envisaged for the current and future financial years.

Pursuant to Section 180 (1)(c) of the Companies Act, 2013, the Board of Directors shall exercise borrowing powers in excess of its Paid-up Capital and Free Reserves only with the consent of the Company by passing a Special Resolution at a Meeting of the Shareholders.

Should the creation of mortgage(s) and/or charge(s) on the whole or substantially the whole of the Undertaking(s) of the Company as contemplated under Section 180(1)(a) of the Companies Act, 2013 be called for, the consent of the Shareholders is also being sought for creation of such mortgage(s) and/or charge(s).

Your consent is required under the provisions of Sections 180(1) (c) and 180(1) (a) of the Act, to increase the borrowing limits and to mortgage and / or create a charge on any of the moveable and / or immovable properties and / or the whole or any part of the undertaking(s) of your Company to secure its borrowings.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolutions.

The Resolution under item no. 6 & 7 of the accompanying Notice is being proposed to be passed by the Shareholders as a Special Resolution in the aforesaid context.

The Board recommends the Resolution for acceptance.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 6 & 7 of the accompanying Notice.

### **ITEM NO. 8**

An Ordinary Resolution passed by the Company at its 30<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016 inter alia, authorised the Board of Directors of the Company ("the Board") pursuant to Section 186 of the Companies Act, 2013, to make Investments, give Loans, Guarantees and provide Securities beyond the prescribed limits .The overall investments limit needs to be increased from the present Rs. 100 crores to Rs. 500 crores.

The Company has made investments and loans from time to time. In this regard, it is proposed to authorize the Board of Directors of the Company to invest into securities of anybody corporate and/or make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made up to Rs.500 Crores (Rupees Five Hundred Crores Only). The investments of funds etc. may require restructuring / conversion with the changed business environment.

As per section 186 of the Companies Act, 2013, where a Company make investment in shares, debentures, securities of other body corporate and/or provide loan etc and such investments etc are in excess of 60% of the paid up Share

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## DHANLAXMI COTEX LIMITED

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Capital, Free Reserves and Securities Premium Account of the Company or 100% of Free Reserves and Securities Premium Account of the Company whichever is more as prescribed under Section 186 of the Companies Act, 2013 and the rules made there under, from time to time in one or more tranches, approval by way of Special Resolution of the shareholders is required. It is proposed to authorize up to a maximum amount of Rs. 500 Crores notwithstanding that investments along with company's existing loans or guarantee(s)/ security(ies) or investments shall be in excess of the limits prescribed under Section 186 aforesaid.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolutions except to the extent of their shareholding in the Company, if any.

The Board recommends the resolution set forth in Item No. 8 for the approval of the Members

**By Order of the Board of Directors**

**Sd/-**

**Ramautar S. Jhwar**

**(Chairman & Managing Director)**

Place: **Mumbai**

**Date: 11-08-2018**

**REGISTERED OFFICE:**

285, Princess Street, C. J. House, 2<sup>nd</sup> 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. Nateshwar Nagarmal Agarwal	Mrs. Jayshree Iyer
1	Date of Birth	16-09-1961	27-03-1967	21-10-1969
2	Date of Appointment	30/03/2015	09/07/2018	03-08-2018
3	DIN	00301157	08170211	01520083
4	No. of Equity shares held in the company	388500	0	0
5	Qualifications	Graduate	Graduate (B.Com)	Diploma in Marketing
6	Brief Profile	10 years of experience in financial market	He has more than 25 years' experience in Textile Business, Commercial & Capital Market	20 years of experience in financial, commercial & capital market Marketing
7	List of other Directorships (excluding Foreign Company)	1. Dhanlaxmi Cotex Limited 2. Jhawar Commodities Private Limited 3. Semai Trading LLP	NIL	1. Sadhna Stocks & Securities Pvt. Ltd. 2. Divya Advisory & Financial Consultancy Pvt. Ltd. 3. Royal Vyapaar LLP. 4. Dhanlaxmi Fabrics Limited
8	Membership/Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee (Upto 31.03.2018))	NIL	NIL	One (1) Chairmanship of Stakeholder committee of the following companies: Dhanlaxmi Fabrics Limited Three (3) Membership in Audit committee of Dhanlaxmi Fabrics Limited Nomination & Remuneration Committee
9	Relationships, if any between Directors & Co-Promoters interest	Spouse of Managing Director, Mr Ramautar S. Jhawar	NA	NA





# DHANLAXMI COTEX LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **32<sup>nd</sup> Annual Report** of the Company together with the Audited Financial Statements for the year ended **31<sup>st</sup> March, 2018**.

### SUMMARY OF FINANCIAL RESULTS OF THE COMPANY:

(Rs. in Rupees)

PARTICULARS	FINANCIAL RESULTS	
	2017-2018	2016-2017
Revenue from Operation -	28,79,33,083	13,67,15,140
Revenue from other Income	3,00,14,524	1,02,86,236
<b>Total Revenue</b>	<b>31,79,47,607</b>	<b>14,70,01,376</b>
<b>Profit before Depreciation &amp; Interest</b>	<b>1,43,41,837</b>	<b>84,88,839</b>
Depreciation	14,263	14,355
Interest	36,54,199	42,73,340
<b>Profit after Depreciation &amp; Interest</b>	<b>1,06,73,375</b>	<b>42,01,144</b>
Provision for Taxation	17,42,600	5,30,725
Provision for Tax (deferred)	3,206	883
<b>Profit/ Loss after Tax</b>	<b>89,27,569</b>	<b>36,69,536</b>

### STANDALONE FINANCIAL RESULTS:

The company is mainly engaged into business of Finance and Investment. During the year under review, your Company earned a total Income of **Rs. 31,79,47,607/-** comprising mainly of sale of shares, interest, dividend and long term and short term investment profit, against this the total expenditure amounted to **Rs 30,72,74,232/-**. As the result of this the Company has earned net profit of **Rs. 89, 27, 569/-** against the profit of **Rs. 36, 69, 536/-** for the previous year.

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

The Financial Statements for the year 2017-18 have been prepared in compliance with the new set of Indian Accounting Standards (IND AS) and the comparatives for the corresponding previous year 2015-16 & 2016-2017 have been restated under IND AS for making items comparable.



## DHANLAXMI COTEX LIMITED

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The Ministry of Corporate Affairs ('MCA'), vide its notification in the official gazette dated 16th February, 2015, has made applicable the Indian Accounting Standards ('Ind AS') to certain classes of companies. For the Company, Ind AS is applicable from 1<sup>st</sup> April, 2016 with a transition date of 1<sup>st</sup> April, 2015. The financial results have been prepared in accordance with the recognition and measurement principles laid down under Ind AS as presented under Section 133 of the Companies Act, 2013 ('the Act') read with the relevant rules issued thereunder and the other accounting principles generally accepted in India as applicable

### **TRANSFER TO RESERVES:**

No fund was transferred to General Reserve.

### **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 **31<sup>st</sup> March, 2018**, 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 **5 (Five)** 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,

On the recommendation of Nomination and Remuneration Committee, your Board inducted **Mr. Natwar Nagarmal Agarwal** 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 **09/07/2018 and 08/07/2023** 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 they will hold office up to the date of the ensuing Annual General Meeting. The Company has received a



## DHANLAXMI COTEX LIMITED

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notice in writing along with deposit pursuant to Section 160 of Companies Act, 2013, proposing the appointment of **Mr. Natwar Nagarmal Agarwal**, Directors of the Company. Your Board has recommended the appointment of **Mr. Natwar Nagarmal Agarwal** as Independent Directors of the Company for a period of **five** consecutive years up to the **37<sup>th</sup>** consecutive Annual General Meeting of the Company, not liable to retire by rotation.

On the recommendation of Nomination and Remuneration Committee, your Board inducted **Mrs. Jayashree Iyer (DIN-01520083)** 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 **03/08/2018 and 02/08/2023** 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. Jayashree Iyer (DIN-01520083)**, Directors of the Company. Your Board has recommended the appointment of **Mrs. Jayashree Iyer (DIN-01520083)** as an Independent Directors of the Company for a period of **five** consecutive years up to the **37<sup>th</sup>** consecutive Annual General Meeting of the Company, not liable to retire by rotation.

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 **Mr. Naveen Vyas, Non-Executive-Independent Director** had resigned from the post of Directorship w.e.f. **30<sup>th</sup> 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**.

During the year **Mr. Vijay Kumar Moyal, Non-Executive-Independent Director** had resigned from the post of Directorship w.e.f. **19<sup>th</sup> 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**.

**Mr. Natwar Nagarmal Agarwal & Mrs. Jayashree Iyer** 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.

**Key Managerial Personnel: during the year, no changes took place in the Key Managerial Personnel of the company.**

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:

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## DHANLAXMI COTEX LIMITED

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- a) In the preparation of the annual accounts for the financial year ended **31st March, 2018** 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, 2018** 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. Jayashree Iyer (DIN-01520083)**, **Mr. Natwar Nagarmal Agarwal (DIN – 08170211)**, 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. **Mr. Naveen Vyas, Non-Executive-Independent Director and Mr. Vijay Kumar Moyal, Non-Executive-Independent Director also** 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 before their resignations.

### **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/policies\\_code.html](http://dcl.net.in/policies_code.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.

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# DHANLAXMI COTEX LIMITED

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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.

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 Disclosure 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 of 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 **27<sup>th</sup> March, 2018** 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.



# DHANLAXMI COTEX LIMITED

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## **STATUTORY AUDITORS:**

### **Statutory Auditor:**

M/s. R. Soni & Co., Chartered Accountants, Mumbai was appointed in 31<sup>st</sup> Annual General Meeting (AGM) as the Statutory Auditors of the Company to hold office from the conclusion of 31<sup>st</sup> AGM until the conclusion of the 36<sup>th</sup> AGM. However pursuant to Companies Amendment Act, 2017, Annual Ratification of Appointment of Auditors is not required

## **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 2017- 18, 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.

## **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 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 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 2017-18	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Ramautar S. Jhwar (Managing Director)	48,00,000/-	300%	8
2	Mr. Mahesh S. Jhwar (Director)	6,00,000/-	NIL	1
3	Mrs. Kamala Jhwar (Non- Executive Director)	NIL	NIL	NIL
4	Mr. Vijaykumar Moyal <b>(Independent Director upto 19-07-2018)</b>	NIL	NIL	NIL
5	Mr. Naveen Vyas <b>(Independent Director upto 30.06.2018)</b>	NIL	NIL	NIL
6	Mr. Chandra Kishore Bohra (Chief Financial Officer)	3,86,285/-	10.80%	0.64
7	Mrs. Jayashree Iyer <b>(Appointed w.e.f 03-08-2018)</b>	NIL	NIL	NIL
8	Mr. Nateshwar Nagarmal Agarwal <b>(Appointed w.e.f 09-07-2018)</b>	NIL	NIL	NIL



## DHANLAXMI COTEX LIMITED

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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 2017-2018.

