



Dhanlaxmi FABRICS LTD.

Corporate Office : 401/402, Kailash Coporate Lounge, Park Site, Vikhroli (West) Mumbai - 400 078.
Phone : 022-25181103 / 25181102 • **CIN No. :** L17120MH1992PLC068861

Date: 08/09/2022

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

Ref: BSE Scrip Code: 521151
Sub: 30th Annual Report for the financial year 2021-22

Dear Sir / Madam,

Pursuant to Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the soft copy of 30th Annual Report of the Company for the financial year 2021-2022 along with the notice of 30th Annual General Meeting of the Company scheduled to be held on Friday, 30th September, 2022 at 01: 00 P.M.

In accordance with the circulars issued by Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and January 13, 2021, 14th December, 2021 and 5th May, 2022 along with SEBI circulars dated 12th May, 2020 and 15th January, 2021 and 13th May, 2022 issued by Securities and Exchange Board of India ('SEBI'), the Notice convening the 30th AGM and Annual Report for the Financial year 2021-2022 have been sent only through Electronic mode to all the members whose E-mail IDs are registered with the Company/RTA/Depository Participants(s) as on cutoff date 02.09.2022.

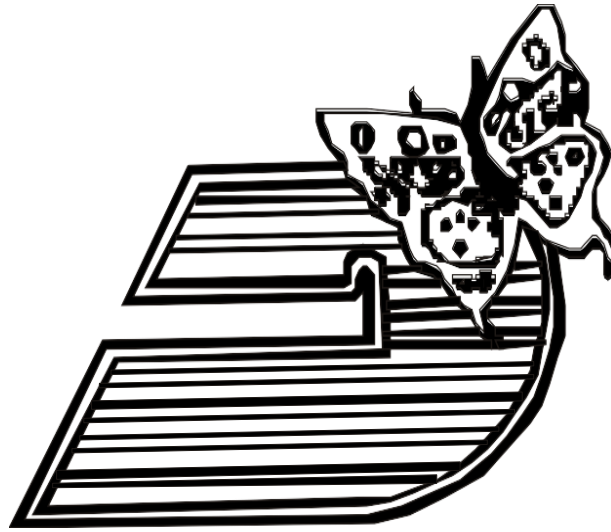
Kindly take the same on your record.

Thanking You
Yours Faithfully
For Dhanlaxmi Fabrics Limited

VINOD
SOHANLAL
JHAWAR
Mr. Vinod S. Jhavar
(Managing Director)
DIN: 00002903
Place: Mumbai

Digitally signed by VINOD SOHANLAL JHAWAR
DN: cn=VINOD SOHANLAL JHAWAR, o=Dhanlaxmi Fabrics Limited, ou=, email=vinod.jhavar@dhanlaxmi.com, c=IN
Date: 2022.09.08 10:00:00 +05'30'

Encl: 30th Annual Report for F.Y. 2021-22



Dhanlaxmi

Fabrics Limited

(CIN: L17120MH1992PLC068861)

30th Annual Report
2021-22

BOARD OF DIRECTORS AND KMPS

NAME	DESIGNATION	DIN	Date of Cessation
Mr. Vinod S Jhawar	Managing Director & Chairman	00002903	-
Mr. Mahesh S Jhawar	Director	00002908	-
Mr. Mukul V Jhawar	Whole Time Director	07966851	-
Mr. Durgesh Kabra	Independent Director	00017670	-
Ms. Ayushi Gilra	Independent Director	08511294	-
Mr. Athul Rungta	Independent Director	00305731	-
Mr. Vishnu H Thaker	Company Secretary & Compliance Officer	-	05 th July, 2022
Mr. Purshottam Randad	Chief Financial Officer	-	30 th May, 2022

PRINCIPLE BANKERS:

AXIS Bank, Kotak Mahindra Bank,
State Bank of India,
The Shamaro Vithal Co- Operative Bank

STATUTORY AUDITORS:

M/S. R H A D & CO
2nd Floor, Apeejay House, 3 Dinshaw Vachcha Road,
Churchgate, Mumbai – 400020.

INTERNAL AUDITORS:

M/s. Sunil Bangar & Associates
Mumbai

COST AUDITORS:

M/s. Talati & Associates
Mumbai

REGISTRAR & TRANSFER AGENT:

BIG SHARE SERVICES PVT LTD
CIN: U99999MH1994PTC076534
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (East) Mumbai- 400059.
Board No. : 91-22-62638200, 91-22-62638299 Email: investor@bigshareonline.com

LISTING OF EQUITY SHARES:

BOMBAY STOCK EXCHANGE
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Tel: 91-22-22721233/4, 91-22-66545695

CORPORATE / COMMUNICATION ADDRESS:

401/402, Kailash Corporate Lounge, Park Site, Vikroli (West), Mumbai- 400079.
Tel: 091-22-251811102/103
Email: info@dfi.net.in Website: <http://www.dfi.net.in/>

REGISTERED OFFICE:

Bhopar Village, Manpada Road, Dombivli (East), Thane-421204., Maharashtra.
Tel: 091-0251-2870589/ 590/ 591 Fax No. 091-0251-2870545
Email: info@dfi.net.in Website: <http://www.dfi.net.in/>

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NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING OF THE MEMBERS OF M/ S. DHANLAXMI FABRICS LIMITED WILL BE HELD ON FRIDAY 30TH SEPTEMBER, 2022 AT 1:00 P.M. THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS AT DEEMED VENUE IS REGISTERED OFFICE TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive consider and adopt the Annual Audited Standalone and Consolidated Financial Statements consisting of the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and Explanatory Notes annexed to, and forming part of, any of the above documents together with the reports of the Board of Directors and the Auditors thereon. – Ordinary Resolution
2. To appoint a Director in place of Mr. Mukul Vinod Jhawar (DIN: 07966851) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible offers himself for re-appointment. – Ordinary Resolution

“RESOLVED THAT Mr. Mukul Vinod Jhawar (DIN: 07966851), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS:

3. **Appointment / Re-appointment of M/s. Talati & Associates Cost Accountants, as a Cost Auditors of the Company and to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s Talati & Associates., (Cost Accountants) Mumbai, (FRN R/00097) reappointed by the Board of Directors of the Company, on the recommendation of Audit Committee, to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2023, be paid the remuneration as set out in the explanatory statement annexed to the notice convening this meeting and the same is hereby ratified and approved.”

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

4. **Material Related Party Transaction(s) between the Company and Dhanesh Fabrics Private Limited, a Subsidiary of the Company and to consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with rules made thereunder and Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members 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 be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Dhanesh Fabrics Private Limited (‘DHANESH’), a subsidiary of the Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as may be mutually agreed between the Company and DHANESH’, for an aggregate value not exceeding `25 crore during the financial year 2022-23 and henceforth, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

5. Material Related Party Transaction(s) between the Company and Western Chlorides & Chemicals Private Limited, a Subsidiary of the Company and to consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with rules made thereunder and Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Regulations), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members 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 be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Western Chlorides & Chemicals Private Limited (‘WESTERN OR WCCPL’), a subsidiary of the Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as may be mutually agreed between the Company and WCCPL, for an aggregate value not exceeding `1 crore during the financial year 2022-23 and henceforth, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

6. Material Related Party Transaction(s) between the Company and DFL Fabrics Private Limited, a Subsidiary of the Company and to consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with rules made thereunder and Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Regulations), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members 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 be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and DFL Fabrics Private Limited (‘DFL FAB’), a subsidiary of the Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as may be mutually agreed between the Company and DFL FAB, for an aggregate value not exceeding `5 crore during the financial year 2022-23 and henceforth, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

7. Material Related Party Transaction(s) between the Company and Promtech Impex Pvt Ltd, a Promoter Group Company and to consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with rules made thereunder and Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Regulations’), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members 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 be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Promtech Impex Pvt Ltd (‘PROMTECH or PIPL’), a Group Company of the Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as may be mutually agreed between the Company and PIPL, for an aggregate value not exceeding `10 crore during the financial year 2022-23 and henceforth, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

REGISTERED OFFICE:

Manpada Road, Bhopar Village,
Dombivali (East), Thane- 421 204
Maharashtra
Date: 03/08/2022

By Order of the Board

**Sd/-
Vinod S. Jhawar
(Managing Director)
DIN: 00002903**

IMPORTANT COMMUNICATION TO MEMBERS – GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause. The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the R&T Agent/the Depositories. The Members who hold shares in physical form are requested to intimate/update their email address to the Company/R&T Agent while Members holding shares in Demat form can intimate/update their email address to their respective Depository Participants. Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

Notes:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is attached hereto.
2. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021 and 02/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 14th December, 2021 and 5th May, 2022 respectively issued by the Ministry of Corporate Affairs (“MCA”) (collectively referred to as “MCA Circulars”) read with Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12th May, 2020, 15th January, 2021 and 13th May, 2022 respectively issued by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”) companies are allowed to hold Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Companies Act, 2013 (“the Act”), a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Meeting will be held through VC/OAVM, in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Corporate Members intending to have their representatives attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature of the representative(s) authorized to attend and vote on their behalf at the Meeting.
5. The additional details of Directors retiring by rotation/ seeking appointment/re-appointment, pursuant to Regulation 36(3) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as Annexure I and forms part of this Notice.
6. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 23, 2022 to Friday, September 30, 2022 (both days inclusive).
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.dfl.net.in under Annual Reports tab. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
11. The SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in securities market. Accordingly, Members holding shares in electronic form are requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Company/ Registrar and Share Transfer Agent.
12. Members holding shares in electronic form are required to contact their Depository Participants to register/change their nomination. Members holding shares in physical form are advised to register Nomination in respect of their Shareholding in the Company. Nomination Form (SH-13) is available on the website of the Company at www.dfl.net.in or they may Registrar and Share Transfer Agent, for any assistance in this regard.
13. As per Regulation 40 of the SEBI Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company/Registrar and Share Transfer Agent, for any assistance in this regard.
14. Members seeking any information or clarifications on the Annual Report are requested to send their queries to the Company on cscpliance@dfi.net in at least 7 days prior to the Meeting i.e. 23.09.2022 to enable the Company to compile the information and provide replies at the Meeting.
15. In case all the joint holders are attending the Meeting, the Member whose name appears as first holder in the order of names as per Register of Members of the Company will be entitled to vote at the Meeting.
16. In line with the MCA Circulars and the SEBI Circulars, Annual Report for the financial year 2021-22 along with the Notice of 30th Annual General Meeting inter alia indicating the process and manner of e-voting, will be sent through electronic mode to the Members whose email addresses are available with the Company/ Depositories/Depository Participants. The Members whose e-mail addresses are not registered with the Company are requested the same.
17. Speaker Registration/Questions for the Meeting: Members, who would like to express their views/have questions are requested to send registrations along with the questions in advance mentioning their name, demat account number/folio number, email id, mobile number at cscpliance@dfi.net on or before 23.09.2022 atleast 7 days prior to AGM. Those

Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of questions/speakers depending on the availability of time for the Meeting.

18. The facility for remote e-voting shall be provided at the Meeting. Members attending the Meeting who have not cast their vote earlier by remote e-voting shall be entitled to vote at the Meeting. A Member can participate in the Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Meeting
19. The remote e-voting facility will be available during the following voting period :
Commencement of remote E-voting: From 09.00 a.m. (IST) on Tuesday, September 27, 2022
End of remote e-voting: Upto 05.00 p.m. (IST) on Thursday, September 29, 2022
20. Mr. Pankaj Trivedi, Practicing Company Secretary (Certificate of Practice No. 15301) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner in Board Meeting held on 3rd August, 2022
21. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Friday, 23rd September, 2022 ("Cut-off date") only shall be entitled to avail the facility of remote e-voting or voting at the Meeting, as the case may be, in proportion to the shares held by them as on the Cut-off date.
22. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at www.evotingindia.com. However, if he/she is already registered user for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
23. The facility of voting will be provided at the Meeting for the Members attending the Meeting and who have not cast their vote earlier by remote e-voting.
24. Once the Member has confirmed his voting on the resolution, he will not be allowed to modify his vote or cast the vote again.
25. The Scrutinizer shall, after the conclusion of voting at the Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall submit, not later than forty-eight hours of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results shall be declared by the Chairman or any other person authorized by him in writing within forty-eight hours from the conclusion of the Meeting. The results declared shall alongwith the consolidated Report of the Scrutinizer be placed on the website of the Company i.e. www.dfl.net.in and on the website of CDSL at www.evotingindia.com immediately after the declaration of results. The results shall simultaneously be forwarded to the BSE Limited, Mumbai.
27. Instructions for e-voting and attending the Annual General Meeting is annexed and forms part of this Notice.
28. Considering the Meeting would be held through VC/ OAVM, the route Map for the venue is not annexed to the Notice. The deemed venue for the AGM shall be the Registered Office of the Company.

INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, 27th September, 2022 (09.00 a.m. IST) and ends on Thursday, 29th September, 2022 (05.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 23rd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that participation by the public non-institutional shareholders/retail shareholders is at negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service

	provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800225533.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 18001020990 and 1800224430

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The Shareholders should log on to the e-voting website www.evotingindia.com
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Company Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ol style="list-style-type: none"> i. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <DHANLAXMI FABRICS LIMITED> on which you choose to vote.
- (x) 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.

- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address cscpliance@df.net.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cscpliance@df.net.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cscpliance@df.net.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013, SPECIAL BUSINESS:****Item No.3: Re-Appointment of M/s. Talati & Associates, Cost Accountants, as Cost Auditors of the Company.**

The Board of Directors of the Company, upon the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Talati & Associates, Cost Accountants, Mumbai to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2023 at a remuneration of 30,000/- (Rupees Thirty Thousands only) plus taxes and reimbursement of out of pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is being sought for passing the resolution as set out in item no. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2023.

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

The resolution as set out in item no. 3 of this Notice is accordingly recommended for your approval.

Item No.4: Material Related Party Transaction(s) between the Company and Dhanesh Fabrics Private Limited, a Subsidiary of the Company.

The Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds `1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Regulation 2(1)(zc) of the SEBI Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

In view of the afore mentioned regulatory changes the Resolution No. 4 is placed for approval by the Members.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Sr. No.	Particulars	Details
1	Name of the Related Party	M/s. Dhanesh Fabrics Pvt Ltd
2	Name of the Director or KMP who is related	The Dhanesh Fabrics Pvt Ltd is the subsidiary of the Company with 99.99% holding. Mr. Vinod Jhawar (Managing Director & Promoter of the Company) and Mr. Lalit Jhawar (COO, CFO & Promoter of the Company) are the Directors in M/s Dhanesh Fabrics Pvt Ltd. DHANESH is a Related Party of the Company, as on the date of this Notice.
3	Nature of Relationship	Subsidiary of the Company.
4	Type, material terms and particulars of the proposed transaction;	The Company and DHANESH have entered into/propose to enter into the following RPTs during FY 2022-23 and henceforth, for an aggregate value not exceeding `25 crore for <ul style="list-style-type: none"> • Sale and purchase of goods / services (including material procurement). • Labour Job work for dying, printing, weaving, etc. • Leasing and renting transactions of office, factory premises/godown/land, etc • Intercorporate deposits taken / given. • Investments made. • Reimbursement of expenses.
5	Tenure of the proposed transaction (particular tenure shall be specified);	F.Y. 2022-23 and henceforth
6	Value of the proposed transaction;	As mentioned above.
7	The percentage of the listed entity's annual consolidated turnover, for the immediately	35.44%

	preceding financial year, that is represented by the value of the proposed transaction.	
8	<p>If the transaction relates to any loans, inter corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) Details of the source of funds in connection with the proposed transaction;</p> <p>ii) Where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments</p> <ul style="list-style-type: none"> • Nature of indebtedness; • Cost of funds; and • Tenure; <p>iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<p>Not applicable</p> <p>Own share capital / Internal accruals and liquidity of the Company.</p> <p>No</p> <p>N.A.</p> <ul style="list-style-type: none"> • Lock in Period: None • Tenure: On demand • Interest rate: 6% -12%; • Repayment Schedule: Not Applicable • The above inter-corporate deposits are under unsecured category. <p>For working capital, business and investment purpose.</p>
9	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial.
10	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	<p>Valuation or other external report - Not applicable</p> <p>In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services or as the case may be in the best interest of the Company.</p>

None of the other Directors, KMPs and/ or their respective relatives except Mr. Vinod Jhavar and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 4 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 4 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 4 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No.5: Material Related Party Transaction(s) between the Company and Western Chlorides & Chemicals Private Limited, a Subsidiary of the Company.

The Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds `1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Regulation 2(1)(zc) of the SEBI Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

In view of the afore mentioned regulatory changes the Resolution No. 5 is placed for approval by the Members.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Sr. No.	Particulars	Details
1	Name of the Related Party	M/s. Western Chlorides & Chemicals Private Limited
2	Name of the Director or KMP who is related	The Western Chlorides & Chemicals Private Limited is the subsidiary of the Company with 99.99% holding. Mr. Lalit Jhawar (COO and CFO of the Company) and Mrs. Vandana Vinod Jhawar (Promoter) are the Directors in Western Chlorides & Chemicals Private Limited. WCPPL is a Related Party of the Company, as on the date of this Notice.
3	Nature of Relationship	Subsidiary of the Company.
4	Type, material terms and particulars of the proposed transaction;	The Company and WCPPL have entered into/propose to enter into the following RPTs during FY 2022-23 and henceforth, for an aggregate value not exceeding '1 crore for <ul style="list-style-type: none"> • Leasing and renting transactions of office, factory premises/godown/land, etc • Sale and purchase of goods / services (including material procurement). • Labour Job work for dying, printing, weaving, etc. • Intercorporate deposits taken / given. • Investments made. • Reimbursement of expenses.
5	Tenure of the proposed transaction (particular tenure shall be specified);	F.Y. 2022-23 and henceforth
6	Value of the proposed transaction;	As mentioned above.
7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	1.42%
8	If the transaction relates to any loans, inter corporate deposits, advances or investments made or given by the listed entity or its subsidiary: <p>i) Details of the source of funds in connection with the proposed transaction;</p> <p>ii) Where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments, <ul style="list-style-type: none"> • Nature of indebtedness; • Cost of funds; and • Tenure; </p> <p>iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	Not applicable <p>Own share capital / Internal accruals and liquidity of the Company.</p> <p>No</p> <p>N.A.</p> <ul style="list-style-type: none"> • Lock in Period: None • Tenure: On demand • Interest rate: 6% -12%; • Repayment Schedule: Not Applicable • The above inter-corporate deposits are under unsecured category. <p>For working capital, business and investment purpose.</p>
9	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial.
10	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	Valuation or other external report - Not applicable <p>In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services or as the case may be in the best interest of the Company.</p>

None of the other Directors, KMPs and/ or their respective relatives except Mr. Vinod Jhawar and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 5 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 5 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No.6: Material Related Party Transaction(s) between the Company and DFL Fabrics Private Limited, a Subsidiary of the Company.

The Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds `1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Regulation 2(1)(zc) of the SEBI Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

In view of the afore mentioned regulatory changes the Resolution No. 6 is placed for approval by the Members.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Sr. No.	Particulars	Details
1	Name of the Related Party	M/s. DFL Fabrics Private Limited
2	Name of the Director or KMP who is related	The DFL Fabrics Private Limited is the subsidiary of the Company with 99.80% holding. Mr. Mahesh Jhavar (Director & Promoter of the Company) and Mr. Rahul Mahesh Jhavar (Promoter of the Company) are the Directors in DFL Fabrics Private Limited. DFL FAB is a Related Party of the Company, as on the date of this Notice.
3	Nature of Relationship	Subsidiary of the Company.
4	Type, material terms and particulars of the proposed transaction;	The Company and WCPPL have entered into/propose to enter into the following RPTs during FY 2022-23 and henceforth, for an aggregate value not exceeding `5 crore for <ul style="list-style-type: none"> • Sale and purchase of goods / services (including material procurement). • Intercorporate deposits taken / given. • Investments made. • Reimbursement of expenses.
5	Tenure of the proposed transaction (particular tenure shall be specified);	F.Y. 2022-23 and henceforth
6	Value of the proposed transaction;	As mentioned above.
7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	7.09%
8	If the transaction relates to any loans, inter corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of the source of funds in connection with the proposed transaction; ii) Where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments, • Nature of indebtedness; • Cost of funds; and • Tenure;	Not applicable Own share capital / Internal accruals and liquidity of the Company. No N.A.

	<p>iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<ul style="list-style-type: none"> • Lock in Period: None • Tenure: On demand • Interest rate: 6% -12%; • Repayment Schedule: Not Applicable • The above inter-corporate deposits are under unsecured category. <p>For working capital, business and investment purpose.</p>
9	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial.
10	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	<p>Valuation or other external report - Not applicable</p> <p>In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services or as the case may be in the best interest of the Company.</p>

None of the other Directors, KMPs and/ or their respective relatives except Mr. Vinod Jhawar and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 6 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 6 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 6 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No.7: Material Related Party Transaction(s) between the Company and Promtech Impex Pvt Ltd, a Promoter Group Company.

The Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds `1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Regulation 2(1)(zc) of the SEBI Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

In view of the afore mentioned regulatory changes the Resolution No. 7 is placed for approval by the Members.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Sr. No.	Particulars	Details
1	Name of the Related Party	M/s. Promotech Impex Pvt Ltd
2	Name of the Director or KMP who is related	The Promotech Impex Pvt Ltd is a Group Company. Mr. Vinod Jhawar (Managing Director & Promoter of the Company) and Mrs. Vinod Vandana Jhawar (Promoter of the Company) are the Directors in Promotech Impex Pvt Ltd. PIPL is a Related Party of the Company, as on the date of this Notice.
3	Nature of Relationship	Promoter Group Company
4	Type, material terms and particulars of the proposed transaction;	The Company and WCPPL have entered into/propose to enter into the following RPTs during FY 2022-23 and henceforth, for an aggregate value not exceeding `10 crore for <ul style="list-style-type: none"> • Sale and purchase of services • Intercorporate deposits taken / given. • Investments made. • Reimbursement of expenses. • Leasing and renting transactions of office, factory premises/godown/land, etc.
5	Tenure of the proposed transaction (particular tenure shall be specified);	F.Y. 2022-23 and henceforth
6	Value of the proposed transaction;	As mentioned above.

7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	14.18%
8	<p>If the transaction relates to any loans, inter corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) Details of the source of funds in connection with the proposed transaction;</p> <p>ii) Where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> • Nature of indebtedness; • Cost of funds; and • Tenure; <p>iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<p>Not applicable</p> <p>Own share capital / Internal accruals and liquidity of the Company.</p> <p>No</p> <p>N.A.</p> <ul style="list-style-type: none"> • Lock in Period: None • Tenure: On demand • Interest rate: 6% -12%; • Repayment Schedule: Not Applicable • The above inter-corporate deposits are under unsecured category. <p>For working capital, business and investment purpose.</p>
9	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial.
10	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	<p>Valuation or other external report - Not applicable</p> <p>In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services or as the case may be in the best interest of the Company.</p>

None of the other Directors, KMPs and/ or their respective relatives except Mr. Vinod Jhawar and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 6 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 6 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 6 of the Notice, whether the entity is a Related Party to the particular transaction or not.

REGISTERED OFFICE:

Manpada Road, Bhopar Village,
Dombivali (East), Thane- 421 204
Maharashtra
Date: 03/08/2022

By Order of the Board

Sd/-
Vinod S. Jhawar
(Managing Director)
DIN: 00002903

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (In pursuance of Regulation 36(3) of the LODR Regulation, 2015)

Name of the Director	Mukul Vinod Jhawar
Date of Birth	23.01.1992
Academic Qualifications	BBA (Bachelor of Business Administration) from Kingston University, London
Experience and Expertise	Mr. Mukul Vinod Jhawar is one of the Promoters of the Company. He is been associated as an Executive Director of the Company w.e.f 06.08.2019, Mr. Mukul is BBA (Bachelor of Business Administration) from Kingston University, London. He is having working experience of around 9 years in Business Administration, Management and Finance.
Date of first appointment on Board	06.08.2019
Directorship in other companies	None
No. of Membership(s) / Chairmanship(s) of Board Committees in other companies	None
No. of Shares held in the Company	60,000 equity shares
DIN	07966851
Relation with other Directors or Key Managerial Personnel	Son of Managing Director Mr. Vinod Sohanlal Jhawar
Number of Board Meeting attended during the financial year	5
Remuneration and other terms & conditions of appointment/re-appointment	Monthly remuneration of Rs. 3,00,000 with such increments as the Board may decide from time to time, subject however to a ceiling of Rs.10,00,000/- (Rupees Ten lakhs only) per month (Inclusive of all perquisites)
Remuneration paid/payable for the Financial Year 2021-22	39 Lacs

BOARD OF DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 30th Annual Report on the business operations and activities of the Company together with the Audited Accounts for the Financial Year ended 31st March, 2022.

FINANCIAL RESULTS:

Summary of the Company's financial performance for F.Y. 2021-22 as compared with the previous financial year is given below:

Particulars	F.Y. 2021-2022		F.Y. 2020-2021	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operation	6569.87	7054.67	4335.14	4643.00
Revenue from other Income	29.39	47.28	35.26	104.06
Total Revenue	6599.26	7101.95	4370.41	4747.06
Profit before Dep. & Int.	418.48	447.44	394.87	456.05
Depreciation	304.88	313.68	326.39	337.27
Interest	87.43	87.43	89.17	91.31
Profit after Depreciation & Interest and before Tax	26.16	46.32	(20.68)	27.47
Exceptional Items	48.13	44.24	61.70	45.18
Profit after Exceptional Items	74.29	90.56	41.02	72.65
Provision for Taxation	60.17	69.17	29.50	35.50
Provision for Tax (deferred)	(39.93)	(40.19)	(35.40)	(35.58)
Provision for Taxation for earlier year	-	(0.04)	-	(2.67)
Profit/Loss after Tax	54.06	61.62	46.93	75.41

HIGHLIGHTS:

Your Company's main activity is centred into trading, manufacturing, weaving and processing of textile and yarn and all allied products/services. As it can be clearly seen from the highlights that the Company's' the total revenue generation from the current year and profit for the year of the Company has been drastically reduced.

The Company's working and activities has been normalised and has taken up pace in F.Y. 2021-22 and company has managed to increase it activity by 52% as compare to its previous year. The Company had restarted its operations adhering to the safety norms prescribed by Government but not with 100 percent capacity during 2nd wave.

The management of the Company hereby very optimistic regarding performance of the Company in future and taking every steps and making every efforts to turn the Company in to more profitable organization.

DIVIDEND:

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

AMOUNT TO BE TRANSFERRED TO RESERVES:

No fund was transferred to General Reserves. For the year under review, Company has added the entire available surplus to the brought forward balance in "Statement of Profit and Loss", without making any transfer to the general reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amount to unclaimed dividend to investor education and protection fund.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Composition of the Board during the year was as per the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Companies Act, 2013.

Pursuant to Section 152 of the Companies Act, 2013 Mr. Mukul Vinod Jhawar, who, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Board has recommended his re-appointment.

During the year there has been no change in the composition of Board of Directors.

Mr. Durgesh Kabra, Ms. Ayushi Gilra & Mr. Athul Rungta, Independent director have given declarations that they continues to meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

The Board has in its meeting held on 14th February, 2022 upon recommendation of Nomination and Remuneration Committee resolved to re-appoint Mr. Vinod Sohanlal Jhawar as Managing Director of the Company for the term of next 5 years w.e.f. 28.03.2022 and in connection with the same approval of members has been taken through Postal Ballot on 28.03.2022.

Mr. Purshottam Randad has resigned from the post of Chief Financial Officer of the Company w.e.f. 30th May, 2022 owing to personal and other professional pre-occupancies. The Board designated Mr. Lalit Vinod Jhawar as a Chief Financial Officer of the Company based on recommendation of N&R and Audit Committee w.e.f. 03rd August, 2022.

Mr. Vishnu Thaker, the Company Secretary and Compliance Officer has resigned from his post w.e.f. 5th July, 2022 for better opportunity.

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

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

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.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (a) In the preparation of the annual accounts for the financial year ended 31st March, 2022 the applicable accounting standards have been followed.
- (b) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the State of affairs of the corporation as at the end of March 31, 2022 and of the profit of the Company for the year ended on that date.
- (c) 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) The Annual Accounts of the Company have been prepared on the on-going concern basis.
- (e) That they have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.
- (f) That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY DIRECTORS:

The Independent Non-executive Directors of the Company, viz. Mr. Durgesh Kabra, Ms. Ayushi Gilra, Mr. Athul Rungta has affirmed that they continue to meet all the requirements specified under Regulation 16(1)(b) of the LODR Regulation, 2015 in respect of their position as an "Independent Director" of Dhanlaxmi Fabrics Limited.

In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report.

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 and Regulation 16(1)(b) of the Listing Regulations, 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.

POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:

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 the website on this link: <http://www.dfl.net.in/company-profile.html>

EVALUATION OF BOARD OF 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 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.

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.

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

The Board has carried out the annual evaluation of its own performance, of each of its Committee and of all individual Directors, as required under the provisions of Section 134(3)(p) of the Companies Act, 2013 and the applicable provisions of Listing Regulations. The manner in which such performance evaluation exercise was carried out is given below:

The Nomination and Remuneration Committee (NRC) carries out the evaluation process at initial stage, followed by evaluation by Board. The performance evaluation framework is in place to seek the response of each Director on the evaluation of the entire Board and Individual Directors, on defined parameters.

The criteria of evaluation of Board as well as that of its each Committee; and individual Directors, including the Chairman of the Board; as defined by NRC in this regard, includes attendance and contribution of each Director at the meetings or otherwise, independent judgment, adherence to code of conduct and business ethics, monitoring of regulatory compliance, risk management and review of internal control system, etc.

The performance of the Board and Individual Directors was also evaluated by the Board seeking inputs from all Directors on aforesaid parameters.

The performance of Committees was evaluated by the Board seeking inputs from concerned Committee Members. A separate meeting of the Independent Directors was also held to review the performance of Non-independent Directors; performance of the Board as a whole and performance of the Chairman of the Company, taking into account the views of Executive as well as Non-executive 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://www.dfl.net.in/fam_prg.html.

MEETING OF INDEPENDENT DIRECTORS:

The meeting of Independent Directors was scheduled on 22nd March, 2022. All the Independent Directors of the Board were present in the meeting.

STATUTORY AUDITORS:

M/S. Dinesh Bangar & Co., Chartered Accountants, Mumbai (FRN: 102588W) has been appointed as a Statutory Auditors of the Company at 27th Annual General meeting of the Company for a period of five (5) years, till the conclusion of the 32nd Annual General Meeting of the Company. The MCA vide its notification dated 7 May 2018 has amended Companies (Audit and Auditors) Rules 2014 by Companies (Audit and Auditors) Amendment Rules 2018, which dispense the requirement of members approval for ratification of appointment of Auditors at every Annual General Meeting. Keeping the same in mind no such agenda item is included in notice for the 30th AGM.

AUDITORS REPORT:

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

FRAUDS REPORTED BY THE AUDITORS

Auditors have not reported any incident of fraud to the Audit Committee/Board of Directors, in their respective report, for the periods reviewed by them.

COST AUDIT AND COST AUDITOR:

M/s Talati & Associates., (Cost Accountants) Mumbai, (FRN R/00097) has been appointed based on the recommendation of Audit Committee by the Board to conduct the audit of Cost records of the Company for the financial year 2022-23 and their appointment has been recommended to the members for ratification/re-appointment at item no.3 of the Notice.

SECRETARIAL AUDIT:

The Audit Committee recommended the Name of M/s. Pankaj Trivedi & Co., Company Secretary in practice, for conducting Secretarial Audit for F.Y. 2021-22 pursuant to the requirements of Section 204(1) of the Act, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report as received is appended to this Report as **Annexure I**.

COMMENTS ON REMARKS/OBSERVATION/QUALIFICATION MADE BY AUDITORS:

M/s. Pankaj Trivedi & Co., Practicing, Company Secretary, in his independent Audit Report for Financial year 2021-22 have drawn the attention of the management on some matters in connection with the same management herewith give the explanation for the same as follows:

The Promoters of the Company holds 500 shares in physical form, however, the same is under process of dematerialization. The application was returned by the RTA with few remarks which were not communicated by the RTA at first instance.

The delay in submission of declarations for non-encumbrance of shares on promoters holding Regulation 31(4) of SEBI (SAST), Regulations, 2011 and that Company is not a Large Corporate pursuant to SEBI Circular No SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 was mainly due to challenges posed by COVID pandemic. The delay in such submissions does not have any bearing in performance of the Company and does not carry any penalty. The management will ensure no such further delay in future submissions.

As far as Compliance with the conditions of Regulation 31A pertains to rationale for seeking reclassification in their request letters by respective promoters seeking re-classification is concerned, the request letters of promoters seeking re-classification has the rationale and rationale are the conditions mentioned in clause 3(b) itself of the regulations.

The copy of the Minutes of Board meeting as required under clause 8(b) was submitted along with the application made by the Company under Regulation 31A clause 3(a).

The Company has followed the requirement of time gap between Board and General Meeting along with other conditions and requirements mentioned under regulation 31A, prior to SEBI (LODR) (Second Amendment) Regulations, 2021 dated 5.5.2021.

The application is filed with the exchange on 27.10.2022 and is under consideration. The exchange has asked for few documents and clarification from the Company in support of application made. The Company is arranging to submit the same.

The Company has optimum blend of Board as required under Regulation 17 of the SEBI (LODR), Regulations, 2015 as amended with atleast 50% Board comprising of Independent Directors including Women Director. The 50% of the Board is eligible to retire by rotation.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 a statement containing salient features of the financial statements of the Subsidiary Companies in Form AOC-1 is **Annexure II** in this Board's Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements together with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

DETAILS COMPANIES CEASED TO BE SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

There is no such Company who is ceased to be Subsidiary, Joint Venture or Associate Company of the Company during the year under review.

REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

The Company is committed to maintain 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 Statutory Auditors of the Company on compliance with the provisions is annexed and forms part of the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

As per the provisions of Companies Act, 2013 and Regulation 23 of 'Listing Regulations', the Company has formulated a Policy on Related Party Transaction to ensure transparency in transactions between the Company and the related parties. The said Policy is available at link of 'Company Policies' page on the company's website at <http://dfl.net.in/company-profile.html>.

During the year under review, there were no material transactions, as defined under the provisions of 'Listing Regulations', between the company and related parties. All transactions with related parties were carried out in the ordinary course of business at arms' length basis and details of such transactions are mentioned in notes attached to the financial statements, appearing elsewhere in the Annual Report.

Further, Form AOC-2 containing the necessary disclosure in this regard is attached as Annexure – I and forms an integral part of this report.

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

CORPORATE SOCIAL RESPONSIBILITY

The Company has in place a Corporate Social Responsibility Policy in line with Schedule VI of the Companies Act, 2013 as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Report on CSR Activities is furnished in "Annexure VI "forming part of this Directors' Report. The CSR Policy has been hosted in the Company's website at the link <http://www.dfl.net.in/company-profile.html> under the head Company Policy.

ANNUAL RETURN:

As required under the provisions of Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, a copy of the relevant Annual Return is available on the website of the Company at www.dfl.net.in under Investor Announcement tab under given link - http://dfl.net.in/inv_ann.html.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 5 (Five) times during the financial year, the details of which are given in 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.

POSTAL BALLOT:

The Company has conducted the one Postal Ballot during F.Y. 2021-22 in the month of March, 2022 in connection with necessary approval and submission has been already made to the authorities. The details of the resolution passed through postal ballot are mentioned in corporate governance report in this annual report.

COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee
4. Corporate Social Responsibility 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.

CODES OF CONDUCT:

The Board of Directors of the Company has laid down required Codes of Conduct. It has also adopted Code for Independent Directors as per Schedule IV of the Companies Act, 2013. All Board members including Independent Directors and Senior Management Personnel have affirmed compliance with the respective Codes of Conduct for the year under review. The Code of Conduct is available on the Company's website www.dfl.net.in.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made. Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes of Financial Statements.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION:

Particulars required to be disclosed in pursuance of the provisions of Section 197, read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under.

Sr. No.	Name of the Directors/KMPs	Remuneration / Setting fees Received (Rs. In Lacs)	% Increase in the year ended 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Vinod S Jhavar (Chairman & Managing Director)	43.50	45%	9.82
2	Mr. Mukul V Jhavar (Director)	39.00	95%	8.78
3	Mr. Mahesh S Jhavar (Director)	Nil	Nil	Nil
4	Mr. Durgesh Kabra (Independent Director)	0.15	Nil	0.04
5	Ms. Ayushi Gilra (Independent Director)	Nil	Nil	Nil
6	Mr. Athul Rungta (Independent Director)	0.35	366.67	0.08
7	Mr. Vishnu H Thaker (CS & Compliance Officer)	1.80	N.A.	0.41
8	Mr. Purushottam Randad (Chief Financial Officer)	4.12	N.A.	0.93

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.

- The median remuneration of employees of the Company during the financial year 2021-22 was '4.44 lacs.
- In the financial year 2021-22, there was an increase of 2.15 lacs (93.89%) in the median remuneration of employees.
- As on March 31, 2022, there were 31 employees who were on the roll of the Company.
- Total increase in remunerations paid to Directors during F.Y. 2021-22 is '32.77 lacs as compared to previous year; whereas Profit after Tax is '54.06 lakhs as compared to a profit of '46.93 lakhs in 2020-21.
- Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company (i.e. Remuneration of KMP for the year is '82.42 lacs as compared to '55.87 lacs in previous year) the overall total remuneration of the Key Managerial Personnel(s) has been hiked by '32.55 lacs in 2021-22; whereas Profit after Tax has been increase by 7.13 lacs.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 are given is **Annexed IV** to this report.

FOREIGN EXCHANGE:

Inflow and Outflow of Foreign Exchange are given is **Annexed V** to this report.

RISK MANAGEMNT AND INTERNAL CONTROL:

The Company has the risk management and internal control framework in place commensurate with the size of the Company. 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.

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 behaviour of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy. The details of the said Policy are included in the Report on Corporate Governance which forms part of the Annual Report.

During the financial year 2021-22, no cases under this mechanism were reported in the Company and any of its subsidiaries/ associates.

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

As required under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with rules made thereunder, the Company has constituted an "Internal Complaints Committee" which is

responsible for redressal of complaints related to sexual harassment. The necessary disclosure in terms of requirements of Listing Regulations in this regard is given below:

- a) Number of complaints filed during the financial year – Nil
- b) Number of complaints disposed of during the financial year – Nil
- c) Number of complaints pending as on end of financial year – Nil

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 2021-22, no cases in the nature of sexual harassment were reported at any workplace of the Company.

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 declaration about the Code of Conduct is Annexed to this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators or Courts or Tribunals, which would impact the 'going concern' status of the Company and its future operations. However, members' attention is drawn to the details about Contingent Liabilities and Commitments appearing in the Notes forming part of the Financial Statements.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred during Financial Year 2021-22, till the date of this report. Further there was no change in the nature of business of the Company.

INSURANCE OF ASSETS:

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

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 2022-23. The Company has executed a New Listing Agreement with the Bombay Stock Exchange pursuant to SEBI (LODR) Regulation 2015.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

As the company is not falling under the Top-1000 listed entities, based on market capitalization, as at 31/03/2022, the provisions of regulation 34(2)(f) of the Listing Regulations pertaining to the Business Responsibility and Sustainability Report (BRSR), are not applicable.

PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

ACKNOWLEDGEMENT:

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

FOR & ON BEHALF OF THE BOARD

<p>Sd/- Vinod S Jhawar (Managing Director) DIN: 00002903 Place: Mumbai Date: 03.08.2022</p>	<p>Sd/- Mukul V Jhawar (Whole Time Director) DIN: 07966851</p>
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ANNEXURE – I**FORM NO. 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 Fabrics Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. Dhanlaxmi Fabrics Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and return is filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, 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:

I have examined the books, papers; minutes' books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2022 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable to the Company during the Audit Period);
 - (iv) 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);
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the Audit Period);
 - (vi) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit period);
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable to the Company during the Audit period);
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);

The Management has identified and confirmed the following laws as being specifically applicable to the Company:

1. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;
2. Energy Conservation Act, 2011
3. The Equal Remuneration Act, 1976;
4. Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations 2011
5. The Water (Prevention And Control Of Pollution) Act 1974
6. The Air (Prevention And Control Of Pollution) Act, 1981

7. The Minimum Wages Act, 1948
8. The Contract Labour (Regulation & Abolition) Act, 1970
9. The Industrial Employment (Standing Orders) Act 1946
10. Employees Provident Fund & Miscellaneous provisions Act 1952, EPF Scheme.
11. Employees State Insurance Act 1948 (ESIC)
12. Maharashtra Labour welfare fund Act 1953
13. The Cloth Markets & Shops Board Mumbai (Mathadi Kamgar)
14. Factory Act, 1948
15. IEM code, Directorate of Industries - District Industry Centre
16. Maharashtra Pollution control Board - MPCB.
17. Maharashtra Boiler rules 1962 (Certificate of use of boiler)
18. Income Tax Act, 1961

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As amended).

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. According to SEBI Circular viz. SEBI/Cir/ISD/3/2011 dated June 17, 2011, which mandates the maintenance of entire holdings of the Promoters in Demat form only. However the promoters of the Company still have 500 shares in physical form.
2. According to Regulation 31(4) of SEBI (SAST), Regulations, 2011; the Company needs to submit declaration of non-encumbrance of shares on promoters holding as on year end seven working days from the end of each financial year. However the same has been submitted on 15th May, 2021.
3. According to SEBI Circular No SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018; the company needs to submit declaration to the effect that Company is not a Large Corporate on or within thirty working days from the beginning of the financial year. However the same has been submitted on 15th May, 2021.
4. According to SEBI (LODR) Regulation 31A, the Company was required to comply with the conditions mentioned under Clause 3(a), 3(a)(i) and (ii) and 8(b) & 8(c) along with other conditions of Regulation 31A about mentioning of clear rationale for seeking reclassification in request letter by promoters as required under regulation 31A clause (3)(a)(i); Secondly the Company has not submitted the copy of Minutes of Board Meeting as required under Clause 8(b) of the regulation AND time between Board meeting and general meeting considering the proposal of re-classification is more than 3 months.
5. 2. In terms of Section 152(6) of the Companies Act, 2013 as amended, the Company is required to constitute the Board with not less than two-thirds of the total number of Directors liable to retire by rotation.

I further report that:

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

I further report that during the audit period there were no major specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

I further report that during the audit period, there were no instances of:

- Public/Rights/Preferential issue of Shares/debentures/ sweat equity.
- Redemption/buy-back of securities.
- Merger/ amalgamation/ reconstruction etc.
- Foreign technical collaborations.

Notes:

1. This report is to be read with my letter of even date which is "Annexure A" and forms an integral part of this report.

**For Pankaj Trivedi & Co.,
(Company Secretary in Practice)
UDIN: A030512D000727221
PRN: S2016MH374500**

Sd/-
**Pankaj Trivedi
(Proprietor)
CP No. 15301
Place: Mumbai
Dated: 03/08/2022**

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To
**The Member,
Dhanlaxmi Fabrics 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) Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- 5) The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

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

**For Pankaj Trivedi & Co.,
(Company Secretary in Practice)
UDIN: A030512D000727221
PRN: S2016MH374500**

Sd/-
**Pankaj Trivedi
(Proprietor)
CP No. 15301
Place: Mumbai
Dated: 03/08/2022**

ANNEXURE-II**ANNEXURE TO THE DIRECTOR'S REPORT FORM NO. AOC-1****Salient feature of Financial Statement of Subsidiary Companies As at 31st March, 2022**

(Rupees in Lakhs except rate)

Name of Subsidiaries	Western Chlorides & Chemicals Pvt Ltd	Dhanesh Fabrics Pvt Ltd	DFL Fabrics Pvt Ltd
Reporting Currency	INR	INR	INR
Rate	1.00	1.00	1.00
Capital	3.00	1.00	1.00
Reserves	15.36	90.61	141.24
Total Assets	29.13	277.78	258.14
Investments Other than Investment in Subsidiary	Nil	Nil	123.88
Turnover	18.29	449.92	34.93
Profit before Taxation	3.27	10.64	2.36
Provision for Taxation	0.82	2.64	5.24
Profit After Taxation	2.44	7.99	(2.88)
Proposed Dividend	NIL	NIL	NIL
% of Shareholding	99.97	99.99	99.80

FOR & ON BEHALF OF THE BOARD

Sd/-
Vinod S Jhawar
 (Managing Director)
 DIN: 00002903
 Place: Mumbai
 Date: 03.08.2022

Sd/-
Mukul V Jhawar
 (Whole Time Director)
 DIN: 07966851

ANNEXURE - III**FORM AOC-2****RELATED PARTY TRANSACTION:**

(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 Act including certain arm's length transactions under third proviso thereto:

- 1) Details of material contracts or arrangements or transactions not at arm's length basis: **Not Applicable**
- 2) Details of material contracts or arrangements or transactions at arm's length basis.

Name of Related party	Nature of Contract/ arrangements/ transactions	Duration of the contract arrangement transactions	Salient terms of contract/ arrangement/ transactions, Including the value, If any	Date(s) of approval by the Board	Amounts paid as advance(s) if any
Dhanesh Fabrics Pvt Ltd	Sales of Fabrics/Yarn	2021-22	Sale of Fabrics/yarn of '68.84 lacs.	11.06.2021	-
	Textile Job work Charges Received	2021-22	Processing / Job Charges of '102.62 lacs received for dyeing, bleaching and printing of fabrics/yarns.	11.06.2021	-
	Granting of Loan	On-going	Outstanding balance of unsecured loan given of '74.03 lacs received back.	11.06.2021	-
	Lease Rent received	2021-22	Rent Received of '0.30 lacs for use of premises as Registered Office	11.06.2021	-
Western Chlorides & Chemicals Pvt Ltd	Lease Rent paid	2021-22	Payment of Lease Rent of Rs.15.60 lacs for Land taken on Lease for installation of Process house at Manpada Road, Bhopar Village, Dombivali.	11.06.2021	-
Promtech Impex Pvt Ltd	Interest received Rent Received	2021-22	Interest received of '9.27 lacs on unsecured loans Rent Received of '0.42 lacs for use of premises as Registered Office	11.06.2021	-
	Granting of Loan	On-going	Outstanding Unsecured Loan taken '10.28 lacs	11.06.2021	-
Vinod S. Jhawar	Director Remuneration	2021-22	Remuneration paid of '43.50 lacs as Whole Time Director	11.06.2021	-
Mukul V. Jhawar	Director Remuneration	2021-22	Remuneration paid of '39 lacs as Whole Time Director	11.06.2021	-
Lalit V. Jhawar	Salary	2021-22	Salary paid of '28.20 lacs as Chief Operational Office and marketing manager	11.06.2021	-
Durgesh Kabra	Sitting fees	2021-22	Sitting fees paid to ID of 0.15 lacs	11.06.2021	-
Athul Rungta	Sitting fees	2021-22	Sitting fees paid to ID of 0.35 lacs	11.06.2021	-

Note: All of the above transaction are at arm length basis and were executed in ordinary course of business.

FOR & ON BEHALF OF THE BOARD

Sd/-
Vinod S Jhawar
(Managing Director)
DIN: 00002903
Place: Mumbai
Date: 03.08.2022

Sd/-
Mukul V Jhawar
(Whole Time Director)
DIN: 07966851

ANNEXURE – IV & V**Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo:**

During the year under review, the company had strict control on wasteful electrical consumption.

Conservation of Energy :		
1	Energy conservation measures taken.	Adequate Measures Taken
2	Investment and proposals, if any, being implemented For reduction of consumption	Nil
3	Impact of measures at (1) and (2) above for reduction of energy Consumption and consequent impact on the cost of production of Goods.	Marginal
4	Total energy consumption any energy consumption per unit of Production are as under	As below

Sr. No	Particulars		Year Ended 31.03.2022 (Rs. In Lacs)	Year Ended 31.03.2021 (Rs. In Lacs)
A	Powers and Fuel Consumption (Process Division Yarn + Fabrics)			
1	Electricity			
	a) Purchased			
	Unit			
	MSED	(Rs. in Lacs)	34.40	26.47
	Windmill	(Rs. in Lacs)	-	-
	Total Unit	(Rs. in Lacs)	34.40	26.47
	Total Amount	(Rs.)	258.67	217.38
	Avg. Rate/Unit	(Rs.)	7.52	8.21
	b) Own generation (Through D.G. Set)			
	Unit	(Lacs)	0.11	-
	Diesel Oil Consumed Ltrs	(Lacs)	0.06	0.04
	Total Amount	(Rs. In Lacs)	5.87	3.01
	Avg Rate per Ltr	(Rs.)	100.93	75.25
2	Coal			
	Quantity	(M. Tonnes)	8545.18	6528.52
	Total Amount	(Rs. In Lacs)	-	428.32
	Avg Rate/M. tone	(Rs.)	-	65.82
B	Consumption per lakh Kg of Production			
1	Production	(Lacs Kgs)	18.02	16.52
	Electricity	(Rs.)	14.35	13.16
	Diesel Oil	(Rs.)	0.33	0.18
	Coal	(Rs.)	47.39	24.04
	Total		80.10	31.55
C	Weaving Division Power Consumption			
1	Electricity Purchased			
	Units	(Lacs)	30.84	25.56
	Total Amount	(Rs. In Lacs)	133.69	115.86
	Avg Rate/unit	(Rs.)	4.33	4.53
2	Production	(Lacs Mtrs)	48.78	36.56
3	Cost of Power per Mtrs	(Rs.)	2.74	2.93

TECHNOLOGY ABSORPTION:	The company does not need any technology up-gradation for its existing business.	
FOREIGN EXCHANGE EARNINGS AND OUTGO:	2021-22	2020-21
Foreign Exchange Outgo	25.78	6.55
Foreign Exchange Earnings	1.91	-

FOR & ON BEHALF OF THE BOARD

Sd/-
Vinod S Jhawar
(Managing Director)
DIN: 00002903
Place: Mumbai
Date: 03.08.2022

Sd/-
Mukul V Jhawar
(Whole Time Director)
DIN: 07966851

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

INTRODUCTION:

Corporate Governance represents the value framework, rules, practices by which a Company conducts its business activities. Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. Shareholders, employees, suppliers, customers and society in general.

The fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

We believe in adopting the best in class Corporate Governance practices and strive to improve them continuously. We emphasize the importance of transparency and accountability in all our businesses. We believe good Corporate Governance is not just a principle but it is embedded in the manner every individual working in our companies conducts himself/herself.

Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical, in the interest of our stakeholders and is in compliance with applicable legislation. Our values reflect our continued commitment to ethical business practices across our operations.

Securities and Exchange Board of India has issued guidelines on the Corporate Governance for all listed companies. These are incorporated in Listing Regulations. We have started diligently to follow these guidelines.

Our multiple initiatives towards maintaining the highest standards of governance are detailed:

BOARD OF DIRECTORS:

Composition of the Board

As on 31st March, 2022, the Company's Board of Directors comprised of Six Directors of which Mr. Vinod S. Jhawar is the Managing Director and Chairman, Mr. Mukul V. Jhawar is Whole Time Director, Mr. Mahesh Jhawar is Executive Director and the rest Mr. Durgesh Kabra, Ms. Ayushi Gilra and Mr. Athul Rungta are Non- Executive and Independent Directors. The Board also met the requirement of Woman Director as prescribed under Listing Regulations, 2015.

Mr. Purshottam Randad was the Chief Financial Officer of the Company and Mr. Vishnu Thaker was the Company Secretary and Compliance Officer of the Company. Mr. Purshottam Randad and Mr. Vishnu Thaker have resigned from their respective designation w.e.f. 30.05.2022 and 05.07.2022 respectively.

The Board has appointed Mr. Mukul Vinod Jhawar as a Whole-time Director on Board w.e.f. 06-08-2021 and his appointment was confirmed by the members at 29th Annual General Meeting of the Company.

Mr. Vinod S. Jhawar has been re-appointed as a Managing Director of the Company for further term of 5 years and his appointment has been confirmed by the members through postal ballot held by Company in the Month of March, 2022.

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 Independent Directors of the Company is related to each other.

The number of directorship and Committee Chairmanship/Memberships held by the Directors in other Public companies as on March, 2022 are given below:

Sr. No.	Name of Director	Designation	No. of Other Directorship in listed cos.	No. of equity shares held in Co.	Member/ Chairperson of the committee	
					Member	Chairman
1	Mr. Vinod S Jhawar	M.D & Chairman	0	15,29,978	-	-
2	Mr. Mukul V Jhawar	Executive Director	0	60,000	-	-
3	Mr. Mahesh S Jhawar	Executive Director	1	84,100	-	-

4	Mr. Durgesh Kabra	Independent Director	0	-	2	-
5	Ms. Ayushi Gilra	Independent Director	0	-	2	1
6	Mr. Athul Rungta	Independent Director	0	-	2	1

- ✓ None of the Directors hold directorships in more than twenty Companies of which Directorship in Public Companies does not exceed ten in line with the provisions of Section 165 of the Act.
- ✓ None of the Directors hold membership of more than ten Committees of Board, nor, is a Chairman of more than five Committees across Board of all listed entities.
- ✓ No Director holds Directorship in more than seven listed entities.
- ✓ None of the Independent Director holds the position of the Independent Director in more than seven listed companies as required under the Listing Regulations.
- ✓ None of the Director has been appointed as an Alternate Director for Independent Director.
- ✓ The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1) (b) of the Listing Regulations: (i) Audit Committee; and (ii) Stakeholders Relationship Committee.
- ✓ The Committee Membership and Chairmanship above excludes Membership and Chairmanship in Private Companies, Foreign Companies and Section 8 Companies.
- ✓ None of the Independent Directors are related with each other.
- ✓ None of the Non-Executive Independent Directors has any material pecuniary relationship or transactions with the Company, other than the commission and sitting fees received by them for attending the meetings of the Board and its Committee(s) and professional fees received by the firm in which a Director is a partner.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Dhanlaxmi Fabrics Limited (DFL) is as under:-

Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

Committees of the Board: The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

The Chairman and Managing Director

Mr. Vinod Sohanlal Jhawar is the Chairman and Managing Director of the Company. His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

Disclosure of relationships between Directors inter-se

None of the Independent Directors are related with each other. Mr. Mahesh Sohanlal Jhawar and Mr. Rahul Mahesh Jhawar are sharing relationship of Farther and Son.

Number of Shares and Convertible Instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any shareholding in the Company.

BOARD MEETINGS:

The Company holds at least four Board meetings in a year, one in each quarter, inter-alia, to review the financial results of the Company. The Company also holds additional Board Meetings to address its specific requirements, as and when required. All the decisions and urgent matters approved by way of circular resolutions are placed and noted at the subsequent Board meeting.

The Company circulates the agenda along with comprehensive notes well in advance before each meeting which, inter-alia, includes the following:

- Quarterly/Half Yearly/Annual financial results of the Company.
- Minutes of various committees of the Board.
- Regulatory notices/judgment/order being material in nature.
- Approvals on the sale of investments/assets of material nature etc.

During the financial year 2021-22 Five (5) Board Meetings were held. The maximum gap between two Board meetings was less than one hundred and twenty days. The Board Meetings were held on 11/06/2021, 28/06/2021, 06/08/2021, 13/11/2021 and 14/02/2022.

The details of the attendance of the Board of Directors at the Board Meetings and the last Annual General Meeting (AGM) are as detailed herein below

Name of the Directors	No. of Board Meetings held	Entitlement to attend	No. of Board Meetings attended	Whether last AGM attended
Mr. Vinod S. Jhawar	5	5	5	Yes
Mr. Mahesh S. Jhawar	5	5	1	Yes
Mr. Mukul V. Jhawar	5	5	5	Yes
Mr. Durgesh Kabra	5	5	2	No
Ms. Ayushi Gilra	5	5	5	Yes
Mr. Athul Rungta	5	5	5	Yes

EVALUATION OF INDEPENDENT DIRECTORS AND BOARDS PERFORMANCE

The Board evaluated each of Independent Directors based on their 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.

SEPARATE MEETING OF INDEPENDENT DIRECTOR

The meeting of Independent Directors was held on 22nd March, 2022 through video-conferencing and other audio visual means all the Independent Directors were present in the meeting. Mr. Durgesh Kabra an independent director had Chaired the meeting.

It was noted that the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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.

ROLES, RESPONSIBILITIES AND DUTIES OF THE BOARD

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

INFORMATION PLACED BEFORE THE BOARD

The Company provides the information as set out in Regulation 17 read with Part "A" of Schedule II of Listing Regulations and such other information as required to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

DETAILS OF DIRECTOR APPOINTED AND RE-APPOINTED DURING THE YEAR:

There was no appointment during the year under review. However the details of Directors getting re-appointed in the ensuing Annual General Meeting has been given in the 'Notice' calling the 30th Annual General Meeting of the Company.

MINUTES OF THE MEETING

The draft Minutes of the proceedings of the Meetings are circulated amongst the Members of the Board / Committees generally within 15 days of respective meetings. The Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Members and signed by the Chairman of such meeting at any time before the next meeting is held or by the Chairman of the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

POST MEETING MECHANISM

The important decisions taken at the Board/Committee meetings are communicated to the concerned department/s and/or division.

BOARD DIVERSITY POLICY

The Company has a Board approved policy on Board diversity. The objective of the policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition, as at present, broadly meets with the above objective.

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

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES AND COMMITTEE POSITION INCLUDING DHANLAXMI FABRICS LTD

Name of Directors	No. of Directorship held in Public Cos. (Incl. DFL)	Directorship held in Public Listed Companies and Committee Position(s)		
		Name of the company	Listed or Unlisted	Name of Committee(s) & Designation
Vinod S. Jhawar	1	Dhanlaxmi Fabrics Ltd - (M.D. and Chairman)	Listed	-
Mukul V. Jhawar	1	Dhanlaxmi Fabrics Ltd - (Whole Time Director)	Listed	-
Mahesh S. Jhawar	2	Dhanlaxmi Fabrics Ltd - (Executive Director) Dhanlaxmi Cotex Ltd - (Whole Time Director)	Listed	-
Durgesh Kabra	1	Dhanlaxmi Fabrics Ltd - (Independent Director)	Listed	AC - Member SRC - Member NRC - Member CSR - Member
Ayushi Gilra	1	Dhanlaxmi Fabrics Ltd - (Independent Director)	Listed	AC - Member SRC - Chairman NRC - Member CSR - Chairman
Athul Rungta	1	Dhanlaxmi Fabrics Ltd - (Independent Director)	Listed	AC - Chairman SRC - Member NRC - Chairman CSR - Member

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

SKILL/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS

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

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

Skill area	Description	No. of Directors having particular skills
Financials	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control System	6
Leadership and Strategic Planning	Ability to understand organization, processes, strategic planning and risk management, experience in developing talent, succession planning and driving change and long term growth.	6

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

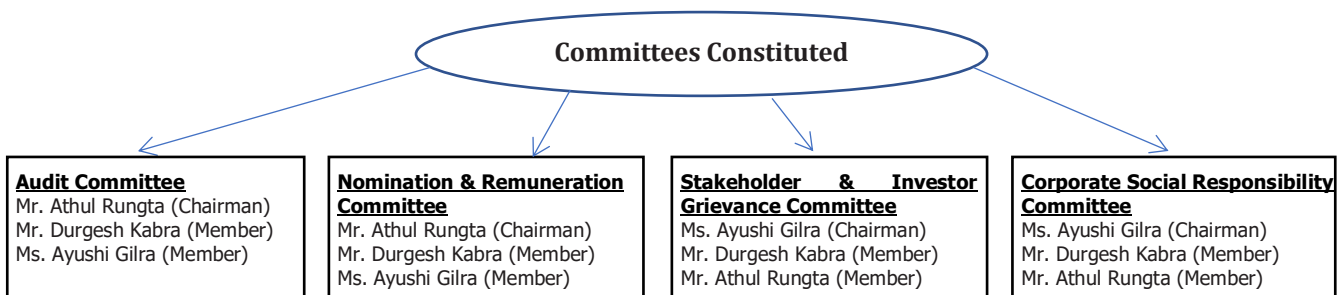
COMMITTEES OF THE BOARD:

The Board Committees focus on specific areas mentioned in their terms of reference and make informed decisions within the authority delegated to them. Each Committee of the Board is guided by its terms of reference. The Committees also make specific recommendations to the Board on various matters required. All observations, recommendations and decisions of the Committees are placed before the Board for its information or approval. All the minutes of committee meetings are placed before the Board for its noting. For better Corporate governance mechanism & robust flow of information between Executive and Independent Directors of the Company It has decided by the Board that only Independent Directors of the Board Member shall become a member of Board Committee/s and Chairman of such Committee/s.

The Company has following Committees of the Board namely Audit committee, Nomination and Remuneration committee, Stakeholder's Relationship Committee which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their responsibilities. The Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

The terms of reference for each committee have been clearly defined by the Board. The minutes of the meetings and the recommendation, if any, of the committees are submitted to the Board for their consideration and approval.

The Company has following Committees of Board of the Board.



AUDIT COMMITTEE AT GLANCE:

In order to align with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulation with the Stock Exchanges. The terms of reference of the Audit Committee includes the following:

SCOPE AND FUNCTION:

The Broad terms of reference of the Audit Committee, inter alia, include:

The terms of reference / role of the Committee are aligned with the terms of reference provided under Section 177 of the Companies Act, 2013 and Part C of Schedule II of the Listing Regulations. Viz:

- a) Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial Statements are correct, sufficient and credible;
- b) Recommending the appointment, reappointment and removal of the external Auditors, fixation of Audit fee and approval for payment of any other services;
- c) Reviewing with management the Annual financial Statements before submission to the Board;
- d) Reviewing with the management and external Auditors, the adequacy of internal control systems;
- e) Reviewing the adequacy of Cost Audit function;
- f) Discussing with Cost Auditors any significant findings and follow up on such issues; vii. discussing with the external Auditors before the Audit commences on the nature and scope of Audit, as well as having post Audit discussion to ascertain the area of concern, if any;
- g) Reviewing the Company's financial and risk management policies; and
- h) Examining reasons for substantial default in the payment to Shareholders (in case of non-payment of declared dividends) and creditors, if any
- i) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- j) Review the internal audit reports relating to internal control weaknesses;

- k) Scrutinize inter-corporate loans and investments;
- l) Review the functioning of the Whistle blower mechanism
- m) Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
- n) Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

COMPOSITION

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Mr. Durgesh Kabra	5	5	2
Ms Ayushi Gilra	5	5	5
Mr. Athul Rungta	5	5	5

The Chairman of Audit Committee has been changed from Mr. Durgesh Shyamlal Kabra to Mr. Athul Bansant Rungta with effect from the Board meeting held on 14th February, 2022.

Total (5) five audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows: 11/06/2021, 28/06/2021, 06/08/2021, 13/11/2021 and 14/02/2022. The necessary quorum was present for all the meetings.

NOMINATION AND REMUNERATION COMMITTEE AT GLANCE:

During the year under review, the terms of reference of Nomination and Remuneration Committee were expanded in order to align them with the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The composition of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 Part D of Schedule II and Regulation 19 of the Listing Regulations.

- a) To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
- b) To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/reappointment/removal of the Executive /Non- Executive Directors and the senior management of the Company;
- c) Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- d) Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
- e) This shall include "formulation of criteria for evaluation of independent directors and the Board"
- f) On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- g) To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
- h) Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
- i) Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- j) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay 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

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Mr. Durgesh Kabra	2	2	1
Ms Ayushi Gilra	2	2	2
Mr. Athul Rungta	2	2	2

The Chairman of Nomination and Remuneration Committee has been changed from Mr. Durgesh Shyamlal Kabra to Mr. Athul Bansant Rungta with effect from the Board meeting held on 14th February, 2022.

Total two NRC meetings were held during the year i.e. on 06.08.2021 and 14.02.2022. The necessary quorum was present for all the meetings.

REMUNERATION PAID TO DIRECTORS DURING THE PERIOD ENDED 31ST MARCH, 2022:

Name of Directors	Remuneration	Commission	Sitting Fees	Contribution to Various Funds	Total (In Lacs)
Mr. Vinod S. Jhavar	43.50	-	-	-	43.50
Mr. Mahesh S. Jhavar	-	-	-	-	-
Mr. Mukul V. Jhavar	39.00	-	-	-	39.00
Mr. Durgesh Kabra	-	-	0.15	-	0.15
Ms Ayushi Gilra	-	-	-	-	-
Mr. Athul Rungta	-	-	0.35	-	0.35

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

PRINCIPLE AND RATIONALE

Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to –

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- Carry out evaluation of every director's performance - formulate the criteria for evaluation of Independent Directors and the Board

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Company herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company as set out below:

CRITERIA OF SELECTION OF NON-EXECUTIVE DIRECTORS

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the Independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
 - a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;
 - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration as allowed under Schedule V of the Companies Act, 2013, as amended, subject to necessary approvals, sitting fees, and reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended, or such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & MANAGING DIRECTOR / WHOLE TIME DIRECTOR – CRITERIA FOR SELECTION / APPOINTMENT

For the purpose of selection of the CEO & MD and Whole Time Director the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director and Whole Time Director

- At the time of appointment or re-appointment, the CEO & Managing Director and Whole Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director and Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director and Whole Time Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

STAKEHOLDERS' RELATIONSHIP COMMITTEE AT GLANCE:**TERMS OF REFERENCE:**

The Board approved 'Terms of Reference' of the Committee of Directors (Stakeholders Relationship Committee) in compliance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. This Committee generally meets once a month. The Committee looks into the matters of Shareholders/Investors grievances along with other matters listed below:

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To consider and approve demat/ remat of shares / split / consolidation / sub-division of share / debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfer and transmission of securities, etc.;
- To oversee and review all matters connected with the transfer of the Company's securities;
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Bigshare Services Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Committee of Directors (Stakeholders Relationship Committee) Meetings are circulated to the Board and noted by the Board of Directors.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

The Stakeholders' Relationship Committee met 4 times during the financial year 2021-22 on 11/06/2021, 06/08/2021, 13/11/2021 and 14/02/2022. The necessary quorum was present for all the meetings.

COMPOSITION

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Mr. Durgesh Kabra	4	4	1
Ms Ayushi Gilra	4	4	4
Mr. Athul Rungta	4	4	4

Details of investor complaints received and redressed during the year 2021-22 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 135 of the Companies Act, 2013 the Companies (Corporate Social Responsibility) Rules, 2014 are applicable to the Company for the Financial Year 2021-22. A Corporate Social Responsibility Committee (CSR Committee) was constituted by the Board of Directors of your Company at its Meeting held on June 07, 2019 and a CSR Policy was also formulated.

A brief outline of the Company's CSR Policy including total amount to be spent for the Financial Year 2021-22 along with details of CSR Committee are provided in Annexure-VI, forming part of the Directors' Report.

1 (One) Meeting of the Corporate Social Responsibility Committee was held on February, 14 2022 during the Financial Year 2021-22 and the attendance of the Members was as follows:

COMPOSITION

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms Ayushi Gilra	1	1	1
Mr. Athul Rungta	1	1	1
Mr. Durgesh Kabra	1	1	1

DISCLOSURES:

During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.

DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES AND STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI, OR ANY STATUTORY AUTHORITIES, ON ANY MATTER RELATED TO CAPITAL MARKETS DURING LAST THREE YEARS: NIL

LISTING AND CUSTODIAN FEES:

The Company's Shares are listed during the year on Bombay Stock Exchange; the Company has paid the Listing Fees for F.Y. 2022-23 and also paid necessary custodian fees to NSDL and CDSL for F.Y. 2022-23.

DETAILS OF SUBSIDIARY AND ASSOCIATE COMPANIES :

The details of the Subsidiaries and Associates Company are given in **Annexure – II** of the Report.

PREVENTION OF INSIDER TRADING:

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

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

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

- Number of complaints filed during the financial year 2021-22 - NIL
- Number of complaints disposed of during the financial year 2021-22 - NIL
- Number of complaints pending as on end of the financial year 2021-22 - NIL

RELATED PARTY TRANSACTIONS & MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

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

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

As required by the IND AS-24, the details of related party transactions are given in Note to the notes on financial statements for the Financial Year 2021-22, forming part of Accounts.

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.

STRICTURES AND PENALTIES:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years, except as stated herein below -

- Delay in submission identified by the exchange of Shareholding Pattern for quarter ended June 2014, which was re-submitted on 16.11.2017, for which the exchange has levied SOP fine of Rs. 12,99,810/- plus GST. However the Company has denied such delay has made its submission in support and following up with the exchange for waiver. The exchange vide its communicated by an email dated June 17, 2022, partially waived this fine to Rs.1,77,810/- plus GST. Finally Company has decided to pay such partially waived amount for mental peace and paid the same on June 24, 2022.

DETAILS OF UTILISATION OF FUND

During the year, the Company has not raised any funds through preferential allotment, right issue or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

CREDIT RATINGS

During the year under review, the Company has not borrowed any money and has not raised any funds. Hence, disclosure pertaining to utilization of funds and Credit Rating is not applicable.

OTHER DISCLOSURES:

Particulars	Legal requirement	Details	Website link for details/policy
Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There were no material significant related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. (Related Party Transaction Policy).	http://www.dfl.net.in/company-profile.html
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company (Whistle Blower Policy).	http://www.dfl.net.in/company-profile.html
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Audit Committee reviews the quarterly financial statements of the Company and the investments made by its unlisted subsidiary companies. The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining material subsidiaries which is disclosed on its website (Material Subsidiary).	http://www.dfl.net.in/company-profile.html
Policy on determination of materiality for disclosures	Regulation 23 of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality of events for disclosures (Determining Materiality of Events).	http://www.dfl.net.in/company-profile.html
Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents (Preservation of Documents).	http://www.dfl.net.in/company-profile.html
Code of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2022. The Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from Directors and Senior Management (EIL Code of Conduct & Ethics).	http://www.dfl.net.in/company-profile.html
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website. (Terms of appointment of Independent Director).	http://www.dfl.net.in/company-profile.html

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

MANAGEMENT DISCLOSURES:

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

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENT UNDER THIS CLAUSE

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

Certificate as required under Part C of Schedule V of Listing Regulations, have been received from M/s. Pankaj Trivedi & Co., Practicing Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

PARTICULARS OF SATUTORY AUDITOR:

Total fees for financial Year 2021-22, for all services as mentioned below, was paid by the Company to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Payment to Auditors	Amount in Lacs
Statutory Audit Fees	1.00
Tax Audit Fees	0.40
Other Fees	-
Total	1.40

Total fees for all services paid by the Company to the Statutory Auditor are provided in the Notes to Standalone Financial Statements forming part of this Annual Report. The Statutory Auditors have not provided any services to the subsidiaries of the Company.

PARTICULARS OF COST AUDITOR:

Name of the Cost Auditor	M/s Talati & Associates
Firm Registration No.	R/00097
Date of Appointment for the year 2022-23: (Board Meeting)	30.05.2022
Cost Audit Fees for F.Y. 2022-23	Rs.30,000/-

COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF LISTING REGULATIONS.

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

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause (b) to (i) of sub-regulation (2) of Regulation 46 The discretionary requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance

COMPLIANCE CERTIFICATE FROM AUDITORS ON CORPORATE GOVERNANCE

Certificate from RHAD & Co., Chartered Accountants in Practice confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT (FORMERLY KNOWN AS SECRETARIAL AUDIT REPORT) AND CERTIFICATE OF COMPLIANCE WITH REGULATION 40(9) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT (UNCLAIMED SHARES): NIL

MANAGING DIRECTORS DECLARATION ON CODE OF CONDUCT AND ETHICS:

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

GENERAL BODY MEETING:

(a) Location, date and time of the Annual General Meetings held during the last three years are given below:

Financial Year	Type of Meeting	Location	Meeting Date and Time
2020-2021	29 th AGM	(Via Video- Conferencing Mode) Deemed Venue - Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra	29 th Sept, 2021 At 1:00 p.m.
2019-2020	28 th AGM	(Via Video- Conferencing Mode) Deemed Venue - Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra	26 th Sept, 2020 At 1:00 p.m.
2018-2019	27 th AGM	Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra	28 th Sept, 2019 at 01:00 p.m.

(ii) No Extra Ordinary General Meeting was held during the year.

(iii) The Company has sought the approval of the members through Postal Ballot during the year under review, which was called in the month of February, 2022 and completed on 28th March, 2022. The summary of the resolutions passed through postal ballot on March 28th, 2022.

1	Re-Appointment of Mr. Vinod Sohanlal Jhavar (DIN: 00002903) as Managing Director of the Company and to fix remuneration - Special Resolution
2	To review the remuneration of Mr. Lalit Vinod Jhavar, a Chief Operating Officer of the Company - Special Resolution
3	Payment of remuneration to Executive Directors - Special Resolution

Special Resolution No	No. of members voted	Total No. Shares voted	In favour		Against		Invalid	
			Members	Votes	Members	Votes	Members	Votes
1	86	203819	86	203819	-	-	-	500
2	86	203819	86	203819	-	-	-	500
3	86	203819	86	203819	-	-	-	500

Mr. Pankaj Trivedi (ICSI Mem No. ACS 15301), Practicing Company Secretary of Pankaj Trivedi & Co. conducted the aforesaid postal ballot exercise in a fair and transparent manner.

In compliance provisions of Sections 108, 110 and other applicable provisions of the Act, read with (i) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended; (ii) Regulation 44 of the Listing Regulations, as amended from time to time and read with (iii) General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 10/2021 dated June 23, 2021 in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", issued by the MCA, to the extent applicable (MCA Circulars), the Company provided only remote e-Voting facility to its Equity Shareholders to enable them to cast their votes electronically instead of submitting the Postal Ballot form.

The Company engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating remote e-Voting to enable the Members to cast their votes electronically.

In terms of the MCA Circulars, the Company sent the Postal Ballot Notice in electronic form only to those Equity Shareholders whose names appeared in the Register of Members/ List of Beneficial Owners as received from NSDL and Central Depository Services (India) Limited (CDSL) and whose email addresses were available with the Company / Depositories / the Depository Participants / the Company's Registrar and Share Transfer Agent as on the cut-off date.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date i.e. 18th February, 2022. Members who desired to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting.

- (iv) Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT): **Not applicable**

MEANS OF COMMUNICATION:

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholder relations. The Company regularly interacts with its members through multiple channels of communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

GENERAL INFORMATION FOR MEMBERS

A. 30th Annual General Meeting

Day & Date	Time	Venue
Friday, 30 th September, 2022	01.00 p.m.	(Via Video- Conferencing Mode) Deemed Venue - Registered Office, Manpada Road, Bhopar Village, Dombivli (East), Thane - 421204, Maharashtra

B. Financial Calendar (2022-23)

Particulars	Period
Financial Year	April 1, 2022 to March 31, 2023
For consideration of Unaudited/Audited Financial Results	
Results for quarter ending June 30, 2022	On or before August 14, 2022
Results for quarter ending September 30, 2022	On or before November 14, 2022
Results for quarter ending December 31, 2022	On or before February 14, 2023
Results for quarter ending March 31, 2023	On or before May 30, 2023
AGM for the year ending March 31, 2023	On or before September 30, 2023

C. Book Closure Date

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from the 23.09.2022 to 30.09.2022. (Both days inclusive)

D. Share Transfer System

Share transfers in physical form are processed by the Registrar and Transfer Agents, Bigshare Services Private Limited and are approved by the Stakeholders Relationship Committee of the Company or the authorized signatories of the Company. Share transfers are registered and returned within 15 days from the date of lodgement if documents are complete in all respects. The depository system handles share transfers in dematerialized form.

- E. **Dividend Payment Date:** No Dividend has been recommended for the year under review and in last 7 years.

- F. **Dividend History:** The Company has not paid any Dividend during last 10 years.

G. Unclaimed Dividend / Share Certificates:

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat

Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPF by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2022:

Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF Account
None	None	None	None

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

- H. a. Listing of Equity Shares: Bombay Stock Exchange
b. Listing fee is paid to the Bombay stock exchange Limited.
- I. a. BSE Script Code: 521151
b. Demat ISIN Numbers in NSDL & CDSL INE953D01016 for Equity Shares.

J. Dematerialization of Shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz, National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Percentages of Shares held in physical and dematerialized form as on 31st March, 2022 are as follows:

Mode	No. of Shares	% Shares
Physical Form	1,66,360	1.94%
With NSDL	2,72,184	3.17%
With CDSL	81,42,556	94.89%
Total	85,81,100	100%

K. Market Price Sensitive Information:

The monthly 'high' and 'low' closing prices of the shares traded during the period from **April 2020 to March 2021** on BSE are given below:

Month	High Price	Low Price	Close Price	No. of Shares
Apr-21	21.15	13.60	17.50	9724
May-21	20.90	16.70	18.65	26098
Jun-21	24.50	18.05	20.35	41982
Jul-21	32.40	18.40	30.55	80119
Aug-21	33.55	22.65	25.95	45354
Sep-21	27.15	22.00	24.25	26281
Oct-21	28.70	21.40	23.45	28410
Nov-21	35.80	21.25	31.90	108492
Dec-21	32.75	26.50	31.70	29960
Jan-22	37.05	28.55	31.80	40290
Feb-22	36.20	26.95	30.50	18209
Mar-22	33.50	25.30	26.70	15417

L. Distribution of shareholding as on 31st March, 2022

No. of Shares held	No. of Shareholders	% to total Shareholders	No. of Shares	% to total Shares
Up to 500	1010	83.68	162031	1.89
501 - 1000	89	7.37	76441	0.89
1001-2000	47	3.89	69813	0.81
2001-3000	18	1.49	47161	0.55
3001-4000	7	0.58	25200	0.29
4001-5000	7	0.58	31984	0.37
5001-10000	11	0.91	73391	0.86
10,000 and above	18	1.49	8095079	94.34
TOTAL	1207	100.00	85,81,100	100.00

M. Shareholding Pattern Of The Company As On 31st March, 2022

Category	No. of Shares held	% of Shareholding
A. Promoter's Holding		
1. Promoters		
- Indian Promoters	64,28,506	74.91%
- Foreign Promoters	0	0.00%
2. Persons acting in concert	0	0.00%
Sub - Total	64,28,506	74.91%
B. Non-Promoter's Holding		
3. Institutional Investors	0	0.00%
a) Mutual Funds and UTI	0	0.00%
b) Banks, Financial Institutions, Insurance Cos.	0	0.00%
c) Central/State Govt. Institutions / Non-Government Institutions)	0	0.00%
C. FII's		
Sub - Total	0	0.00%
4. Other Cl. member	56	0.00%
a) Private Corporate Bodies	15,27,148	17.80%
b) Indian Public & Huf	6,19,518	7.22%
c) NRI's	5,522	0.06%
d) OCB's	0	0.00%
e) Clearing Members	406	0.00%
Sub-Total	35,99,546	25.09%
Grand Total	85,81,100	100.00%

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio.

Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

Important Points

Investors should hold securities in dematerialised form, as transfer of shares in physical form is no longer permissible. As mandated by SEBI, w.e.f. April 1, 2019, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository except for transmission and transposition of securities. Members are advised to dematerialise securities in the Company to facilitate transfer of securities.

Holding securities in dematerialized form is beneficial to the investors in the following manner:

- ✓ A safe and convenient way to hold securities;
- ✓ Elimination of risk(s) associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- ✓ Immediate transfer of securities;
- ✓ No stamp duty on electronic transfer of securities;
- ✓ Reduction in transaction cost;
- ✓ Reduction in paperwork involved in transfer of securities;
- ✓ No odd lot problem, even one share can be traded;
- ✓ Availability of nomination facility;
- ✓ Ease in effecting change of address / bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- ✓ Easier transmission of securities as the same is done by DPs for all securities in demat account;
- ✓ Automatic credit in to demat account of shares, arising out of bonus / split / consolidation / merger / etc.;
- ✓ Convenient method of consolidation of folios/accounts;
- ✓ Holding investments in Equity, Debt Instruments, Government securities, Mutual Fund Units etc. in a single account;
- ✓ Ease of pledging of securities; and
- ✓ Ease in monitoring of portfolio.

Members holding Shares in Physical mode are :

- a) Required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.
- b) Advised to register the nomination in respect of their shareholding in the Company. Nomination Form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.
- c) Requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically. Members holding Shares in Electronic mode:

- d) Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
- e) Advised to contact their respective DPs for registering the nomination.
- f) Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

Register for SMS alert facility:

Investor should register with Depository Participants for the SMS alert facility. Both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) alert investors through SMS of the debits and credits in their demat account.

Intimate Mobile Number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Company's RTA viz. Bigshare Services Private Limited to their dedicated e-mail id i.e., investor@bigshareonline.com if shares are held in physical form or to their DP if the holding is in electronic form, to receive communications on corporate actions and other information of the Company.

SHARE CAPITAL AUDIT

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the total issued and listed capital of the Company. The certificate received from the Practicing Company Secretary is submitted to BSE and is also placed before the Stakeholder Relationship Committee on a quarterly basis.

SHARE TRANSFER / TRANSMISSION SYSTEM & PROCESS

Transfer of shares in physical form is processed by the Company's Registrars & Transfer Agents (RTA) generally within fifteen days from the date of receipt, provided the transfer/transmission in physical form after they are processed by the RTA are submitted to the Company for the necessary approval.

The Chairman transfer/transmission requests received in physical form from time to time. Investors may kindly take note that SEBI has mandated that in case of securities market transactions and off market/private transactions involving transfer of shares of a listed company in physical mode, it shall be compulsory for the transferee(s) to furnish a copy of the PAN card to the Company/RTA, together with the transfer documents for registering transfer of such shares.

MEANS OF COMMUNICATION

At Dhanlaxmi Fabrics Limited effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholder relations. The Company regularly interacts with its members through multiple channels of communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

Intimation to Stock Exchange - Your Company believes that all the stakeholders should have access to adequate information about the Company. All information, which could have a material bearing on the share prices, is released at the earliest to the BSE in accordance with the requirements of listing agreement.

Company's Website - The Financial Results was also displayed on the Company's website www.dfl.net.in the Company also keeps on updating its website with other relevant information, as and when required. The company did not make any official news releases nor made any presentations to the institutional investors or analysts, during the period under review.

Newspapers Publications - The Financial Results and other Communications of the Company were normally published in 2 papers i.e. English 'Free Press Journal' and Marathi 'Navshakti'.

Annual Report- Annual Report containing, inter alia, the Standalone Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable format.

M/s Big Share services Pvt Ltd
 CIN: U99999MH1994PTC076534
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road,
 Board No. 022 40430200
 Direct: 022-40430295
 Mobile No. 7045454392
 Email id: investor@bigshareonline.com

M/s Dhanlaxmi Fabrics Ltd
 CIN: L17120MH1992PLC068861
Regd. Off: Manpada Road, Bhopar Village,
 Dombivali (East), Thane- 421204, Maharashtra, India
Corp off: 401,402 Kailash Corporate Lounge, Park Site,
 Vikroli (West) Mumbai- 400079, Maharashtra, India
 Tel No. 95- 251- 2870589/90/91
 Email Id: cscompliance@dfl.net.in
 Website: www.dfl.net.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2022.

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.

OVERALL REVIEW:

India has the distinction of being sixth largest exporter of Textiles and Apparel in the world. Textile and Apparel Industry is second largest employer in the country next to Agriculture providing direct employment to 45 million people and 100 million people in allied industries. The Indian Textiles and Apparel industry contribute 2.3 per cent to the country's GDP, 13 per cent to industrial production and 12 per cent to exports.

The Indian Textile and Apparel Industry is highly diversified with a wide range of segments. There are over 1,200 textile mills with a spinning capacity of about 29 million spindles. While yarn is mostly produced in the mills, fabrics are produced in the power loom, knitting and handloom sectors as well.