### **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 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 **2017 – 2018** and **2018-2019**.

### **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/policies\\_code.html](http://dcl.net.in/policies_code.html).

During the financial year 2017-18, no cases under this mechanism were reported in the Company and any of its subsidiaries.





# DHANLAXMI COTEX LIMITED

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## **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 2017-18, 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/policies\\_code.html](http://dcl.net.in/policies_code.html).

## **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 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules



# DHANLAXMI COTEX LIMITED

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thereunder. The Secretarial Audit Report for financial year 2017-18 is **Annexure-A** to this Board's Report.

The Secretarial Audit Report for F. Y 2017-18 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 **2017-18** 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 is under verge of appointing suitable candidate as a Company Secretary cum Compliance officer, who match with the size and requirement of the Company.

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

The Promoters of the Company hold 38500 shares in physical form; however, the same is under process of dematerialization.

The management has decided to make an application to Bank for seeking registration as required under section 45(IA) of RBI Act, 1934.

## **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/policies\\_code.html](http://dcl.net.in/policies_code.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

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## **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: 11.08.2018**

**Sd/-  
Ramautar Jhavar  
Managing Director**

**Sd/-  
Mahesh Jhavar  
Director**



# DHANLAXMI COTEX LIMITED

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## 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 **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 31<sup>st</sup> March, 2018, 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 31<sup>st</sup> March 2018 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 the 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 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);**



## DHANLAXMI COTEX LIMITED

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- (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;
- (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);**
- (vi) 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. The Company has not appointed any Company Secretary as a Compliance Officer of the Company during the year under review as required pursuant to Section 203 of the Companies Act, 2013 and Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. 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 does not follow any of these practices.
3. According to SEBI/Cir/ISD/3/2011 dated June 17, 2011, the entire holdings of the Promoters are needed to be in demat form only. However the promoters of the Company still have 38,500 shares in physical form.
4. 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 is not registered with RBI.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-



## DHANLAXMI COTEX LIMITED

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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 4.99% 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 of this report.

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

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

**Place: Mumbai  
Date: 11/08/2018**



# DHANLAXMI COTEX LIMITED

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## 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.,  
Practicing Company Secretary  
C P No.: 15301

Sd/-  
Pankaj Trivedi  
Proprietor  
ACS No.: 30512

Place: Mumbai  
Date: 11/08/2018



# 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.28,781/- VRM Share Broking Pvt. Ltd: Rs. 65,953/- (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

On behalf of the Board of Directors

Place: Mumbai  
Dated: 11.08.2018

Sd/-  
Ramautar Jhawar  
Managing Director

Sd/-  
Mahesh Jhawar  
Director





# DHANLAXMI COTEX LIMITED

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

**Annexure - C**

as on financial year ended on 31.03.2018  
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: <a href="http://dcl.net.in/">http://dcl.net.in/</a>
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Bigshare Services Pvt. Ltd.</b> 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	07.10 %
2	Trading in Shares & Securities	N.A	90.56 %
3	Financing Activities	64990	2.34 %

### 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	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: 01/04/2017				No. of Shares held at the end of the year :31/03/2018				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(IX)	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group2</b>									
	<b>Indian</b>									
(a)	INDIVIDUAL / HUF	2013565	70300	2083865	42.78	2348665	38500	2387165	49.01	3.49
(b)	Central / State government(s)	0	0	0	0	0	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	60100	100	60200	1.24	100	0	100	0	0
	<b>SUB TOTAL (A)(1) :</b>	<b>2505565</b>	<b>70400</b>	<b>2575965</b>	<b>52.88</b>	<b>2780665</b>	<b>38500</b>	<b>2819165</b>	<b>57.87</b>	<b>4.99</b>
	<b>Foreign</b>									
(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
	<b>SUB TOTAL (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Total holding for promoters									
	<b>(A)=(A)(1) + (A)(2)</b>	<b>2505565</b>	<b>70400</b>	<b>2575965</b>	<b>52.88</b>	<b>2780665</b>	<b>38500</b>	<b>2819165</b>	<b>57.87</b>	<b>4.99</b>
<b>(B)</b>	<b>Public shareholding</b>									
	<b>Institutions</b>									
(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)	INVESTOR ALTERNATE FUND	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (B)(1) :</b>	<b>0</b>	<b>5000</b>	<b>5000</b>	<b>0.10</b>	<b>0</b>	<b>5000</b>	<b>5000</b>	<b>0.10</b>	<b>0.00</b>
<b>(C)</b>	<b>Non-institutions</b>									
(a)	<i>BODIES CORPORATE</i>									
(i)	Indian	1394535	44750	1439285	29.55	1151235	44750	1195985	24.55	-5.00
(ii)	Overseas	0	0	0	0	0	0	0	0	0
(b)	<i>INDIVIDUAL</i>									
(i)	Individualshareholders									
	holdingnominal share									
	capitalupto Rs. 1 Lakh	2850	775050	777900	15.97	3150	742850	746000	15.31	-0.66
(ii)	Individualshareholders									
	holdingnominal share capital									
	in excess of Rs 1 Lakh	73200	0	73200	1.50	73200	32000	105200	2.16	0.66
(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
	<b>SUB TOTAL (B)(2) :</b>	<b>1470585</b>	<b>824800</b>	<b>2290385</b>	<b>47.12</b>	<b>1227585</b>	<b>819600</b>	<b>2047185</b>	<b>42.02</b>	<b>5.10</b>
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)									
<b>(C)</b>	<b>Shares held by Custodians</b>									
	<b>and against which</b>									
	<b>Depository Receipts Have</b>									
	<b>been issued</b>									
(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
	<b>SUB TOTAL (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	(C)=(C)(1)	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A) + (B) + (C)</b>	<b>3976150</b>	<b>895200</b>	<b>4871350</b>	<b>100</b>	<b>4008250</b>	<b>863100</b>	<b>4871350</b>	<b>100</b>	<b>0</b>



# DHANLAXMI COTEX LIMITED

## (B). SHAREHOLDING OF PROMOTERS

Sr. No	Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31/03/2018			% 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	3,38,300	6.94	0	3,88,500	7.98	0	1.04
2	LAXMI M. JHAWAR	1,78,800	3.67	0	2,08,705	4.28	0	0.61
3	RAMAUTAR S. JHAWAR	447015	9.18	0	4,97,115	10.20	0	1.02
4	RAMAUTAR S. JHAWAR (Jamnadevi Jhawar Family Trust)	52600	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	60100	1.23	0	100	0	0	-1.23
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	129800	2.66	0	2,32,895	4.78	0	2.12
14	DHANLAXMI EXPORT FABRIC LLP	140000	2.87	0	1,40,000	2.87	0	0
15	VINOD SOHANLAL JHAWAR	142800	2.93	0	1,82,800	3.75	0	0.82
16	MAHESH S. JHAWAR	144900	2.97	0	1,74,900	3.59	0	0.62
17	VINIT R JHAWAR	257950	5.30	0	2,57,950	5.30	0	0
18	JASODA TRACON LLP	239600	4.92	0	2,39,600	4.92	0	0
	<b>Total</b>		<b>25,75,965</b>	<b>52.88</b>	<b>28,19,165</b>	<b>57.87</b>	<b>0</b>	<b>4.99</b>



# 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 (01.04.2017) / End of the year (31.03.2018)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
1	KAMALA RAMAUTAR JHAWAR	3,38,500	6.949	01/04/2017	0	0	0	0
				21/07/2017	50000	buy	3883500	7.975
				31/03/2018	0		3883500	7.975
2	LAXMI M. JHAWAR	178800	3.670	01/04/2017				
				21/07/2017	29905	buy	208705	4.284
				31/03/2018	0		208705	4.284
3	RAMAUTAR S. JHAWAR	447115	9.178	01/04/2017				
				21/07/2017	50000	buy	497115	10.204
				31/03/2018	0		497115	10.204
4	SOHANLAL JHAWAR HUF.	20000	0.411	01/04/2017				
				31/03/2018	0		20000	0.411
5	VINOD JHAWAR HUF .	25800	0.530	01/04/2017				
				31/03/2018	0		25800	0.530
6	SOHANLAL JHAWAR FAMILY	52300	1.074	01/04/2017				
				31/03/2018	0		52300	1.074
7	RAMAUTAR S. JHAWAR (JAMNADEVI JHAWAR FAMILY TRUST)	52500	1.078	01/04/2017				
				31/03/2018	0		52500	1.078
8	MAHESH JHAWAR HUF .	57300	1.176	01/04/2017				
				31/03/2018	0		57300	1.176
9	LALIT VINOD JHAWAR	60100	1.234	01/04/2017				
				15/12/2017	60000	sell	100	0.002
				31/03/2018	0		100	0.002



# 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 (01.04.2017) / End of the year (31.03.2018)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
10	RAHUL MAHESH JHAWAR	92900	1.907	01/04/2017 31/03/2018	0		92900	1.907
11	MUKUL VINOD JHAWAR	77000	1.581	01/04/2017 19/01/2018 31/03/2018	0 0		77000 77000	1.581 1.581
12	RAMAUTAR JHAWAR HUF .	118800	2.439	01/04/2017 31/03/2018	0		118800	2.439
13	VANDANA VINOD JHAWAR	129800	2.665	01/04/2017 21/07/2017 01-12-18 31/03/2018	43095 60000 0	buy buy	172895 232895 232895	3.549 4.781 4.781
14	DHANLAXMI EXPORT FABRIC	140000	2.874	01/04/2017 31/03/2018			140000	2.874
15	VINOD SOHANLAL JHAWAR	142800	2.931	01/04/2017 21/07/2017 31/03/2018	40000 0	buy	182800 182800	3.753 3.753
16	MAHESH S. JHAWAR	144900	2.975	01/04/2017 21/07/2017 31/03/2018	30000 0	buy	174900 174900	3.590 3.590
18	JASODA TRACON	239600	4.919	01/04/2017 31/03/2018			239600	4.919
19	VINIT R JHAWAR	257950	5.295	01/04/2017 31/03/2018	0		257950	5.295