The global textile industry has been facing exceptionally challenging conditions since the past two years due to the restrictions imposed because of the Covid-19 pandemic. Further, the global supply chain had seen unprecedented levels of pressure and disruption due to logistical impasse. This led to delayed delivery resulting into reduced product shelf life and increased inventory at importer / retailer level which resulted in reduction in export orders / delayed picking of confirmed orders, apart from sharp increase in vessel shipping cost. Further, prodigious liquidity globally led to a proliferation in commodity prices including Cotton, Dyes, Chemicals, Coal, etc.

On a positive note, from the beginning of Q2 of FY 2021-22 post relaxations in Covid-19 induced restrictions, domestic market is showing an uptake in demand.

The overall profitability of the Company during the year under review, as compared to the previous year, has been adversely affected due to unfavorable market conditions prevailing for a major part of the year in all the business segments and to some extent towards the latter part of the March profitability also got impacted on account of the lockdown pursuant to Govt.'s directives to prevent spread of pandemic COVID-19.

The Company's capital and Banking facilities was remained intact. There were no liquidity concerns as the Company have/had sufficient unutilized Banking limits available. Further Banks have offered additional limits. However, the company is witnessing delay in receivable collection from buyers as buyers are extending payment terms.

The Company has sufficient working capital limits to meet financial requirements. Though the cash position was challenging, with our limits and tight control over expenditure, the company will be able to serve its debt and other financing arrangement.

The Company has taken Cash flow control and overhead control measures to manage the operations, weekly review mechanism adopted to review accounts receivables and measures.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

FY 2021-22 was a year with lot of ups and downs. Q1 of FY 2021-22 started with the extremely severe second wave of Covid-19 pandemic and consequent lockdown which was then followed with high demand across the world in Q2. In second half of the year, raw material prices started increasing. The yarn business too was impacted due to the historically high prices of cotton, as absorption of the same in the prices of finished yarn was not easy. In Q4, on one side retail demand was holding up a reasonable level and on the other side the quarter got completely disturbed due to the steep rise in Cotton prices i.e. doubling-up from pre-Covid level coupled with increase in power and chemical prices. Overall, there was firefighting throughout the year with lot of uncertainties and fluctuations and the year finally closed above planned turnover but with squeezed margins.

STATE OF AFFAIRS OF THE COMPANY:

In textile segment the company is having fabric process house and yarn dyeing unit at Dombivali, District Thane and weaving unit at Ichalkaranji, District Kolhapur. Fabric process house is fully equipped with latest machinery to bleach, dye, print& finish

all type of textile fabric. Yarn dyeing unit is also fully equipped to bleach & dye the yarn required for fancy fabric. Weaving unit is consisting of 36 air jet looms equip to produce 50 lacs mtr per year.

In power segment the company has installed Wind turbine of 1.25 MW in Dhule Maharashtra.

OPPORTUNITIES AND THREATS:

Accelerated reopening of activities has re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high quality standards and globally renowned accreditations, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

Currently the biggest threat is the enormous increase in cotton prices leading to high finished good prices. Consumers are therefore shifting their focus from cotton to man-made fibres. Further, increase in prices of other commodities such as coal, dyes and chemicals are also making the industry non-competitive.

Apart from above the Company is also exposed to Human Resource Risks, Statutory Risks, Commodity Price Risks, Economic Risks and Operational Risks.

SEGMENT WISE OR PRODUCT-WISE PERFORMANCE:

In the Textile Industry the Company's main business vertical is Textile Processing for both Yarn and fabric. Being an integrated unit weaving i.e. fabric making is another vertical wherein company is involved in cloth manufacturing as well as job work. The company plans to hold stronger direct selling in the coming time to increase the top & bottom line for the year.

The other Segment was Real Estate, which was closed due to unavailability of any opportunity and it's not the company's core competency. At the same the Company has started operating in to other segment which was Fabrics Processing segment.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company or any of its subsidiaries during the year. However the Company has closed its Real Estate segment due to unavailability of any opportunity in Q4 and started operating in to other segment which was Fabrics Processing segment which is vertical business line with core competency.

RISK AND CONCERNS:

There is a proliferation in cotton prices which cannot be absorbed in finished goods prices. Preference is shifting from Cotton fibre to man-made fibres i.e. synthetic, polyester etc., which are available at lower prices. This is putting pressure on margin.

The Company is always devoted on its core competence stuff in yarn and fabric processing, weaving, printing activities with creative ideas in designing, by and large to cater the market demand. This has a great impact on the operational performance in all the divisions of the company and effects on cost of production. Quality production is the essence of our job work of weaving and processing division.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place an adequate system of internal control commensurate with the size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit Committee, Internal Auditor and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

To achieve optimum use of available resources i.e. Material, Manpower, Money and Energy Company's operating procedures and controls are in place and monitored with intense care and supervision of the staff and management. The company uses technology and manpower in a great combination to achieve the best of results.

PERFORMANCE OF THE BOARD AND COMMITTEES:

During the year under review, the performance of the Board & Committees and Individual Director(s) based on the below parameters was satisfactory:

- (a) Most of the Directors attended the Board meeting;
- (b) The remunerations paid to executive Directors are strictly as per the company and industry policy.
- (c) The Independent Directors only received sitting fees.
- (d) The Independent Directors contributed a lot in the Board and committee deliberation and business and operation of the company and subsidiaries based on their experience and knowledge and Independent views.
- (e) The Credit Policy Loan Policy and compliances were reviewed periodically;

(f) Risk Management Policy was implemented at all critical levels and monitored by the Internal Audit team who places report with the Board and Audit committee.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The Turnover of the company has been increased almost by 52% from 43.35 crores to 65.70 crores as compared to previous year turnover.

Particulars	2021-22	2020-21
Turnover	(Rs. In Lakhs)	(Rs. In Lakhs)
Fabrics / Yarn /Garment Sale	3,743.54	2066.14
Processing Charges Fabric /Yarn, Labour	2,784.59	2239.26
Power Sale	41.75	29.74
Total	6,569.87	4335.14
Profitability		
Net Profit after Taxation	54.06	46.93

KEY FINANCIAL RATIOS:

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

The Company has identified following ratios as key financial ratios:

Particular	Numerator	Denominator	FY 2020-21	FY 2019-20	% Change
Current Ratio	3585.41	1946.63	1.84	2.37	(22.42)
Debt-Equity Ratio	1459.22	5260.46	0.28	0.13	111.92
Debt Service Coverage Ratio	468.26	169.43	2.76	2.76	-
Return on Equity Ratio	54.06	5233.43	0.01	0.01	-
Inventory Turnover Ratio	6569.87	1421.04	4.62	3.98	16.16
Trade Receivable Turnover Ratio	6569.87	1162.59	5.65	3.14	79.97
Trade Payable Turnover Ratio	4347.17	537.82	8.08	3.03	166.76
Net Capital Turnover Ratio	6569.87	1638.78	4.01	2.80	43.18
Net Profit Ratio	54.06	6569.87	0.01	0.01	-
Return on Capital Employed	161.73	6798.72	0.02	0.02	-

HUMAN RESOURCES MANAGEMENT:

The Company continues to accord the highest priority to health and safety of its employees and communities it operates in. The Company has been fully committed to comply with all applicable laws and regulations and maintains the highest standard of Occupational Health and Safety and ensures safer plants. We believe in good health of our employees.

Further, to prevent the spread of Covid during 2nd wave the Company has taken all precautionary measures required, such as social distancing, use of masks and sanitizers etc., at all its plant and construction sites as well as at office locations. Your Company is in full compliance of all Government directives issued in this behalf.

We take this opportunity to thank employees at all levels for their dedicated service and contribution made towards the growth of the company. The relationship with the workers of the Company's manufacturing units and other staff has continued to be cordial.

To ensure good human resources management at the company, we focus on all aspects of the employee lifecycle. This provides a holistic experience for the employee as well. During their tenure at the Company, employees are motivated through various skill-development, engagement and volunteering programs.

FUTURE OUTLOOK

The Company remains steadfast on its strategy to grow manufacturing operations while keeping trading operations status-quo. The Company started its Processing division. Overlooking the immediate effects of COVID-19 led disruptions; the long-term prospects of the Company remain robust. Growing manufacturing operations bode well for Revenue growth as well as expansion of profitability margins. Over the next five years, the Company will aim to achieve revenue of Rs. 200 crores from manufacturing and operations, which should drastically improve its net profitability.

For F.Y. 2021-22, the Company has focused on the recovery of the outstanding and ensuring the earliest dispatches of the finished goods inventory to have a tighter control on the working capital and reigning in fixed costs to conserve cash.

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

Being 30 years old unit placed within the thickly populated area at the out skirts of Dombivali is very much thirsty for expansion and looking for sizable land parcel. To make further investment in the plot & machinery, the company is exploring the possibility of bank & equity funding.

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

CAUTIONARY STATEMENT:

Statements in foregoing paragraphs of this report describing the current industry structure, outlook, opportunities, etc., may be construed as “forward looking statements”, based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be implied by these forward looking statements.

FOR & ON BEHALF OF THE BOARD

Sd/-
Vinod S Jhawar
(Managing Director)
DIN: 00002903
Place: Mumbai
Date: 03.08.2022

Sd/-
Mukul V Jhawar
(Whole Time Director)
DIN: 07966851

ANNEXURE-VI**CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY**

The Company's CSR philosophy is 'Do good things it will come to you'. The Company's vision is to be a responsible industry leader and demonstrate ethical behavioral practices which will contribute to the economic and sustainable development within the company, industry, and society at large.

Terms of Reference - The CSR Committee has been entrusted with responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013; recommending to the Board the amount of expenditure to be incurred; monitoring the implementation of framework of CSR Policy and ensuring that implementation of the project and programme is in compliance with the CSR Policy of the company.

The Company's CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

This Policy shall apply to all CSR projects/programmes/activities undertaken by the Company in India as per Schedule VII of the Act. The Company's CSR Policy has been hosted on the Company's Website under the link <http://dfl.net.in/company-profile.html>

2. COMPOSITION OF THE CSR COMMITTEE

A Corporate Social Responsibility Committee (CSR Committee) was constituted by the Board of Directors of your Company at its Meeting held on June 07, 2019 and a CSR Policy was also formulated.

The Corporate Social Responsibility Committee (CSR Committee) is headed by Ms. Ayushi Gilra, Non-Executive Independent Director of the Company. Other Members of the Committee comprises of Shri Durgesh Kabra and Shri Athul Rungta, an Independent Non- Executive Directors of the Company.

3. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014: NOT APPLICABLE**4. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CSR POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET-OFF FOR THE FINANCIAL YEAR, IF ANY:**

Financial Year	Amount available for set-off from preceding financial years (INR in Lacs)	Amount required to be set-off for the financial year, if any (INR in Lacs)
-	Nil	Nil

5. AVERAGE NET PROFIT OF THE COMPANY FOR THE LAST THREE FINANCIAL YEARS (AS PER SECTION 198 OF THE COMPANIES ACT, 2013)

Net Profit before tax (PBT)	Rs. In Lacs
F.Y. 2018-19	608.64
F.Y. 2019-20	220.31
F.Y. 2020-21	41.02
Total	869.97
Average	289.99
(a) CSR Expenditure for F.Y. 2021-22 (i.e. 2% of average net profit of the Company as per Section 135(5))	5.80
(b) Surplus arising out of CSR projects or programmes or activities of the previous financial years:	Nil
(c) Amount required to be set-off for the financial year, if any	Nil
Total CSR obligations for the financial year (a+b-c)	5.80

6. DETAILS OF CSR SPENT / UNSSPENT DURING THE FINANCIAL YEAR:

Total amount to be spent for the Financial Year 2021-22	5.80
Total amount of CSR activities approved for financial year 2021-22	5.80
Amount spent for financial year 2021-22	6.00
Unspent amount if any financial year 2021-22	Nil
Unspent amount if any financial year 2020-21	0.09

Total Amount spent for the F.Y. (Rs. in Lacs)	Amount Unspent (Rs. in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
6.00	Nil	N.A.	PM Care Fund	0.10	16/02/2022

7. (A). DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

Sr. No.	Name of the Project	Item from the list of activities in SCH-VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current F.Y.	Amount transferred to Unspent CSR A/c for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District						Name	CSR Registration number
1	-	-	-	-	-	-	Nil	-	-	-	-	-

(B). DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

Sr. No.	Name of the Project	Item from the list of activities in SCH-VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation - Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District			Name	CSR Registration No.
1	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	(ii)	Yes	Maharashtra	Mumbai	6.00	No	Omkar Andh Apang Samajik Sanstha	CSR0003196

(C)	Amount spent in Administrative Overheads	Nil
(D)	Amount spent on Impact Assessment, if applicable	Not Applicable
(E)	Total amount spent for the Financial Year (8b+8c+8d+8e):	6.00 Lacs
(F)	Excess amount for set off, if any	Nil

Sr. No.	Particulars	Amount (INR in Lacs)
i	Two percent of average net profit of the company as per section 135(5)	5.80
ii	Total amount spent for the Financial Year	6.00
iii	Excess amount spent for the financial year (ii)-(i)	0.20
iv	Surplus arising out of CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years >(iii)-(iv)@	Nil

8. (A). DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (Rs. In Lacs)	Amount spent in the reporting F.Y. (Rs. In Lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding F.Y.
				Name of the Fund	Amount (Rs. In Lacs)	Date of transfer	
1	-	-	Nil	-	Nil	-	

(B) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEARS:

Sr. No.	Project ID	Name of the project	F.Y. in which project was commenced	Project duration	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting F.Y.	Status of the project - Completed / Ongoing
1	-	-	-	-	-	-	

9. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR:

- i. Date of creation or acquisition of the capital asset(s): None
- ii. Amount of CSR spent for creation or acquisition of capital asset: Nil
- iii. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- iv. Details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

10. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFITS AS PER SECTION 135(5): NOT APPLICABLE**FOR & ON BEHALF OF THE BOARD**

Sd/- Vinod S Jhavar (Managing Director) DIN: 00002903 Place: Mumbai Date: 03.08.2022	Sd/- Mukul V Jhavar (Whole Time Director) DIN: 07966851
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INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**Requirements under the SEBI (LODR) Regulations, 2015**

To,
The Members of
Dhanlaxmi Fabrics Limited

This certificate is issued in accordance with the terms of our engagement with Dhanlaxmi Fabrics Limited (the 'Company').

We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations')

MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

AUDITOR'S RESPONSIBILITY

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring 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 purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the 'ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

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

For R H A D & Co.
Chartered Accountants
FRN: 102588W

Sd/-
Dinesh C. Bangar
(Partner)
M. No. : 036247
UDIN: 22036247AJWLSF4643
Place: Mumbai
Date: 30.05.2022

CEO/CFO CERTIFICATION

Compliance Certificate under Regulation 17(8) of SEBI (LODR) Regulation, 2015

1. I, Vinod S. Jhawar, Managing Director of the Company & Purushottam Randad, Chief Financial Officer of Company, have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee
 - (a) Significant changes in internal control over financial reporting during the year;
 - (b) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
 - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on behalf of the Board

<p>Sd/- Vinod S. Jhawar (Managing Director) DIN: 00002903 Place: Mumbai Date: 30.05.2022</p>	<p>Sd/- Purushottam Randad (Chief Financial Officer)</p>
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CERTIFICATE FOR ADHERENCE TO THE CODE OF CONDUCT **(PURSUANT TO REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015]**

Declaration by the Director

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the listing agreement with the stock exchange, I hereby confirm that, all the Directors and senior management personnel of the Company to whom the code of conduct is applicable have affirmed the compliance of the said code during the financial year ended March 31 2022.

For and on behalf of the Board

Sd/-
Vinod S. Jhawar
 (Managing Director)
 DIN: 00002903
 Place: Mumbai
 Dated: 30.05.2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (LODR) Regulations, 2015)**

To,
The Members
Dhanlaxmi Fabrics Limited
 Bhopar Village, Manpada Road,
 Dombivli (East), Thane-42120

I have examined the relevant registers, records, forms, returns and disclosures received for the year ended 31st March, 2022 from the Directors of **M/s. Dhanlaxmi Fabrics Limited** having CIN L17120MH1992PLC068861 and having registered office at Bhopar Village, Manpada Road, Dombivli (East), Thane - 42120 and (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officer, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	DIN	Name of Director(s)	Date of Appointment in Company
1	00002903	Vinod Sohanlal Jhawar	01/11/2009
2	00002908	Mahesh Sohanlal Jhawar	01/10/1992
3	00017670	Durgesh Kumar Kabra	28/05/2005
4	07966851	Mukul Vinod Jhawar	06/08/2019
5	00305731	Athul Rungta	10/02/2020
6	08511294	Ayushi Gilra	06/08/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.,
Company Secretary in Practice
UDIN: A030512D000727230

Sd/-
Pankaj Trivedi
(Proprietor)
CP No. 15301
Place: Mumbai
Dated: 3rd August, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanlaxmi Fabrics Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Dhanlaxmi Fabrics Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (statement of changes in equity) and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit Matters are these matters that, in our professional judgment, were of most significance in our Audit of Standalone financial statement of the current period. These matters were addressed in the context of our Audit of Standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us except the matters reported in the notes to accounts.

Emphasis of Matters

We draw attention to

1. Capital Work in Progress includes investment in properties amounting to Rs. 1049.60 lacs consist of advances paid for acquisition of immovable property which are paid for more than 12 months. In the absence of specific timeline, registered transfer deeds and external valuations, there carrying values has been considered as fair values. In absence of reliable external information, no impairment provisions have been made there upon.
2. Sundry Debtors include Rs. 209.39 lacs due for more than six months. No provision has been made in the books for the same as the management has considered the same as good and recoverable.
3. Refer to note 4 of the financial statements, Company has made investment of Rs. 67.08 lacs in subsidiary companies which have been considered as long term investment, out of which total net assets of two subsidiaries are below investment values, no impairment loss has been provided for on such investments.
4. Refer to Note no 5 of the financial statements, the loan & advances given are closely monitored by the Board of Directors and therefore no appraisal, renewal, policies, procedure and documents have been executed.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors Responsibility for the audit of Financial Statements

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

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

- a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non-detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 ability of the group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained upto the date of our Auditors' Report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosure and whether the standalone financial statements represent the underline transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statement of such entities include in the standalone financial statements.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order 2020 (the order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2022 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 operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our Opinion and to the best of our information and according to the explanations given to us:
- 1) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company.
 - 4) a) Whether the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) Whether the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - d) The company has neither declared nor paid dividend during the year.

For R H A D & Co.
Chartered Accountants
FRN: 102588W

Sd/-
Dinesh C. Bangar
(Partner)
M. No. : 036247
UDIN: 22036247AJWLSF4643
Place: Mumbai
Date: 30.05.2022

Annexure A to the Independent Auditor's Report (Referred to in paragraph (1) of our report of even date)

- I** a) The Company has maintained the fixed assets records including quantitative details and situation of fixed assets and is in the process of updating the same.
- b) As explained to us, the fixed assets have been physically verified by the management at reasonable interval in a phased manner during the year and no material discrepancy if any has been noticed on such verification and has been properly dealt with in the Books of Accounts.
- c) As per the information and explanations given to us, the Title Deeds of Immovable Properties are held in the name of company.
- d) Company does not have any intangible assets.
- e) Company has not revalued any assets during the financial year.
- f) As per the information and explanations given to us, no proceeding has been initiated against the Company in respect of Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- II** a) The Stock of finished goods, stores, spare parts and raw material have been physically verified by the management at reasonable intervals during the year and as per the information and explanations given to us and according to the records produced to us, no material discrepancies noticed on such physical verification as compared to book records.
- b) The Company has availed working capital facility from Bank or Financial Institutions during the year on the basis of security of Current Assets.
- III** As per the information and explanation given to us, the company has made investments in subsidiary Company, but not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- IV** As per the information and explanation given to us, there are no loans, investments, guarantees and securities as stated in the provisions of section 185 and 186 of the Companies Act, 2013.
- V** The Company has not accepted any deposits from public.
- VI** We have broadly reviewed the books of accounts maintained by the Company as specified by the Central Government for maintenance of Cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate.
- VII** a) As per the information and explanation given by the management, and according to the records of the company with regard to undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, G.S.T., Custom Duty and Other Statutory dues applicable to it, the company is generally regular in depositing with appropriate authorities. There is no undisputed amount payable in respect of such statutory dues, which have remained outstanding as at 31st March 2022 for a period more than six months.
- b) According to the information and explanation given to us, there is no dispute pending in respect of dues of PF, Sales Tax, Income Tax, Wealth Tax, Custom Duty, Service Tax, Excise Duty, GST except following:

Name of the Statute	Nature of dues	Amount (In Rs.)	Assessment Year	Forum where dispute is pending
Income Tax Act,1961	Penalty u/s 271(1)©	86,12,309	2009-10	CIT (Appeal)
Income Tax Act,1961		35,34,216	2010-11	
Income Tax Act,1961		6,57,281	2011-12	
Income Tax Act,1961	Income tax assessment u/s 143(3) r.w.s 254	7,00,908	2010-11	CIT (Appeal)
Income Tax Act,1961		5,95,772	2011-12	
Income Tax Act,1961		5,06,406	2012-13	

- VIII** There are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- IX** a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.

d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

X a) The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans during the year.

b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

XI a) To the best of our knowledge and beliefs and according to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.

b) There is no whistle blower complaint received during the year.

XII The Company is not a Nidhi Company as per the provisions of section 406 of the Companies Act, 2013.

XIII As per the information and explanation given to us all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the note No. 36 on financial statements as required by the applicable accounting standards.

XIV The Company has an internal audit system commensurate with the size and nature of its business and we have considered the reports of Internal Auditor.

XV As per the information and explanation given to us the company has not entered into any non-cash transactions with directors or person connected with him.

XVI As per the information and explanations given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

XVII The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

XVIII There has been no resignation of the previous statutory auditors during the year.

XIX According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

XX The Company does not have any unspent amount under Corporate Social Reporting (CSR).

XXI The Company has made investments in subsidiary company. Therefore, the company require to prepare consolidated financial statement.

For R H A D & Co.
Chartered Accountants
FRN: 102588W

Sd/-
Dinesh C. Bangar
(Partner)
M. No. : 036247
UDIN: 22036247AJWLSF4643
Place: Mumbai
Date: 30.05.2022

Annexure - B to the Independent Auditor's 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 Fabrics Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R H A D & Co.
Chartered Accountants
FRN: 102588W

Sd/-
Dinesh C. Bangar
(Partner)
M. No. : 036247
UDIN: 22036247AJWLSF4643
Place: Mumbai
Date: 30.05.2022

Standalone Significant Accounting Policies 2021-22 for the year ended 2021-22.

NOTE NO. 1

1. Company Overview

The Company ("M/S. DHANLAXMI FABRICS LIMITED") is an existing public limited company incorporated on 07th March 1980 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 Manpada Road, Bhopar Village, Dombivli(East), Thane - 421204. The Company's main activity is cornered in to dealers and manufacturing and Processing of Textile and allied products/services and Power Generation. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee.

2. 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 were authorized for issue by the Company's Board of Directors on 30th May 2022.

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 TUF subsidy interest receivable from government for the year 2014-15, 2015-16 which will be accounted on Cash basis as and when received. 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.
- (ii) The Company recognises income from power generated on Cash basis.
- (iii) During the year Interest on TUF Subsidy is accounted on Cash basis.

(II) Other Income

(i) Interest Income

Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(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) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) 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.
- (c) Leasehold Land is depreciated over the period of the Lease.

(D) Inventories Valuation

- (i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good is arrived at estimated cost.
- (iii) Scrap is valued at net realisable value.

(E) 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.

(F) 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.

(G) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

(H) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

"(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach."

(I) Investments

All Unquoted equity investments are measured at carrying value.

(J) 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.

(ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. Gratuity which is a defined benefit is accrued based on actuarial valuation as at Balance Sheet date by an independent actuary. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year.

(iii) The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets excluding non-qualifying asset (reimbursement right). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(L) Earnings Per Share

A 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. An 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.

(M) 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.

(O) 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.

(P) 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.

(Q) 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.

(R) 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.
- (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.

3. 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

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

(II) Ind AS mandatory exemptions

(i) Estimates

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

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

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

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

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

DHANLAXMI FABRICS LIMITED

Balance Sheet as at 31st March, 2022

(Amount in Lacs)

Particulars		Note	As at 31.03.2022		As at 31.03.2021	
B	ASSETS					
1	Non-Current Assets					
a.	Property, Plants & Equipment	2	1,665.32		1,953.65	
b.	Capital work-in-progress	3	1,049.60		1,048.60	
c.	Financial Assets					
i)	Investments	4	67.08		67.08	
ii)	Loans	5	174.03		261.43	
iii)	Other financial assets		-		-	
d.	Non- Current tax assets (Net)	6	489.50		320.05	
e.	Other Non-Current Assets	7	381.39	3,826.92	351.42	4,002.22
2	Current Assets					
a.	Inventories	8	1,863.63		978.44	
b.	Financial Assets					
i)	Trade receivables	9	1,183.21		1,141.98	
ii)	Cash and Bank Balances	10	2.38		7.85	
c.	Current Tax Assets(Net)	11	2.70		14.56	
d.	Other Current Assets	12	533.49	3,585.41	535.20	2,678.03
	TOTAL ASSETS			7,412.33		6,680.25
A	EQUITY AND LIABILITIES					
1	EQUITY					
a.	Equity Share Capital	13	858.11		858.11	
b.	Other Equity	14	4,402.35	5,260.46	4,348.29	5,206.40
2	LIABILITIES					
2	Non-Current Liabilities					
a.	Financial Liabilities					
i)	Long-term borrowings	15	122.01		222.67	
ii)	Other Financial Liabilities		-		-	
b.	Deferred tax liabilities (net)	16	79.04		118.97	
c.	Other long-term liabilities	17	4.19		4.19	
d.	Long-term provisions		-		-	
e.	Non-Current tax Liabilities (net)		-	205.24	-	345.82
3	Current Liabilities					
3	Financial Liabilities					
i)	Short-term borrowings	18	1,337.20		458.82	
ii)	Trade Payable	19				
a)	Total outstanding dues - MSMEs		69.45		103.41	
b)	Total outstanding dues- Other than MSMEs		443.34		459.43	
iii)	Other Financial Liabilities		-		-	
b.	Other current liabilities	20	41.93		39.46	
c.	Short-term provisions	21	54.70		66.89	
d.	Current Tax Liabilities(Net)		-	1,946.63	-	1,128.02
	TOTAL EQUITY & LAIBILITIES			7,412.33		6,680.25

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For M/s. Gohel and Associates LLP

Chartered Accountants

FR No- 102588W

UDIN: 22036247AJWLSF4643

Sd/-

Dinesh C. Bangar

(Partner)

(Mem No.036247)

Place: Mumbai

Dated: 30th May, 2022

Sd/-

Vinod S. Jhwar

(Managing Director)

DIN: 00002903

Sd/-

Mukul V. Jhwar

(Whole Time Director)

DIN: 08170211

Sd/-

Purushottam Randad

(Chief Financial Officer)

Sd/-

Vishnu Thaker

(Company Secretary)

DHANLAXMI FABRICS LIMITED

Statement of Profit and Loss for the year ended 31st March 2022

(Amount in Lacs)

Particulars	Note No.	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
A Income:			
1 Revenue from operations	22	6,569.87	4,335.14
2 Other income	23	29.39	35.27
Total Income		6,599.26	4,370.41
B Expenses:			
(a) Cost of materials consumed	24	3,239.27	1,386.16
(b) Cost of Store & Spares Consumed	25	118.18	55.84
(c) Purchases of stock-in-trade	26	989.72	447.92
(d) Changes in inventories of finished goods, WIP and Stock-in-trade	27	(885.19)	223.52
(e) Employee benefits expenses	28	864.22	644.07
(f) Finance costs	29	87.43	89.17
(g) Depreciation	30	304.88	326.39
(f) Other expenses	31	1,854.59	1,218.03
Total Expenses		6,573.10	4,391.10
3 Profit/(Loss) before exceptional Items & Taxes		26.16	(20.69)
4 Exceptional Items	32	48.14	61.71
5 Profit/(Loss) Before Taxes		74.30	41.02
6 Tax expense:			
(a) Current tax		60.17	29.50
(b) Deferred Tax		(39.93)	(35.40)
Net Tax Expense		20.24	(5.90)
7 Profit/(Loss) for the period		54.06	46.93
8 Other comprehensive income			
- Items that will not be reclassified to profit or loss		-	-
- Income tax relating to items that will not be reclassified to P&L		-	-
- Items that will be reclassified to P&L		-	-
- Income tax relating to items that will be reclassified to P&L		-	-
Total Other comprehensive income		-	-
9 Total comprehensive income for the period		54.06	46.93
10 Earnings per Equity share (Face Value of Rs. 10/- each)			
a) Basic	34	0.63	0.55
b) Diluted	34	0.63	0.55

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our attached report of even date

For M/s. Gohel and Associates LLP

Chartered Accountants

FR No- 102588W

UDIN: 22036247AJWLSF4643

Sd/-

Dinesh C. Bangar

(Partner)

(Mem No.036247)

Place: Mumbai

Dated: 30th May, 2022

For and on behalf of the Board of Directors

Sd/-

Vinod S. Jhawar

(Managing Director)

DIN: 00002903

Sd/-

Mukul V. Jhawar

(Whole Time Director)

DIN: 08170211

Sd/-

Purushottam Randad

(Chief Financial Officer)

Sd/-

Vishnu Thaker

(Company Secretary)

DHANLAXMI FABRICS LIMITED

Cash Flow Statement for the year ended 31 March, 2022

(Amount in Lacs)

Particulars	For the year ended 31 st March 2022		For the year ended 31 st March 2021	
A. Cash flow from operating activities				
Net Profit / (Loss) before Tax		74.30		41.02
<u>Adjustments for:</u>				
- Depreciation and amortization	304.88		326.39	
- (Profit) (-) Loss (+) on sale / write off of assets	-		(90.96)	
- Finance cost	87.43		89.17	
- Interest income	(18.24)		(11.42)	
- Dividend Received	(0.01)		-	
- Rental Income from Investment Property	(9.84)		(19.43)	
Operating profit / (loss) before working capital changes		438.52		334.77
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
- Inventories (increase / decrease)	(885.19)		223.52	
- Trade and other receivables	(41.23)		477.27	
- Other current assets	13.57		(248.94)	
- Other Current Liabilities	(9.72)		26.29	
- Trade and other Payables	(50.05)		(121.27)	
- Change in Other Non -Current Assets	(169.46)		(68.87)	
- Change in Capital Work in Progress	(1.00)		(0.21)	
- Cash generated from operations		(1,143.08)		287.80
Net income tax (paid) / refunds		(704.56)		622.57
		60.17		29.50
Net cash flow from / (used in) operating activities (A)		(764.73)		593.07
B. Cash flow from investing activities				
Purchase of fixed assets	(16.55)		(28.96)	
Sale of fixed assets	-		169.20	
Rental income from investment properties	9.84		19.43	
Long Term Advances	57.43		(103.32)	
Other Long term Liabilities	-		(22.87)	
Dividend Received	0.01		-	
Net cash flow from / (used in) investing activities (B)		50.72		33.48
C. Cash flow from financing activities				
Net Increase / (decrease) long-term borrowings	(100.65)		186.20	
Net increase / (decrease) in working capital borrowings	878.38		(730.73)	
Interest received	18.24		11.42	
Interest Paid	(87.43)		(89.17)	
Net cash flow from / (used in) financing activities (C)		708.54		(622.89)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(5.47)		4.26
Cash and cash equivalents at the beginning of the year		7.85		3.59
Cash and cash equivalents at the end of the year		2.38		7.85

As per our attached report of even date

For M/s. Gohel and Associates LLP

Chartered Accountants

FR No- 102588W

UDIN: 22036247AJWLSF4643

Sd/-

Dinesh C. Bangar

(Partner)

(Mem No.036247)

Place: Mumbai

Dated: 30th May, 2022

For and on behalf of the Board of Directors

Sd/-

Vinod S. Jhavar

(Managing Director)

DIN: 00002903

Sd/-

Mukul V. Jhavar

(Whole Time Director)

DIN: 08170211

Sd/-

Purushottam Randad

(Chief Financial Officer)

Sd/-

Vishnu Thaker

(Company Secretary)

DHANLAXMI FABRICS LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

(Amount in Lacs)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity Share Capital		
Particulars	Numbers	Amount
Balance at 1st April, 2020	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at 31st March, 2021	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at 31st March, 2022	85.81	858.11

B. Other Equity					
Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserves	Retained Earnings		
Balance as at 1st April, 2020	896.00	108.46	3,296.90	-	4,301.36
Profit for the year	-	-	46.93	-	46.93
Trf to General Reserve	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Remeasurements of Defined Benefit Plan	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	-	-
Balance as at 31st March, 2021	896.00	108.46	3,343.83	-	4,348.29
Profit for the year	-	-	54.06	-	54.06
Final Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Trf to General Reserve	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	-	-
Balance as at 31st March, 2022	896.00	108.46	3,397.89	-	4,402.35