# DHANLAXMI COTEX LIMITED

## D. TOP TEN NON PROMOTERS MOVEMENT

Sr. No	NAME	No. of Shares at the begining/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-17	0	Transfer	529,540	10.87
		529,540	31-Mar-18	0	Transfer	529,540	10.87
2	AJAY MULTI PROJECTS LTD.	479,150	31-Mar-17	0	Transfer	479,150	9.84
			14-Jul-17	-300	Transfer	478,850	9.83
			21-Jul-17	-97155	Transfer	381,695	7.84
		381,695	31-Mar-18	0	Transfer	381,695	7.84
3	NIDHI AGRO PVT LTD	240,000	31-Mar-17	0	Transfer	240,000	4.93
		240,000	31-Mar-18	0	Transfer	240,000	4.93
4	JIGNESH FABRICS PVT.LTD.	143,095	31-Mar-17	0	Transfer	143,095	2.94
			21-Jul-17	-143095	Transfer	0	0.00
			31-Mar-18	0	Transfer	0	0.00
5	AMIT R SEHGAL	73,200	31-Mar-17	0	Transfer	73,200	1.50
		73,200	31-Mar-18	0	Transfer	73,200	1.50
6	INDER KUMAR JAIN	18,000	31-Mar-17	0	Transfer	18,000	0.37
		18,000	31-Mar-18	0	Transfer	18,000	0.37
7	SPECTRUM EQUITY FUND LTD.	15,200	31-Mar-17	0	Transfer	15,200	0.31
		15,200	31-Mar-18	0	Transfer	15,200	0.31
8	TULSIRAM BHARADIA	15,000	31-Mar-17	0	Transfer	15,000	0.31
		15,000	31-Mar-18	0	Transfer	15,000	0.31
9	JASWANT PATEL	12,300	31-Mar-17	0	Transfer	12,300	0.25
		12,300	31-Mar-18	0	Transfer	12,300	0.25
10	DINANATH RATHI	12,000	31-Mar-17	0	Transfer	12,000	0.25
		12,000	31-Mar-18	0	Transfer	12,000	0.25
11	RAMADEVI MAHESHWARI	12,000	31-Mar-17	0	Transfer	12,000	0.25
		12,000	31-Mar-18	0	Transfer	12,000	0.25
12	SPECTRUM GLOBAL FIN TRUST LTD.	12,000	31-Mar-17	0	Transfer	12,000	0.25
		12,000	31-Mar-18	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
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A Remuneration to Managing Director, Whole time 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	Mahesh S. Jhawar W.T. Director	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Rs. 48,00,000/-	Rs. 6,00,000/-	Rs. 54,00,000/-
	(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	-	-	-
	<b>Total (A)</b>	-	-	-
	<b>Ceiling as per the Act</b>	<b>Within limits</b>	<b>Within limits</b>	<b>Rs. 54,00,000/-</b>





# DHANLAXMI COTEX LIMITED

## B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
		Mrs.Kamala Jhawar	*Mr. Vijay Kumar Moyal	*Mr. Naveen Vyas	*Mr. Nateshwar Agarwal	*Mrs. Jayashree Iyer	
1	Independent Directors (a) Fee for attending board committee meetings (b) Commission (c)Others, please specify Total (1)	- - - Nil	- - - Nil	- - - Nil	- - - Nil	- - - Nil	- - - 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)	- - - Nil	- - - Nil	- - - Nil	- - - Nil	- - - Nil	- - - Nil
	Overall Ceiling as per the Act.	N.A					

\*Mr. Vijaykumar Moyal (Independent Director upto 19-07-2018)

\*Mr. Naveen Vyas (Independent Director upto 30.06.2018)

\*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

SI.No.	Particulars of Remuneration	Key Managerial Personnel CFO Chandra Kishore Bhora*	TotalTotal
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	3,86,285/- - -	3,86,285/- - -
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission -as % of profit -others (specify)	- - -	- - -
5	Others, please specify <b>Total</b>	- -	- -
	<b>Ceiling as per the Act</b>	3,86,285/-	3,86,285/-



# DHANLAXMI COTEX LIMITED

## 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)
<b>A. COMPANY</b>  Penalty  Punishment  Compounding			Nil		
<b>B. DIRECTORS</b>  Penalty  Punishment  Compounding			Nil		
<b>C. OTHER OFFICERS IN DEFAULT</b>  Penalty  Punishment  Compounding			Nil		

On behalf of the Board of Directors

Place: Mumbai  
Dated: 11.08.2018

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.

<b>(A) Conservation of energy</b>	
(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. : <b>NA</b>
(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. : <b>NA</b>
(iii) the capital investment on energy conservation equipments	Nil
<b>(B) Technology absorption:</b>	
(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
<b>(C) Foreign exchange earnings and outgo.</b>	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, 2017 to 31st March, 2018.

#### BOARD OF DIRECTORS:

As on 31st March, 2018, 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 Jhawar 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, 2018** 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, 2018

SR.NO.	NAME OF DIRECTOR	CATEGORY
1	Mr. Ramautar Jhawar	Managing Director
2	Mr. Mahesh Jhawar	Non- Executive Director
3	Mrs. Kamla Jhawar	Non- Executive Director
4	Mr. Vijay Kumar Moyal ( <b>Resigned w.e.f 19.07.2018</b> )	Independent Director
5	Mr. Gopal Mohta ( <b>appointed 29.05.2018</b> )	Independent Director
6	Mr. Naveen Vyas ( <b>Resigned w.e.f 30.06.2018</b> )	Independent Director



# DHANLAXMI COTEX LIMITED

## MEETINGS AND ATTENDANCE DURING THE YEAR 2017-2018:

Board Meetings were conducted 4(Four) times during the year as follows:

Sr. No	Date	Board Strength	No. Of. Directors Present
1	30.05.2016	5	5
1	29.05.2017	5	5
2	11.08.2017	6	6
3	07.09.2017	6	6
4	17.11.2017	6	6
5	12.02.2018	6	6

The record of Attendance at Board Meetings and Membership of Board of Directors as on 31st March, 2018:

No	Name of Directors	No of Board Meetings attended during the Year	Attendance at the AGM	No. of Membership of Committees	No. Of Chairmanships of Committees
1	Mr. Ramautar Jhawar	5	Yes	6	0
2	Mr. Mahesh Jhawar	5	Yes	4	0
3	Mr. Naveen Vyas (Resigned w.e.f 30.06.2018)	5	Yes	3	0
4	Mr. Vijay Kumar Moyal (Resigned w.e.f 19.07.2018)	5	Yes	0	3
5	Mrs. Kamla Jhawar	5	Yes	0	0
6	Mr. Gopal Mohta	4	Yes	6	0

## 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 27<sup>th</sup> March, 2018, 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.

### 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.



# DHANLAXMI COTEX LIMITED

#### 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 32<sup>nd</sup> Annual General Meeting of the Company.

#### 5. **Code of Conduct**

The Company has framed and adopted a Code of Conduct, which is applicable to all the directors and members of the senior management in terms of Regulation 17(5)(a) of SEBI (LODR) Regulations, 2015. The said code, lays the general principles designed to guide all directors and members of the senior management in making ethical decisions.

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

#### ***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.

#### **(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

Sr.No.	Name of Members	Category	Designation
1.	Mr. Vijay Kumar Moyal	Independent Director	Chairman
2.	Mr. Naveen Vyas	Independent Director	Member
3.	Mr. Gopal Mohta	Independent Director	Member
4	Mr. Mahesh Jhavar	Non- Executive Director	Member

Company has conducted **5(Five)** Audit Committee Meeting during the year.

April – June	July – September	October – December	January – March
29.05.2017	11.08.2017	07.09.2017 & 17.11.2017	12.02.2018



# DHANLAXMI COTEX LIMITED

## 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 Attended
1	Mr. Vijay Kumar Moyal	Independent Director	5
2	Mr. Naveen Vyas	Independent Director	5
3	Mr. Gopal Mohta	Independent Director	4
4	Mr. Mahesh Jhavar	Non- Executive Director	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.

### 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 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, 2018:

During the year 2017-18, one meeting of the Nomination and Remuneration Committee was held on following dates-

##### (a) 29<sup>th</sup> May, 2017

Sr.No.	Name of Members	Category	Designation
1.	Mr. Vijay Kumar Moyal	Independent Director	Chairman
2.	Mr. Naveen Vyas	Independent Director	Member
3.	Mr. Gopal Mohta	Independent Director	Member
4	Mr. Mahesh Jhavar	Non- Executive Director	Member



# DHANLAXMI COTEX LIMITED

## (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. 48,00,000/-	0	0	0	0	0	Rs. 48,00,000/-
2	Mr. Mahesh Jhawar (Whole Time Director)	Rs. 6,00,000/-	0	0	0	0	0	Rs. 6,00,000/-
3.	Mrs. Kamla R. Jhawar	0	0	0	0	0	0	0
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	0	0

### Notes:

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

### **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 2017-2018, Stakeholders Relationship Committee was held on following dates-

**21.04.2017, 11.08.2017, 07.09.2017, 17.11.2017, & 12.02.2018**

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

### **Composition of Stakeholder Relationship Committee as on 31st March, 2018:**

Sr.No.	Name of Members	Category	Designation
1.	Mr. Vijay Kumar Moyal	Independent Director	Chairman
2.	Mr. Naveen Vyas	Independent Director	Member
3.	Mr. Gopal Mohta	Independent Director	Member
4	Mr. Mahesh Jhawar	Non- Executive Director	Member

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.

***There were No complaints were pending as on 31st March, 2018.***

### **MANAGEMENT REVIEW AND RESPONSIBILITY:**

### **FORMAL EVALUATION OF OFFICERS:**

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





# DHANLAXMI COTEX LIMITED

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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 2017-18 have been prepared in compliance with the new set of Indian Accounting Standards (IND AS) and the comparatives for the corresponding previous year 2015-16 & 2016-2017 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.

### **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/>'.



# DHANLAXMI COTEX LIMITED

## 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. 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, 2018**. 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.

## ANNUAL GENERAL MEETINGS:

### Details of Annual General Meetings:

Particulars	F.Y.2016-2017	F.Y.2015-2016	F.Y.2014-2015
Date	29/09/2017	30/09/2016	30/09/2015
Time	11.00 a.m.	11.00a.m.	4.00 PM
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:

<b>Date</b>	28 <sup>th</sup> September,2018
<b>Time</b>	11.30 a.m.
<b>Venue</b>	285, 2nd Floor, C.J. House Princess Street, Mumbai-400 002
<b>Financial Year (Tentative)</b>	(April 2018 to March 2019)

### For consideration of Unaudited/Audited

#### Financial Results

1. Results for quarter ending June 30, 2018 On or before 14<sup>th</sup> August, 2018
2. Results for quarter ending September 30, 2018 On or before November 14, 2018
3. Results for quarter ending December 31, 2018 On or before February 14, 2018



# DHANLAXMI COTEX LIMITED

4. Results for quarter ending March 31, 2019	On or before May 30, 2019
5. Annual General Meeting for the year ending March 31, 2019	On or before September 30, 2019
<b>e-voting period</b>	<b>25th September, 2018 at 9.00 a.m. and ends on 27th September, 2018 at 5.00 p.m.</b>
<b>Cut-off date for e-voting</b>	<b>Friday, 21/09/2018</b>
<b>Dates of Book Closure</b>	<b>Friday, September 21, 2018 to Friday, September 28, 2018 (both days inclusive)</b>
<b>Listing on Stock Exchange</b>	Bombay Stock Exchange Ltd. Mumbai
<b>Demat ISIN Numbers in NSDL &amp; CDSL for Equity Shares</b>	<b>INE977F01010</b>
<b>Stock Code</b>	512485
<b>Corporate Identity Number:</b>	<b>L51100MH1987PLC042280</b>
<b>Market price Data: High, Low during each Month in the financial year 2017-18</b>	See Table No. 1 below
<b>Registrar and Share Transfer Agents</b>	M/s. Bigshare Services Pvt. Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, And Maharashtra.
<b>Distribution of shareholding &amp; Category wise distribution</b>	See table No. 2 & 3
<b>De-materialization of shares and liquidity</b>	See table No. 4
<b>Address for correspondence</b>	285,2nd Floor, C.J. House Princess Street, Mumbai-400 002

**1. Market price Data: High, Low during each Month in the financial year 2017-18**

High and Low of market price of the Company's shares traded on Bombay Stock Exchange Ltd., Mumbai, during the financial year 2017-2018

Month	High(Rs.)	Low(Rs.)	Total No. of shares traded
April – 2017	17.10	17.10	0
May – 2017	17.10	17.10	0
June – 2017	17.10	17.10	0
July - 2017	18.00	18.00	0
August - 2017	18.00	18.00	0
September – 2017	18.00	18.00	0
October – 2017	18.00	18.00	0
November - 2017	18.00	18.00	0
December - 2017	18.00	18.00	0
January - 2018	18.00	18.00	50
February – 2018	18.00	18.00	0
March – 2018	18.00	18.00	0



## DHANLAXMI COTEX LIMITED

### 2. Distribution of shareholding as on 31st March, 2018:

Slab of share holdings No. of Equity Shares	No. of Shareholders	PERCENTAG OF TOTAL	SHARE AMOUNT RS	PERCENTAG OF TOTAL
1 5000	1487	83.8691	3430170	7.0415
5001 10000	134	7.5578	1021100	2.0961
10001 20000	68	4.2865	1198230	2.4597
20001 30000	23	1.2972	621000	1.2748
30001 40000	5	0.2820	193000	0.3962
40001 50000	9	0.5076	429000	0.8807
50001 100000	10	0.5640	705500	1.4483
100001 999999999	29	1.6356	41115500	84.4027
<b>TOTAL</b>	<b>1765</b>		<b>48713500</b>	<b>100.00</b>

### 3. Shareholding Pattern as on 31st March, 2018:

	Categories of Shareholders	Shares Held	% of Total
a)	Promoters	28,19,165	57.88
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	1195985	24.55
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
	<b>TOTAL</b>	<b>4871350</b>	<b>100.00</b>

### 4. De-materialization of shares and liquidity

As on **31st March, 2018**: **4008250** shares, representing **82.28 %** of the total issued capital, were held in dematerialized form and **863100** shares, representing **17.72 %** of the total issued capital is held in physical form.



## DHANLAXMI COTEX LIMITED

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### 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.

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](mailto:investor@bigshareonline.com)

### 6. Outstanding ADRs / GDRs:

The company has not issued any ADRs / GDRs



# DHANLAXMI COTEX LIMITED

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## CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To,

**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, 2018 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, 2018, *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**

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

**Place: Mumbai  
Date: 11.08.2018**



# DHANLAXMI COTEX LIMITED

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Annexure-F

## **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, 2018 as stipulated under Regulation 34 (2) (e) of SEBI (LODR) Regulations 2015

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 FIIs 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.

Adequate funding at the right cost and tenure will be critical to achieve business growth.

#### **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



# DHANLAXMI COTEX LIMITED

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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. 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 and Share Trading activity.

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### **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**

This is to confirm and certify that the Company has adopted a Code of Conduct for Board member and Senior Management Personnel. As provided under sub-regulation (3) of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board member and Senior Management have confirmed compliance with the Code of Conduct and Ethics for the year ended **31st March, 2018**.

For and on behalf of the Board

Sd/-

Ramautar Jhawar  
(Managing Director)

Sd/-

Mahesh S. Jhawar  
(Director)

Place: **Mumbai**

Date: **28.05.2018**





# DHANLAXMI COTEX LIMITED

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## 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, 2018 and for the financial year ended March 31, 2018 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, 2018 and the financial year ended March 31, 2018 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, 2018 and during the financial year 2017-18.
- (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, 2018 and the financial year ended March 31, 2018 under reference.
  - (ii) There has not been any significant change in accounting policies during the quarter ended March 31, 2018 and the financial year ended March 31, 2018 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, 2018 and the financial year ended March 31, 2018.

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

Sd/-

Ramautar Jhawar  
(Managing Director)

Sd/-

Mahesh S. Jhawar  
(Director)

Place: **Mumbai**  
Date: **28.05.2018**



# DHANLAXMI COTEX LIMITED

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## Independent Auditors' Report

To the Members of

Dhanlaxmi Cotex Limited

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of Dhanlaxmi Cotex Limited ('the Company'), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended 31st March 2018 and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone financial statements").

### Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

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

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amount and the disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making



# DHANLAXMI COTEX LIMITED

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those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give at true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

## **Emphasis Matter**

There are certain inventory of financial instruments which are valued at of Cost instead of Fair Market Value (FMV) as per IND AS. The FMV of financial instrument are 12,33,46,405/- whereas cost value of Rs 13,99,73,780/-.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis of Qualified Opinion Paragraph, 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 including the Ind AS, of the state of the affairs of the Company as at 31st March 2018, and its profits and its cash flows for the year ended on that date.

## **Other Matter**

Corresponding figures for the year ended 31 March 2017 have been audited by another auditor who expressed an unmodified opinion dated 29th May 2017 on the standalone financial statements of the Company for the year ended 31 March 2017. Our opinion on the standalone financial statements is not modified in respect of the above matter.

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

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2 As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



## DHANLAXMI COTEX LIMITED

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- (c) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity 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 relevant rule issued thereunder;
- (e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

**FOR R SONI & COMPANY**  
**Chartered Accountants**  
**Firm's registration number: 130349W**

**RAJESH SONI**  
**Partner**  
**Membership No.133240**

Place: Mumbai  
Date- 28.05.2018



# DHANLAXMI COTEX LIMITED

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## 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 31<sup>st</sup>, 2018, 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.
- (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 31<sup>st</sup> march, 2018 for a period of more than six month from the date they became payable.



## DHANLAXMI COTEX LIMITED

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- (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 number: 130349W**

**RAJESH SONI**  
**Partner**  
**Membership No.133240**

Place: Mumbai  
Date- 28.05.2018



# DHANLAXMI COTEX LIMITED

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## 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 **Dhanlaxmi Cotex Limited** ('the Company') as of 31st March 2018 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.

#### Meaning of Internal Financial Controls Over Financial Reporting

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## DHANLAXMI COTEX LIMITED

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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 31,2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India.

**FOR R SONI & COMPANY**  
**Chartered Accountants**  
**Firm's registration number: 130349W**

**RAJESH SONI**  
**Partner**  
**Membership No.133240**

Place: Mumbai  
Date- 28.05.2018





# DHANLAXMI COTEX LIMITED

## Balance Sheet as at 31st March, 2018.

(Amount in Rupees)

PARTICULARS	Note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>ASSETS</b>				
<b>1 Non-Current Assets</b>				
a. Property, Plants & Equipment	1	26,410	8,373	22,728
b. <u>Financial Assets</u>				
i) Non-Current Investments	2	113,940,753	90,418,315	71,288,522
c. Other Tax Assets(Net)	3	690,871	568,529	14,079,538
d. Other Non Current Assets	4	1,705,416	1,705,416	9,122,349
		<u>116,363,450</u>	<u>92,700,632</u>	<u>94,513,137</u>
<b>2 Current Assets</b>				
a. Inventories	5	139,973,781	138,135,119	160,638,166
b. <u>Financial Assets</u>				
i) Trade Receivable	6	2,524,682	9,922,932	10,032,932
ii) Cash and Bank Balances	7	6,283,731	65,385,540	15,358,333
c. Other Current Assets	8	53,380,113	10,093,025	40,275,530
d. Current Investments	9	47,671,475	35,896,000	-
		<u>249,833,781</u>	<u>259,432,616</u>	<u>226,304,961</u>
<b>TOTAL ASSETS</b>		<b><u>366,197,231</u></b>	<b><u>352,133,249</u></b>	<b><u>320,818,098</u></b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
a. Equity Share Capital	10	48,713,500	48,713,500	48,713,500
b. Other Equity	11	313,962,715	302,660,019	271,286,250
		<u>362,676,215</u>	<u>351,373,519</u>	<u>319,999,750</u>
<b>Non - Current Liabilities</b>				
c. Deferred Tax Liability		670,114	666,908	666,025
<b>Current Liabilities</b>				
d. <u>Financial Liabilities</u>				
i) Trade Payable	12	2,122,516	-	-
e. Other Current Liabilities	13	728,386	92,822	152,323
		<u>2,850,902</u>	<u>92,822</u>	<u>152,323</u>
<b>TOTAL EQUITY &amp; LAIBILITIES</b>		<b><u>366,197,231</u></b>	<b><u>352,133,249</u></b>	<b><u>320,818,098</u></b>

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 : 28th May, 2018.

Chandrakishor Bohra  
(Chief Financial Officer)

For and on behalf of the Board

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, 2018.

(Amount in Rupees)

PARTICULARS	NOTE	YEAR ENDED 31/03/2018	YEAR ENDED 31/03/2017
<b>REVENUE</b>			
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations	14	287,933,083	136,715,140
2 Other Income	15	30,014,524	10,286,236
<b>Total Revenue</b>		<b>317,947,607</b>	<b>147,001,376</b>
<b>3 Expenses</b>			
(a) Purchases of Stock in Trade	16	286,840,285	103,237,518
(b) Changes in Inventories	17	(1,838,662)	22,503,047
(c) Employees Benefit Expenses	18	5,840,875	2,840,893
(d) Depreciation	1	14,263	14,355
(e) Other Expenses	19	16,417,471	14,204,420
<b>Total Expenses</b>		<b>307,274,232</b>	<b>142,800,232</b>
<b>4 Profit Before Exceptional Items &amp; Taxes</b>		<b>10,673,375</b>	<b>4,201,144</b>
Exceptional Items		-	-
<b>Profit/(Loss) Before Taxes</b>		<b>10,673,375</b>	<b>4,201,144</b>
<b>Tax Expenses</b>			
(a) Current Tax		1,739,039	530,725
(b) Earlier Tax		3,561	-
(c) Deferred Tax		3,206	883
<b>Net Tax Expenses</b>		<b>1,745,806</b>	<b>531,608</b>
<b>Profit/(Loss) for the period</b>	A	<b>8,927,569</b>	<b>3,669,536</b>
<b>Other comprehensive income</b>			
- Items that will not be reclassified to profit or loss		2,375,127	27,704,233
- 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	<b>2,375,127</b>	<b>27,704,233</b>
<b>Total comprehensive income for the period</b>	(A+B)	<b>11,302,696</b>	<b>31,373,769</b>
<i>(Profit/ loss + other comprehensive income)</i>			
<b>Earnings per Equity share</b> (Face Value of Rs. 10/- each)			
a) Basic		1.83	0.75
b) Diluted		1.83	0.75
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)

Rajesh Soni  
Partner  
(Membership No. 133240)  
Place : Mumbai  
Dated : 28th May, 2018.

Chandrakishor Bohra  
(Chief Financial Officer)

For and on behalf of the Board

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, 2018

(AMOUNT IN RUPEES)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	10,673,375	4,201,144
<b>Adjustments for:</b>		
Depreciation and amortisation	14,263	14,355
(Profit) (-) Loss (+) on sale of Investment	(3,614,759)	
Dividend received	(2,505,814)	(2,199,697)
Interest income	(7,443,022)	(6,318,937)
Long Term Capital Gain	-	(820,221)
Short Term Capital Gain	-	(32,381)
Tax Paid profit from DSP BlackRock Mutual Fund	(16,178,957)	(915,000)
Redemption of Keyman Insurance Policy	(271,972)	
Operating profit / (loss) before working capital changes	(19,326,885)	(6,070,737)
<b>Changes in working capital:</b>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories (increase / decrease)	(1,838,662)	22,503,047
Trade and othe receivables	7,398,250	110,000
Other current assets	(43,287,088)	30,182,505
Other non-current assets	(122,342)	20,927,942
Trade and other Payables	2,122,516	
Other Current Liabilities	635,564	(59,501)
Cash generated from operations	(35,091,762)	73,663,993
	(54,418,647)	67,593,256
Net income tax (paid) / refunds	1,742,600	530,725
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(56,161,247)</b>	<b>67,062,531</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Investment	(32,922,786)	(27,321,560)
Short Term Capital Gain	3,614,759	32,381
Interest received	7,443,022	6,318,937
Long Term Capital Gain	-	820,221
Tax Paid profit from DSP BlackRock Mutual Fund	16,178,957	915,000
Redemption of Keyman Insurance Policy	271,972	
Dividend Received	2,505,814	2,199,697
Purchase of FA	(32,300)	
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(2,940,562)</b>	<b>(17,035,324)</b>
<b>C. Cash flow from financing activities</b>		
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(59,101,809)</b>	<b>50,027,207</b>
Cash and cash equivalents at the beginning of the year	65,385,540	15,358,333
<b>Cash and cash equivalents at the end of the year</b>	<b>6,283,731</b>	<b>65,385,540</b>

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 : 28th May, 2018.

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 CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2018

(In Rupees)

### A. Equity Share Capital

Particulars	Amount
Balance at at 1st April, 2016	48,713,500
Changes in equity share capital during the year	-
<b>Balance at at 31st March, 2017</b>	<b>48,713,500</b>
Changes in equity share capital during the year	-
<b>Balance at at 31st March, 2018</b>	<b>48,713,500</b>

### B. Other Equity

Particulars	Reservers and Surplus				Other items of Other comprehensive income	Total
	Securities premium Reserve	Other Reserves & Incentives	General Reserves	Retained Earnings		
<b>Balance at at 1st April, 2016</b>	<b>89,827,000</b>	<b>1,185,603</b>		<b>168,671,341</b>	<b>11,602,306</b>	<b>271,286,250</b>
Profit for the year	-			3,669,536	-	3,669,536
Trf to General Reserve	-		-	-	-	-
Tax on Dividend	-		-	-	-	-
Remeasurements of Defined Benefit Plan	-		-	-	-	-
Fair Value effect of Investments of shares	-		-	-	27,704,233	27,704,233
<b>Balance at at 31st March, 2017</b>	<b>89,827,000</b>	<b>1,185,603</b>		<b>- 172,340,877</b>	<b>39,306,539</b>	<b>302,660,019</b>
Profit for the year				8,927,569	-	8,927,569
Final Dividend	-		-	-	-	-
Tax on Dividend	-		-	-	-	-
Trf to General Reserve	-		-	-	-	-
Fair Value effect of Investments of shares	-		-	-	2,375,127	2,375,127
<b>Balance at at 31st March, 2018</b>	<b>89,827,000</b>	<b>1,185,603</b>		<b>- 181,268,446</b>	<b>41,681,666</b>	<b>313,962,715</b>



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

### Note - 1

(Amount in Rupees)

	GROSS BLOCK				DEPRECIATION/AMORTISATION/IMPAIRMENT/LOSSES				NET BLOCK		
	AS AT 01.04.2017	ADDITION		DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2017
		THROUGH PURCHASE	THROUGH BUSINESS COMBINATION								
Computer	50,250	32,300	-	-	82,550	41,877	14,263	-	-	26,410	8,373
<b>Total</b>	<b>50,250</b>	<b>32,300</b>	<b>-</b>	<b>-</b>	<b>82,550</b>	<b>41,877</b>	<b>14,263</b>	<b>-</b>	<b>-</b>	<b>26,410</b>	<b>8,373</b>
Previous Year	50,250	-	-	-	50,250	27,522	14,355	-	-	8,373	



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

### Note - 2 NON CURRENT INVESTMENTS (AT FAIR VALUE)

(Amount in Rupees)

SR. Particulars No.	As at 31.03.2018			As at 31.03.2017			As at 31.03.2016		
	FACE VALUE	QTY	AMOUNT	FACE VALUE	QTY	AMOUNT	FACE VALUE	QTY	AMOUNT
1 Aditya Birla Faishon & Retail Ltd.	10	23,423	3,526,333	10	23,423	3,602,457	10	23,423	3365885
2 Aftak Info Ltd. (Bonus)	10	7,564	12,329	10	7,564	12,329	10	7,564	12329
3 Ajay Multi Projects Ltd.	10	56,800	113,600	10	56,800	113,600	10	56,800	113600
4 Athena Global Technologies		-	-		-	-	10	7,000	183400
5 BEML(Bonus)		-	-		-	-	10	100	103645
6 Bank of Baroda	2	10,000	1,422,000		-	-		-	-
7 Central Bank of India	10	25,000	1,837,500		-	-		-	-
8 Crest Animation Com Ltd.	10	7,315	7,681	10	7,315	7,681	10	7,315	7,681
6 Crompton Greaves(Bonus)		-	-		-	-		12	-
7 Crompton Greaves Electrical Ltd(Bonus)		-	-		-	-		12	590
8 DSQ Software Ltd. (Bonus)		25	165		25	165		25	165
9 Future Retail Ltd.		-	-	2	800	213,880	2	800	102,920
10 Gas Authority of India Ltd.	10	5,000	1,643,000	10	5,000	1,882,250	10	5,000	1,781,750
8 Gas Authority of India Ltd (Bonus)	10	8,332	2,737,895	10	4,999	1,881,874	10	2,500	890,875
9 Garden Silk Ind. Ltd.	10	14,389	465,484	10	14,389	462,606	10	14,389	312,241
10 Grasim Ind. Ltd.	2	2,250	2,371,725	2	2,250	2,360,250	10	450	1,728,608
11 Gonterm Peip		-	-		-	-	10	3,060	70,167
12 GPI Textiles	10	3,060	70,167	10	3,060	70,167	10	-	-
10 GTL Ltd(Bonus)		-	-		-	-	10	996	11,713
11 GTL Infrastructure Ltd(Bonus)		-	-		-	-	2,000	4,240	
12 GTN Textiles Ltd.	10	5,000	76,000	10	5,000	95,000	10	5,000	49,750
13 GTN Industries Ltd.		-	-	10	5,000	90,100	10	5,000	50,050
14 Hathway Bhawani	10	3,180	8,650	10	3,180	12,307	10	3,180	22,165
12 HFCL(Bonus)		-	-		-	-	1	100	1,625



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

### Note - 2 NON CURRENT INVESTMENTS (AT FAIR VALUE)

(Amount in Rupees)

SR. Particulars No.	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
13 Hindustan Development Corpn Ltd.	10	3,500 19,600	10	3,500 19,600	10	3,500 19,600
14 Indian Oil Ltd.	10	13,500 2,380,050	10	13,500 5,221,125	10	16,500 6,491,925
15 Indian Oil Ltd. (Bonus)	10	70,500 12,429,150	10	28,500 11,022,375	10	7,500 2,950,875
16 IDFC Ltd.	10	40,000 1,946,000	-	-	-	-
14 IDFC Bank Ltd.	10	50,000 2,367,500	-	-	-	-
15 Jaiprakash Associates Ltd. (Bonus)	2	5,500 104,225	2	5,500 75,625	2	5,500 42,020
16 JCT Ltd.	2.50	40,500 112,185	2.50	40,500 202,095	2.50	40,500 197,235
17 JSW Holdings(Bonus)	-	-	-	-	10	12 12,252
18 Karnataka Bank Ltd.	10	100,000 11,505,000	-	-	-	-
16 Kotak Mahindra Bank Ltd.	5	1,000 1,048,600	5	1,000 872,100	5	1,000 681,000
17 Kotak Mahindra Bank Ltd. (Bonus)	5	1,000 1,048,600	5	1,000 872,100	5	1,000 681,000
18 Kesar Enterprises Ltd.	-	-	10	13,125 671,344	10	14,125 475,306
19 Kesar Terminal Ltd	-	-	-	-	5	2,750 1,050,500
20 L & T Finance Holding Ltd.	10	27,500 4,318,875	10	27,500 3,394,875	10	30,000 1,908,000
18 Maars Software (Bonus)	10	24,850 6,461	10	24,850 6,461	10	24,850 6,461
19 NCC Ltd.	2	36,747 4,323,285	2	44,247 3,619,405	2	44,247 3,356,135
20 Nahar Polyfilm	5	14,065 748,961	5	15,065 915,199	5	15,065 492,626
21 Nahar Spg. Ltd.	5	34,500 2,984,250	5	34,500 4,667,850	5	34,500 3,153,300
22 Nahar Capital Ltd.	5	7,208 886,584	5	21,878 2,217,335	5	21,878 1,257,985
20 Nahar Industry Enterprises	10	13,787 991,285	10	15,787 1,787,878	10	15,787 828,028
21 Network -18 Media	5	53,821 3,207,732	5	53,821 1,907,954	5	53,821 2,365,433
22 OCL India Ltd.	2	10,129 13,154,532	2	10,179 9,366,207	2	10,924 5,334,189
23 Orient Info	-	-	-	-	10	6,875 10,178
24 Peninsulla Land Ltd.	2	10,000 203,000	2	10,000 187,500	2	10,000 172,000
22 PNB Gilt Ltd.(Bonus)	-	-	-	-	-	8,409 210,645
23 Punj Lloyd Ltd.	2	25,000 426,250	2	25,000 485,000	2	25,000 561,250



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

### Note - 2 NON CURRENT INVESTMENTS (AT FAIR VALUE)

(Amount in Rupees)

SR. Particulars No.	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
24 Raj Rayon Ltd	-	-	-	-	1	102,830 39,075
25 Riga Sugars	-	-	-	-	10	7,182 92,648
26 Reliance Industries Ltd.	10	1,587 1,401,180	10	1,587 2,093,834	10	1,587 1,659,021
24 Reliance Industries Ltd. (Bonus)	10	5,495 4,850,986	10	1,954 2,577,717	10	1,900 1,985,975
25 Reliance Communication(Bonus)	-	-	-	-	5	116 5,800
26 Reliance Infrastructure Ltd(Bonus)	-	-	-	-	10	8 4,269
27 Reliance Power(Bonus)	-	-	-	-	10	29 1,431
28 Reliance Capital(Bonus)	-	-	-	-	10	32 11,781
26 Sun Pharmaceutical Ltd. (Ranbaxy)	1	9,750 4,830,150	1	9,750 6,705,075	1	7,800 6,391,710
27 Shyam Telelink Ltd	-	-	-	-	10	9,170 77,512
28 Sistema Shyam Teleservices Ltd.	10	9,170 77,512	10	9,170 77,512		- -
29 TV-18 Broadcast Ltd.	2	100,454 6,735,441	2	100,454 4,224,091	2	100,454 4,048,296
30 Sundaram BNP PSU Fund		76,470 7,532,716		76,470 6,415,278		76,470 5,153,298
28 Unitech Limited	-	-	-	-	2	55,000 271,150
29 Vardhaman Tex(Bonus)	-	-	-	-	10	364 281,499
30 Vardhman Special(Bonus)	-	-	-	-	10	3,000 157,800
31 Videocon Industries Ltd	-	-	-	-	10	1,000 27,800
<b>Sub Total - A</b>		<b>103,932,638</b>		<b>80,410,200</b>		<b>61,280,407</b>
<b>UN QUOTED SHARES</b>						
1 M R Shares Broking Pvt. Ltd.	10	600,000 6,000,000	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	10	350,000 3,500,000
<b>Sub Total - B</b>		<b>9,500,000</b>		<b>9,500,000</b>		<b>9,500,000</b>
<b>ASSOCIATE COMPANY SHARES</b>						
1 Dhanlaxmi Fabrics Ltd.	10	347,079 508,115	10	347,079 508,115	10	347,079 508,115
<b>Sub Total - C</b>		<b>508,115</b>		<b>508,115</b>		<b>508,115</b>
<b>Grand Total (A+B+C)</b>		<b>113,940,753</b>		<b>90,418,315</b>		<b>71,288,522</b>





# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

(Amount in Rupees)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>Note - 3 OTHER TAX ASSETS(NET)</b>			
Income Tax Receivables	690,871	568,529	14,079,538
<b>Total</b>	<b>690,871</b>	<b>568,529</b>	<b>14,079,538</b>
<b>Note - 4 OTHER NON-CURRENT ASSETS</b>			
Long Term Loans (ICD)	1,181,156	1,181,156	8,598,089
Deposits -Long Term	524,260	524,260	524,260
<b>Total</b>	<b>1,705,416</b>	<b>1,705,416</b>	<b>9,122,349</b>
<b>Note - 5 INVENTORIES</b>			
Stock -in -Trade (Shares)	139,973,781	138,135,119	160,638,166
<b>Total</b>	<b>139,973,781</b>	<b>138,135,119</b>	<b>160,638,166</b>
<b>Note - 6 TRADE RECEIVABLES</b>			
More than Six Months	-	9,922,932	110,000
Less than Six Months	2,524,682	-	9,922,932
<b>Total</b>	<b>2,524,682</b>	<b>9,922,932</b>	<b>10,032,932</b>
<b>Note - 7 CASH AND CASH EQUIVALENTS</b>			
Cash in Hand	346,790	141,194	410,855
Balance with Bank	5,936,940	65,244,346	14,947,477
<b>Total</b>	<b>6,283,731</b>	<b>65,385,540</b>	<b>15,358,333</b>
<b>Note - 8 OTHER CURRENT ASSETS</b>			
Other Current Assets	101,820	93,025	20,900
Short Term Loans & Advances	53,278,293	10,000,000	40,254,630
<b>Total</b>	<b>53,380,112.99</b>	<b>10,093,025</b>	<b>40,275,530</b>



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

### Note - 9 CURRENT INVESTMENTS FAIR VALUE

(Amount in Rupees)

SR. Particulars No.	As at 31.03.2018			As at 31.03.2017			As at 31.03.2016		
	FACE VALUE	QTY	AMOUNT	FACE VALUE	QTY	AMOUNT	FACE VALUE	QTY	AMOUNT
1 Bank of Baroda		-	-	2	10,000	1,729,500		-	-
2 Bank of India		-	-	10	10,000	1,394,000		-	-
3 Central Bank of India		-	-	10	25,000	2,647,500		-	-
4 DSP Black-Rock Mutual Fund		-	-	10	101,121	10,915,000		-	-
5 DIVIS Laboratories Ltd.	2	11,500	12,529,250	2	-	-		-	-
6 Elecon Engineering Co. Ltd.	2	70,000	5,386,500		-	-		-	-
7 Glenmark Pharmaceuticals Ltd.	1	18,000	9,488,700		-	-		-	-
8 IDFC Ltd.		-	-	10	40,000	2,180,000		-	-
9 IDFC Bank Ltd.		-	-	10	50,000	2,965,000		-	-
10 Karnatka Bank Ltd.		-	-	10	100,000	14,065,000		-	-
11 Laurus Labs Ltd.	10	10,000	5,031,000		-	-		-	-
12 Shilpa Medicare Ltd.	1	10,185	4,736,025		-	-		-	-
13 Edelwise Crossover Opportunity Fund			4,000,000		-	-		-	-
14 Motilal Oswal Select Opportunity Fund	10	654,255	6,500,000		-	-		-	-
<b>Total</b>			<b>47,671,475</b>			<b>35,896,000</b>			-

(Amount in Rupees)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2016
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### Note - 10 EQUITY SHARE CAPITAL

#### Authorised :

55,00,000 Equity Shares of Rs.10/- each 55,000,000 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 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** **48,713,500**



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

**Note No 10.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2018:**

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Amount	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	4,871,350	48,713,500
Add: Shares issued during the year	-	-	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-	-	-
<b>Number of shares at the end</b>	<b>4,871,350</b>	<b>48,713,500</b>	<b>4,871,350</b>	<b>48,713,500</b>	<b>4,871,350</b>	<b>48,713,500</b>

### 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, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No of Shares	% held	No of Shares	% held	No of Shares	% held
Eskay Niryat Pvt. Ltd.	529540	10.87	529540	10.87	529540	10.87
Ajay Multi Projects Ltd.	381695	7.84	479150	9.84	0	0.00
Ramautar S. Jhawar	497115	10.20	447115	9.18	447115	9.18
Kamala R. Jhawar	388300	7.97	338300	6.94	338300	6.94



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

(Amount in Rupees)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>Note - 11 OTHER EQUITY</b>			
<b>Capital Reserve</b>			
At the beginning and at the end of the year	<u>1,185,603</u>	<u>1,185,603</u>	<u>1,185,603</u>
<b>General Reserve</b>			
At the beginning and at the end of the year	-	-	-
<b>Security Premium</b>			
Opening Balance	89,827,000	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>	<u>89,827,000</u>
<b>Other Comprehensive Income</b>			
Opening Balance	39,306,539	11,602,306	-
Add: during the year	2,375,127	27,704,233	11,602,306
Closing Balance	<u>41,681,666</u>	<u>39,306,539</u>	<u>11,602,306</u>
<b>Surplus</b>			
Opening Balance (As per the last Balance sheet)	172,340,877	168,671,341	166,616,151
Add: Transferred from surplus	8,927,569	3,669,536	2,055,190
<b>Sub Total - B</b>	<u>181,268,446</u>	<u>172,340,877</u>	<u>168,671,341</u>
<b>Grand Total (A+B)</b>	<u>313,962,715</u>	<u>302,660,019</u>	<u>271,286,250</u>



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

(Amount in Rupees)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2016
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### Note - 12 CURRENT LIABILITIES

Trade Payable	2,122,516	-	-
<b>Total</b>	<b>2,122,516</b>	<b>-</b>	<b>-</b>

### Note - 13 OTHER CURRENT LIABILITIES

Creditors for Expenses	43,200	42,000	41,800
Outstanding Liabilities	685,186	50,822	78,468
Short Term Borrowings	-	-	32,055
<b>Total</b>	<b>728,386</b>	<b>92,822</b>	<b>152,323</b>

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
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### Note - 14 SALES

Sale of Shares	278,526,349	136,715,140
Sale of Grey Cotton	9,406,734	-
<b>Total</b>	<b>287,933,083</b>	<b>136,715,140</b>

### Note - 15 OTHER INCOME

Interest Income	7,443,022	5,474,078
Dividend Income	2,505,814	2,199,697
Interest on Income Tax Refund	-	844,859
Long Term Investment Profit	2,353,550	820,221
Short Term Investment Profit	1,261,210	32,381
Profit on sale of Keymen Policy	16,178,957	-
Tax Paid Profit from DSP BlackRock	271,972	915,000
India Enhanced Mutual Fund	-	-
<b>Total</b>	<b>30,014,524</b>	<b>10,286,236</b>



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

(Amount in Rupees)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
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### Note - 16 PURCHASES

Purchase of Shares	277,519,952	103,237,518
Purchase of Grey Cotton	9,320,333	-
<b>Total</b>	<b>286,840,285</b>	<b>103,237,518</b>

### Note - 17 Changes in Inventories

Opening Stock : (Shares)	138,135,119	160,638,166
Closing Stock : (Shares)	139,973,781	138,135,119
<b>Total</b>	<b>(1,838,662)</b>	<b>22,503,047</b>

### Note - 18 EMPLOYEES BENEFIT EXPENSES

1 Directors Remuneration	5,400,000	2,400,000
2 Staff Salary & Bonus	386,285	378,902
3 Staff Welfare	54,590	61,991
<b>TOTAL</b>	<b>5,840,875</b>	<b>2,840,893</b>

### Note - 19 OTHER EXPENSES

#### Establishment Expenses

1 Audit Fees (See Notes)	47,200	46,200
2 Advertisement & Exhibition Expenses	30,033	26,200
3 Bank & Demat Charges	17,205	8,609
4 Bad-Debts	9,922,932	7,526,933
5 Company's Contribution to Provident Fund	343,300	161,688
6 Conveyance Expenses	17,552	27,796
7 Computer Repair & Maintenance	51,425	-



# DHANLAXMI COTEX LIMITED

## Notes on Financial Statements for the year ended 31st March, 2018.

(Amount in Rupees)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
8 Donation	-	10,500
9 E-Voting	5,900	5,750
10 Electricity Expenses	-	-
11 Filing Fees	40,668	6,679
12 Interest Paid	3,654,199	4,273,340
13 Keyman Premium	400,000	500,000
14 Legal & Professional & Administration Fees	282,971	475,691
15 Listing Fees & Depository Expenses	308,366	249,655
16 Misc. Expenses	-	-
17 Office Expenses	89,712	91,549
18 Office Rent	60,000	60,000
19 Printing & Stationery	58,266	46,409
20 Postage, Courier & Telegram	7,607	15,697
21 Profession Tax	7,500	7,500
22 Repair & Maintenance	100,118	212,950
23 Security Transaction Tax	450,096	233,978
24 Telephone Expenses	38,464	40,187
25 Travelling Expenses	453,374	85,436
26 Vehicle Expenses	30,583	91,672
<b>TOTAL</b>	<b>16,417,471</b>	<b>14,204,420</b>

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 : 28th May, 2018.

Chandrakishor Bohra  
(Chief Financial Officer)

For and on behalf of the Board

Ramautar S. Jhawar  
Managing Director

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

(i)	M R Share Broking Private Limited	Associate Company
(ii)	VRM Share Broking Private Limited	Associate Company
(iii)	Ramautar Jhawar	Director
(iv)	Mahesh Jhawar	Director
(v)	Kamla Jhawar	Director
(vi)	Vijay Kumar Moyal	Director
(vii)	Gopal Mohta	Director
(viii)	Natwar Agarwal	Director
(x)	Chandra Kishore Bohra	CFO

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

S.No.	Related parties	Nature of Transactions during the year	2017-18 (Rs.)	2016-17 (Rs.)
(i)	Ramautar Jhawar	Rent	60,000	60,000
(ii)	Mahesh Jhawar	Director Remuneration	474,000	984,000
(iii)	Ramautar Jhawar	Director Remuneration	3,867,000	870,000
(iv)	M R Share Broking Private Limited	Sale of Shares	24,627,868	8,817,871
(v)	VRM Share Broking Private Limited	Sale of Shares	56,348,454	51,852,711
(vi)	M R Share Broking Private Limited	Purchase of Shares	18,951,651	19,723,000
(vii)	VRM Share Broking Private Limited	Purchase of Shares	78,769,831	27,214,321
(viii)	Chandra Kishore Bohra	CFO Remuneration	386285	348615

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 2018

Particulars	Carrying amount			Fair value	
	Through OCI	Amortised Cost	Total	Level 1	Total
<b>Financial assets</b>					
Investments	113,940,753	-	113,940,753	113,940,753	-
Trade Receivables	-	2,524,682	2,524,682	-	-
Cash and cash equivalents	-	6,283,731	6,283,731	-	-
	<b>113,940,753</b>	<b>8,808,413</b>	<b>122,749,166</b>	<b>113,940,753</b>	<b>-</b>
<b>Financial liabilities</b>					
Trade Payables	-	2,122,516	2,122,516	-	-
	-	<b>2,122,516</b>	<b>2,122,516</b>	-	-

As at 31st March 2017

Particulars	Carrying amount			Fair value	
	Through OCI	Amortised Cost	Total	Level 1	Total
<b>Financial assets</b>					
Investments	90,418,315	-	90,418,315	90,418,315	-
Trade Receivable	-	9,922,932	9,922,932	-	-
Cash and cash equivalents	-	65,385,540	65,385,540	-	-
	<b>90,418,315</b>	<b>75,308,472</b>	<b>165,726,787</b>	<b>90,418,315</b>	<b>-</b>
<b>Financial liabilities</b>					
Trade Payables	-	-	-	-	-
	-	-	-	-	-

As at 01st April 2016

Particulars	Carrying amount			Fair value	
	Through OCI	Amortised Cost	Total	Level 1	Total
<b>Financial assets</b>					
Trade Receivables	-	10,032,932	10,032,932	-	-
Investments	71,288,522	-	71,288,522	71,288,522	-
Loans and Advances	-	-	-	-	-
Cash and cash equivalents	-	15,358,333	15,358,333	-	-
	<b>71,288,522</b>	<b>25,391,265</b>	<b>96,679,787</b>	<b>71,288,522</b>	<b>-</b>
<b>Financial liabilities</b>					
Trade Payables	-	-	-	-	-
	-	-	-	-	-



# DHANLAXMI COTEX LIMITED

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## **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**

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

### **C.ii. 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



# DHANLAXMI COTEX LIMITED

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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.

**Ageing of Accounts receivables :** (Amount in Rs.)

Particulars	As at March 31, 2018	As at April 1, 2017	As at April 1, 2016
0 - 6 months	2,524,682	-	9,922,932
Beyond 6 months	-	9,922,932	110,000
<b>Total</b>	<b>2,524,682</b>	<b>9,922,932</b>	<b>10,032,932</b>

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.

**C.iii. 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.

**C.iv. 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.

**C.iv.a 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.

**C.iv.b 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

## Reconciliation of Equity as at 01st April 2016

Particulars	As per INDIAN GAAP	Adjustments	As per IND-AS
<b>I Non - Current Assets</b>			
(a) Property, Plant and Equipment	22,728	-	22,728
(b) Capital work - in - progress	-	-	-
(c) Other Intangible Assets	-	-	-
(d) Intangible assets under development	-	-	-
(e) Financial assets	-	-	-
(i) Investments	59,686,216	-11,602,306	71,288,522
(iii) Other financial assets	-	-	-
(f) Other tax assets (Net)	14,079,538	-	14,079,538
(g) Other non - current assets	9,122,349	-	9,122,349
(h) Deferred tax asset	-	-	-
<b>Total Non - Current Assets (A)</b>	<b>82,910,831</b>	<b>-11,602,306</b>	<b>94,513,137</b>
<b>II Current Assets</b>			
(a) Inventories	160,638,166	-	160,638,166
(b) Financial assets	-	-	-
(i) Trade receivables	10,032,932	-	10,032,932
(ii) Cash and cash equivalents	15,358,333	-	15,358,333
(iii) Bank balances other than (ii) above	-	-	-
(iv) Loans	-	-	-
(v) Other financial assets	-	-	-
(c) Current Investment	-	-	-
(d) Other current assets	40,275,530	-	40,275,530
<b>Total Current Assets (B)</b>	<b>226,304,961</b>	<b>-</b>	<b>226,304,961</b>
<b>TOTAL ASSETS (A+B)</b>	<b>309,215,791</b>	<b>-</b>	<b>320,818,097</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I EQUITY</b>			
(a) Equity share capital	48,713,500	-	48,713,500
(b) Other Equity	271,286,250	-	271,286,250
<b>Total Equity (A)</b>	<b>319,999,750</b>	<b>-</b>	<b>319,999,750</b>
<b>II LIABILITIES</b>			
(1) Non Current Liabilities	-	-	-
(a) Financial Liabilities	-	-	-
(i) Other financial liabilities	-	-	-
(b) Provisions	-	-	-
(c) Deferred tax Liabilities	666,025.0	-	666,025.0
<b>Total Non Current Liabilities (B)</b>	<b>666,025.0</b>	<b>-</b>	<b>666,025.0</b>
(2) Current Liabilities	-	-	-
(a) Financial Liabilities	-	-	-
(i) Borrowings	-	-	-
(i) Trade payables	-	-	-
(ii) Other financial liabilities	-	-	-
(b) Other current liabilities	152,323.0	-	152,323.0
(c) Provisions	-	-	-
(d) Current tax liabilities (Net)	-	-	-
<b>Total Current Liabilities (c)</b>	<b>152,323</b>	<b>-</b>	<b>152,323</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>	<b>320,818,098</b>	<b>-</b>	<b>320,818,098</b>



# DHANLAXMI COTEX LIMITED

## Reconciliation of Equity as at 31st March 2017

Particulars	As per INDIAN GAAP	Adjustments	As per IND-AS
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	8,373	8,373	-
(b) Capital work - in - progress	-	-	-
(c) Other Intangible Assets	-	-	-
(d) Intangible assets under development	-	-	-
(e) Financial assets	-	-	-
(i) Investments	54,336,789	-36,081,526	90,418,315
(iii) Other financial assets	-	-	-
(f) Other tax assets (Net)	568,529	-	568,529
(g) Other non - current assets	1,705,416	-	1,705,416
(h) Deferred tax asset	-	-	-
<b>Total Non - Current Assets (A)</b>	<b>56,619,107</b>	<b>-36,073,153</b>	<b>92,692,259</b>
<b>Current Assets</b>			
(a) Inventories	138,135,119	-	138,135,119
(b) Financial assets	-	-	-
(i) Trade receivables	9,922,932	-	9,922,932
(ii) Cash and cash equivalents	65,385,540	-	65,385,540
(iii) Bank balances other than (ii) above	-	-	-
(iv) Loans	-	-	-
(v) Other financial assets	-	-	-
(c) Current Investment	35,896,000	-	35,896,000
(d) Other current assets	10,093,025	-	10,093,025
<b>Total Current Assets (B)</b>	<b>259,432,616</b>	<b>-</b>	<b>259,432,616</b>
<b>TOTAL ASSETS (A+B)</b>	<b>316,051,723</b>	<b>-36,073,153</b>	<b>352,124,876</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	48,713,500	-	48,713,500
(b) Other Equity	302,660,019	-	302,660,019
<b>Total Equity (A)</b>	<b>351,373,519</b>	<b>-</b>	<b>351,373,519</b>
<b>LIABILITIES</b>			
(1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities			
(b) Provisions			
(c) Deferred tax Liabilities	666,908.0		666,908.0
<b>Total Non Current Liabilities (B)</b>	<b>666,908.0</b>	<b>-</b>	<b>666,908.0</b>
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(i) Trade payables			
(ii) Other financial liabilities			
(b) Other current liabilities	92,822.0		92,822.0
(c) Provisions			
(d) Current tax liabilities (Net)			
<b>Total Current Liabilities (c )</b>	<b>92,822</b>	<b>-</b>	<b>92,822</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>	<b>352,133,249</b>	<b>-</b>	<b>352,133,249</b>



# DHANLAXMI COTEX LIMITED

## Reconciliation of Profit & Loss for the year ended 31st March 2018

Particulars	As per INDIAN GAAP	Adjustments	As per IND-AS
<b>I Income</b>			
Revenue from operations	287,933,083	-	287,933,083
Other income	30,014,524	-	30,014,524
<b>Total Income</b>	<b>317,947,607</b>		<b>317,947,607</b>
<b>II Expenses</b>			
Operating Expenses	286,840,285	-	286,840,285
Changes in inventories	-1,838,662	-	-1,838,662
Excise Duty on sales of goods	-	-	-
Employee benefit expenses	5,840,875	-	5,840,875
Finance Cost	-	-	-
Depreciation & amortization expenses	14,263	-	14,263
Other Expenses	16,417,471	-	16,417,471
<b>Total Expenses</b>	<b>307,274,232</b>		<b>307,274,232</b>
<b>III Profit before exceptional items &amp; tax</b>	<b>10,673,375</b>		<b>10,673,375</b>
Exceptional Items	-	-	-
<b>IV Profit/(Loss) before tax</b>	<b>10,673,375</b>		<b>10,673,375</b>
<b>V Tax expenses</b>			
(1) Current tax :			
(a) of Current year	1,739,039	-	1,739,039
(b) of Earlier years	3,561	-	3,561
(2) Deferred tax	3,206	-	3,206
<b>VI Profit for the period</b>	<b>8,927,569</b>		<b>8,927,569</b>
<b>VII Other Comprehensive Income</b>			
A. (i) Items that will be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
B. (i) Items that will not be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
<b>Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)</b>	<b>8,927,569</b>		<b>8,927,569</b>



# DHANLAXMI COTEX LIMITED

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## 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 28.05.2018.

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

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(ii) 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

**(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.

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





# DHANLAXMI COTEX LIMITED

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## **(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.
- (iv) 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.



# DHANLAXMI COTEX LIMITED

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## **(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.

**(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.



# DHANLAXMI COTEX LIMITED

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(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.

### 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**



# DHANLAXMI COTEX LIMITED

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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.

Nil

**(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.

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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 : 28th May, 2018.

Chandrakishor Bohra  
(Chief Financial Officer)

For and on behalf of the Board

Ramautar S. Jhwar  
Managing Director

Mahesh S. Jhwar  
Director

Kamala R. Jhwar  
Director

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# DHANLAXMI COTEX LIMITED

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## **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](https://www.nseindia.com/corporates/content/eq_listcompanies.htm)

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# DHANLAXMI COTEX LIMITED

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**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;
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# DHANLAXMI COTEX LIMITED



**Bigshare Services Pvt. Ltd<sup>1st</sup>**  
Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri (East), Mumbai 400059; Maharashtra, India.  
Tel : 022 62638200; www.bigshareonline.com

Ref :

Date :

**Folio No. :**

Dear Shareholder(s),

**Unit :**

**Sub.:** Mandatory update of PAN and Bank details

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have / have incomplete details with respect to PAN and bank particulars are mandatorily required to furnish the PAN and bank details to the Company / Registrar & Transfer Agent (RTA) for registration under their folio.

As per the records of the Company / RTA, your folio needs to be updated with the PAN and complete bank account details.

Hence you are requested to submit the following documents within 21 days of receipt of this communication:

- The form which has been provided overleaf of this letter, dully filled in and sign by all the shareholders
- Self-attested copy of PAN card of the shareholder (including joint holders)
- Original cancelled cheque leaf with the name of first /sole shareholder printed on it and in absence of personalized cheque copy of bank passbook showing name & account details of the account holder attested by bank
- Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

In case if you have any queries or need any assistance in this regard, please contact us at the following address:

Bigshare Services Pvt. Ltd  
1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai – 400 059  
Tel. No. 91 22 62638200, email : investor@bigshareonline.com

On receipt of the above document we will update the same in our records.

**Important information: In terms of SEBI Gazette Notification dated June 08, 2018, shares in physical form will not be transferred after December 05, 2018. Hence, in your interest, it is advised to get your shares converted into demat form at the earliest.**

Thanking you,

Yours faithfully,  
for Bigshare Services Pvt Ltd.

**Sd/-**  
Authorised Signatory

P.T.O.



# DHANLAXMI COTEX LIMITED

## FORM FOR FURNISHING PAN AND BANK DETAILS

Bigshare Services Pvt. Ltd  
1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri East, Mumbai – 400 059.

Dear Sir/Madam,

Unit:

I/we hereby furnish our PAN and bank mandate details for updating in your records. I/we am/are enclosing herewith:

- 1) Self-attested copy of PAN card of the shareholder (including joint holders)
- 2) Original personalized cancelled cheque leaf / First page of bank pass book
- 3) Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

Folio No.	
Mobile No.	
E-Mail id	

Bank Account Details : (for electronic credit of dividends)									
Name of the Bank									
Name of the Branch									
Account Number (as appearing in cheque book)									
Account Type (Please tick as applicable)	Saving		Current			Cash Credit			
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification									
11 Digit IFSC Code									

	Name	PAN	Signature (as per specimen registered with the Company / RTA)
First Holder :			
Joint Holder 1 :			
Joint Holder 2 :			

Date:

Place:

**Note :** The above details will not be updated if the supporting documents are not attached and or not duly signed by the shareholder (including joint holders).





# 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

### ATTENDANCE SLIP

**32<sup>nd</sup> Annual General Meeting, September 28, 2018 at 11.30 A.M.**

Name of the Member:

<b>Regd. Folio No.</b>	<b>* DP ID:</b>
<b>No. of Equity Shares held</b>	<b>* Client ID:</b>

<b>Name of the Shareholder</b>	
<b>Name of Proxy</b>	

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the **32<sup>nd</sup> Annual General Meeting** of the Company on **Friday, September 28, 2018 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

## 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]

**32<sup>nd</sup> Annual General Meeting, September 28, 2018 at 11.30 A.M.**

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

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 **Friday, September 28, 2018 at 11.30 A.M.** at the Registered Office of the Company at 285,Princess Street,2nd Floor, ChaturbhujJivandas 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 ....., 2018

Affix One Rupee Revenue Stamp
--

.....  
**Signature of the Member**

**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.



# 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

32<sup>nd</sup> Annual General Meeting, September 28, 2018 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 31 <sup>st</sup> March, 2018, including balance sheet as at 31 <sup>st</sup> march, 2018, 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 <b>Mrs. Kamla R. Jhavar</b> , who retires by rotation and, being eligible, offered herself for re-appointment			
3	To re- appoint Statutory Auditors and fix their remuneration			
4	To Appointment of <b>Mr. Natwar Nagarmal Agarwal as an Independent Director (Non- Executive)</b> of the Company			
5	To Appointment of <b>Mrs. Jayashree Iyer as an Independent Director (Non- Executive)</b> of the Company			
6	To increase Borrowing Powers of the Board of Directors under Section 180 (1) (c) of the Companies Act, 2013 upto Rs. 500 Crores			
7	Creation of Security under Section 180 (1) (a) of the Companies Act, 2013 in connection with the borrowings of the Company			
8	To make Investments, give Loans, Guarantees and provide Securities beyond the prescribed limits			

Place: Mumbai

Date:

(Signature of Shareholder)



# 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

### ATTENDANCE SLIP

**32<sup>nd</sup> Annual General Meeting- 28th September, 2018.**

Name of the Member:

<b>DPID :</b>	<b>Client Id/Folio No.</b>
<b>Number of Shares held</b>	

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the Company on **28<sup>th</sup> September 2018 at 11.30 a.m.** at 285,Princess Street, 2<sup>nd</sup> Floor, Chaturbhuj Jivandas House, Mumbai-400002

.....  
Name of the member / proxy

.....  
Signature of the member / proxy

(In BLOCK LETTERS)

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.*



# **DHANLAXMI COTEX LIMITED**

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## **BOOK POST**

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### **DHANLAXMI COTEX LIMITED**

285, Princess Street,  
C.J. House, 2nd Floor,  
MUMBAI - 400 002.

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# **DHANLAXMI COTEX LIMITED**



**CIN : L51100MH1987PLC042280**

## **32<sup>nd</sup> Annual Report 2017-2018**



# DHANLAXMI COTEX LIMITED

## 32<sup>ND</sup> ANNUAL REPORT

### Board of Directors

**Shri Ramautar Jhawar**

(Managing Director)

**Shri Mahesh Jhawar**

(Director)

**Smt. Kamala R. Jhawar**

( Director)

**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**

(Independent Director appointed w.e.f 03-08-2018)

**Mr. Gopal Mohta**

(Independent Director)

### Registered & Administrative Office

285, Princess Street, 2nd Floor,  
Chaturbhuj 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

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