Description of Asset	Gross Block at Cost			Depreciation				Net Block		
	As on 01.04.21	Addition	Sold	As on 31.03.22	Upto 31.03.21	Provided	Adjusted	Upto 31.03.22	As on 31.03.22	As on 31.03.21
Land	470.63	-	-	470.63	-	-	-	-	470.63	470.63
Building	778.09	-	-	778.09	382.57	24.52	-	407.10	371.00	395.52
Plant & Machinery	5,093.17	11.70	-	5,104.87	4,186.95	266.39	-	4,453.35	651.52	906.21
Electrical Installation	158.90	-	-	158.90	134.19	5.92	-	140.11	18.79	24.72
Pipe Fitting	34.62	-	-	34.62	32.74	0.15	-	32.89	1.73	1.89
Furniture & Fixture	109.02	0.42	-	109.45	103.25	0.52	-	103.77	5.68	5.77
Laboratory Equpts	27.49	-	-	27.49	25.22	0.17	-	25.39	2.10	2.27
Office Equipment	11.81	3.86	-	15.67	9.92	0.99	-	10.91	4.76	1.89
Air Conditioner	19.29	-	-	19.29	15.17	1.06	-	16.23	3.05	4.11
Computer	51.31	0.57	-	51.88	50.02	0.32	-	50.34	1.55	1.29
Motor Vehicle	2.10	-	-	2.10	0.47	0.25	-	0.72	1.38	1.63
Misc. fixed Assets	54.18	-	-	54.18	45.15	2.59	-	47.75	6.43	9.03
House Property	128.59	-	-	128.59	25.47	1.93	-	27.40	101.19	103.12
Sub Total	6,939.21	16.55	-	6,955.76	5,011.13	304.83	-	5,315.96	1,639.81	1,928.09
Windmill Assets										
Land	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Plant and Machinery	521.00	-	-	521.00	505.44	0.05	-	505.49	15.51	15.56
Sub Total	531.00	-	-	531.00	505.44	0.05	-	505.49	25.51	25.56
Total	7,470.21	16.55	-	7,486.76	5,516.56	304.88	-	5,821.45	1,665.32	1,953.65

NOTE - 3 CAPITAL WORK-IN PROGRESS	Year Ended 31.03.2022	Year Ended 31.03.2021
Dhairyashee Mane Textile Co-op Park Kolhapur	364.60	364.60
Advance to Chanchal Das & Sons for Property	605.00	604.00
Land at Five Star MIDC Kegal Hatkangale	80.00	80.00
Total	1,049.60	1,048.60

NOTE - 3.1 CAPITAL WORK IN PROGRESS AGING SCHEDULE	Year Ended 31.03.2022	Year Ended 31.03.2021
Projects In Progress	-	-
Less Than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More Than 3 Years	1049.61	1,048.60
Total	1,049.60	1,048.60

NOTE - 4 NON-CURRENT INVESTMENTS	Year Ended 31.03.2022	Year Ended 31.03.2021
In equity shares of subsidiary companies		
1. Western Chlorides & Chemicals Pvt Ltd	65.08	65.08
2999 Equity Shares @ Rs.2170/- each F V Rs.100/- Per shares	-	-
2. Dhanesh Fabrics Pvt Ltd	1.00	1.00
9999 Equity Shares @ Rs.10/- each F V Rs.10/- Per shares	-	-
3. DFL Fabrics Pvt Ltd	1.00	1.00
9980 Equity Shares @ Rs.10/- each F V Rs.10/- Per shares	-	-
Total	67.08	67.08

NOTE - 5 LOANS	Year Ended 31.03.2022	Year Ended 31.03.2021
Promtech Impex Pvt Ltd	-	87.40
DFL Fabrics Pvt Ltd	100.00	100.00
Dhanesh Fabrics Pvt Ltd	74.03	74.03
Total	174.03	261.43

5.1 Company has given interest free loan to its Wholly Owned Subsidiary DFL Fabrics Pvt Ltd and Dhanesh Fabrics Pvt Ltd for its principal business activities.

5.2 The Loans and advances above are extended for the purpose of business and repayable on demand. The aforesaid loans are extended at different interest rate. These loans and advances are unsecured and closely monitored by Board of Directors and therefore no agreement, deed, appraisal etc. has been executed thereon.

NOTE - 6 NON-CURRENT TAX ASSET(NET)	Year Ended 31.03.2022	Year Ended 31.03.2021
Unutilized Input Tax Credit (GST)	399.72	247.61
Income Tax Refund Receivable (Net of Provision for Tax)	0.65	0.65
Advance Tax Paid	255.00	240.00
TCS Receivable	0.54	-
TDS Receivables	165.10	133.79
Less: Provision for Income Tax	331.50	302.00
Total	489.50	320.05

NOTE - 7 OTHER NON CURRENT ASSETS	Year Ended 31.03.2022	Year Ended 31.03.2021
Security Deposits	148.71	146.48
Fixed Deposits with Bank	26.32	24.73
Income Tax Paid Under Protest	-	-
For A.Y. 2010-11 (Under Appeal)	117.22	117.22
For A.Y. 2011-12 (Under Appeal)	52.10	52.10
For A.Y. 2012-13 (Under Appeal)	5.32	5.32
For A.Y. 2013-14 (Under Appeal)	5.57	5.57
VAT/CST Pre-deposit FY2017-18	2.44	-
VAT/CST Pre-deposit FY2016-17	23.71	-
Total	381.39	351.42

NOTE - 8 INVENTORIES	Year Ended 31.03.2022	Year Ended 31.03.2021
Finished Goods	289.03	202.38
Raw Material	1,101.31	491.93
Stock in Process - WIP	359.15	158.77
Stores & Spares	114.15	125.35
Total	1,863.63	978.44

NOTE - 9 TRADE RECEIVABLES						Year Ended 31.03.2022
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	973.81	22.31	17.28	45.96	39.96	1099.32
Undisputed trade receivables - considered doubtful	-	-	35.10	48.79	-	83.89
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-

NOTE - 9 TRADE RECEIVABLES						Year Ended 31.03.2021
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	812.84	0.00	194.57	40.15	43.45	1091.01
Undisputed trade receivables - considered doubtful	-	-	50.97	-	-	50.97
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-

9.1 No Provision for Doubtful Debtors is made as Management of the company is hopeful of full recoverability of the same.

NOTE - 10 CASH AND CASH EQUIVALENTS	Year Ended 31.03.2022	Year Ended 31.03.2021
Cash on hand	0.94	1.06
Balance with banks	1.44	6.79
Total	2.38	7.85

NOTE - 11 CURRENT TAX ASSET(NET)	Year Ended 31.03.2022	Year Ended 31.03.2021
Advance tax Paid	20.00	15.00
TCS Receivable	0.42	0.54
TDS Receivables	42.45	28.52
Less: Provision for Income Tax	(60.17)	(29.50)
Total	2.70	14.56

NOTE - 12 OTHER CURRENT ASSETS	Year Ended 31.03.2022	Year Ended 31.03.2021
Loan & Advance to Employees	0.15	1.76
BCI & CMIA Units Receivable	3.60	-
Advance to Suppliers	514.99	518.76
Prepaid Expenses	14.75	14.69
Total	533.49	535.20

12.1 Advance to supplier includes Rs. 320.23 lacs being advance for purchase of coal and Rs 182.97 lacs being advance given for purchase of Fabrics.

NOTE - 13 EQUITY SHARE CAPITAL	Year Ended 31.03.2022	Year Ended 31.03.2021
Authorised Share Capital 1,50,00,000 Equity Shares of Rs. 10/- Each (Previous Year 1,50,00,000 Equity Shares Rs.10/-Par Value)	1,500.00 -	1,500.00 -
Issued, Subscribed and Paid up 85,81,100 Equity Shares of Rs.10/- each (Previous Year 85,81,100 Equity SharesRs.10/-Par Value)	858.11 -	858.11 -

13.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2022:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	8,581,100	858.11	8,581,100	858.11
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	8,581,100	858.11	8,581,100	858.11

13.2: 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.

13.3: 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.

13.4: The details of Shareholders holding more than 5% Shares in the company**13.4: Shares held by Promoters**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	% held as at	No of Shares	% held as at
Laxmi Mahesh Jhawar	107,573	1.25	107,573.00	1.25
Mahesh Sohanlal Jhawar	84,100	0.98	84,100.00	0.98
Mukul Vinod Jhawar	60,000	0.70	60,000.00	0.70
Lalit Vinod Jhawar	1,200	0.01	1,200.00	0.01
Rahul Mahesh Jhawar	70,200	0.82	70,200.00	0.82
Ramautar S. Jhawar (Jamnadevi Jhawar Family Trust)	500	0.01	500.00	0.01
Promtech Impex Pvt Ltd	12,80,000	14.92	12,80,000	14.92
Jhawar Commodities Pvt Ltd	14,57,446	16.98	14,57,446	16.98
Vandana Vinod Jhawar	652,430	7.60	652,430.00	7.60
Vinod Sohanlal Jhawar	1,529,978	17.83	1,529,978.00	17.83
Dhanlaxmi Cotex Ltd	1,185,079	13.81	1,185,079.00	13.81

13.5: The details of Shareholders holding more than 5% Shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	% held as at	No of Shares	% held as at
Eskay Niryat Pvt Ltd.	12,80,000	14.92	12,80,000	14.92
Promtech Impex Pvt Ltd	12,80,000	14.92	12,80,000	14.92
Jhawar Commodities Pvt Ltd	14,57,446	16.98	14,57,446	16.98
Vandana Vinod Jhawar	652,430	7.60	652,430.00	7.60
Vinod Sohanlal Jhawar	1,529,978	17.83	1,529,978	17.83
Dhanlaxmi Cotex Ltd	1,185,079	13.81	1,185,079	13.81

NOTE - 14 OTHER EQUITY	Year Ended 31.03.2022	Year Ended 31.03.2021
Capital Reserve		
At the beginning and at the end of the year	-	-
General Reserve		
Opening Balance(As per last Balance Sheet)	-	-
Add: Transferred from Surplus	108.46	108.46
	108.46	108.46
Surplus		
Opening Balance (As per last Balance sheet)	3,343.83	3,296.90
Add: Net Profit after tax Transferred from Statement of Profit & Loss	54.06	46.93
Less: Transfer to General Reserve	-	-
	3,397.89	3,343.83
Security Premium		
Opening Balance	896.00	896.00
Add: During the Year	-	-
Closing Balance	896.00	896.00

Other Comprehensive Income		
Opening Balance	-	-
Add: During the year	-	-
Closing Balance	-	-
Total	4,402.35	4,348.29

NOTE - 15	Year Ended	Year Ended
LONG TERM BORROWINGS	31.03.2022	31.03.2021
Secured Loans		
Term Loan from AXIS Bank	55.94	106.00
Term Loan from The Shamaro Vithal Co-Op. Bank	66.07	116.67
Total	122.01	222.67

15.1 - Bank term loans are secured by way of first charge over the entire fixed assets of the company both present and future created out of the term loan, Personal guarantee of three director and corporate guarantee of M/s. Western Chlorides and Chemicals Pvt Ltd subsidiary of the Company.

NOTE - 16	Year Ended	Year Ended
DEFERRED TAX LIABILITIES (NET)	31.03.2022	31.03.2021
Deferred Tax Liabilities		
At Beginning of the year	118.97	154.37
Deferred Tax Liability/ (Assets) for the year	(39.93)	(35.40)
At Closing of the year	79.04	118.97

16.1 The Deferred Tax balances have arisen principally on account of timing difference between the depreciation admissible under the Income tax Act 1961 and depreciation as per Provisions of Companies Act, 2013

NOTE - 17	Year Ended	Year Ended
OTHER LONG TERM LIABILITIES	31.03.2022	31.03.2021
Deposits received from Licensee	4.19	4.19

17.1 Security deposits received against Leave and License Agreement entered with the following Licensee for office No.402 to 406 at Kailas Corporate Lounge Vikroli given on rent to them.

Particulars	Year Ended	Year Ended
	31.03.2022	31.03.2021
1. Synergy Property Development Services Pvt Ltd	-	-
2. G4 Securities Solution (India) Pvt. Ltd.	4.19	4.19
3. Mr. Mohammad Muzaammi Suyani	-	-
Total	4.19	4.19

17.2 The carrying value of Security Deposits is deemed to be the Fair Value.

NOTE - 18	Year Ended	Year Ended
SHORT TERM BORROWINGS.	31.03.2022	31.03.2021
Secured Loans		
Cash credit from The Shamaro Vithal Co-Op. Bank Ltd	184.11	19.43
Cash Credit from Axis Bank Ltd.	110.81	379.59
Working Capital Demand Loan with SVC Bank Ltd	300.00	-
Working Capital Demand Loan with Axis Bank Ltd	650.00	-
Current Maturities of Long Term Loan from AXIS Bank	35.33	36.47
Current Maturities of Long Term Loan from The Shamaro Vithal Co-Op. Bank	46.67	23.33
Unsecured Loans		
Promtech Impex Pvt Ltd	10.28	-
Total	1,337.20	458.82

18.1 Cash Credits facilities obtained from banks are secured by way of Hypothecation of stocks and Book Debts and Personal guarantee of three Directors and Corporate Guarantee of M/s. Western Chlorides & Chemicals Pvt Ltd subsidiary of the Company.

NOTE - 19					Year Ended
TRADE PAYABLE					31.03.2022
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	69.45	-	-	-	69.45

Others	425.47	6.83	11.04	-	443.34
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

NOTE - 19					Year Ended
TRADE PAYABLE					31.03.2021
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	103.41	-	-	-	103.41
Others	365.07	87.74	6.22	0.40	459.43
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

NOTE - 19.1		Year Ended	Year Ended
MSME DISCLOSURE		31.03.2022	31.03.2021
The details of amounts outstanding to Micro and Small enterprises under the Micro and Small Enterprises Development Act, 2006 (MSED Act), based on the available information with the company are as under			
1. Principal amount not due and remaining unpaid as on 31.3.2022		20.71	60.97
2. Principal amount due and remaining unpaid as on 31.03.2022		48.74	42.45
3. Interest due on (2) above and the unpaid interest		-	-
4. Interest due and payable for the period of delay other than (3) above		-	-

19.2 Company has not provided for interest on principal amount which was due and remaining unpaid as on 31.03.2022 exceeding stipulated time.

NOTE - 20		Year Ended	Year Ended
OTHER CURRENT LIABILITIES		31.03.2022	31.03.2021
Charity Fund		1.29	2.42
Salary payable		26.15	21.93
Advance from Customer		3.19	8.32
Statutory Liabilities		11.29	6.79
Total		41.93	39.46

NOTE - 21		Year Ended	Year Ended
SHORT TERM PROVISIONS		31.03.2022	31.03.2021
Provision for Outstanding Expenses		54.70	66.89
Total		54.70	66.89

NOTE - 22		Year Ended	Year Ended
REVENUE FROM OPERATIONS		31.03.2022	31.03.2021
Fabric Sales		3,743.54	2,066.14
Textile Job work Income		2,784.59	2,239.26
Power Sales		41.75	29.74
Total		6,569.87	4,335.14

NOTE - 23		Year Ended	Year Ended
OTHER INCOME		31.03.2022	31.03.2021
Interest Income		18.24	11.42
Dividend received		0.01	-
Rent Received		9.84	19.43
Scrap Sales		1.30	-
Freight and forwarding income (Reimbursement)		-	0.40
VAT Refund/ written back		-	2.91
Foreign Exchange difference		-	1.11
Total		29.39	35.27

NOTE - 24		Year Ended	Year Ended
COST OF RAW MATERIALS CONSUMED		31.03.2022	31.03.2021
Yarn		1,548.73	450.49
Dyes		207.77	134.17
Chemicals		543.15	341.27
Packing Material		32.63	19.69
Coal		854.18	397.18
Consumables		52.81	43.28
Discount		-	0.07
Total		3,239.27	1,386.16

NOTE - 25	Year Ended	Year Ended
STORES AND SPARES CONSUMPTION	31.03.2022	31.03.2021
Indigenous	118.18	55.84
Total	118.18	55.84

NOTE - 26	Year Ended	Year Ended
PURCHASES OF STOCK IN TRADE	31.03.2022	31.03.2021
Fabric Purchase	989.72	447.92
Total	989.72	447.92

NOTE - 27	Year Ended	Year Ended
CHANGES IN INVENTORY OF FINISHED GOODS, WIP & STOCK-IN-TRADE	31.03.2022	31.03.2021
Inventory (At close)		
Fabric	289.03	202.38
Work in Progress	359.15	158.77
Raw Material	1,101.31	491.93
Stores and Spares	114.15	125.35
Total	1,863.63	978.44
Inventory (At commencement)		
Fabric	202.38	201.09
Work in Progress	158.77	271.40
Raw Material	491.93	532.92
Stores and Spares	125.35	196.55
Total	978.44	1,201.96
Net Change	(885.19)	223.52

NOTE - 28	Year Ended	Year Ended
EMPLOYEE BENEFIT EXPENSES	31.03.2022	31.03.2021
Labour Job Charges	488.23	381.58
Salary, Bonus and Others	263.53	190.53
Director's Salary	82.50	50.00
Contribution to P.F & ESIC	16.58	14.27
Contribution to Gratuity Fund	2.50	3.25
Contribution to Maharashtra Labour Welfare Fund	0.07	0.08
Staff welfare Expenses	10.80	4.36
Total	864.22	644.07

28.1 The Company has provided Provision for Gratuity Fund Rs. 2.50 Lakhs for contribution to be made to LIC Annuity scheme (New Group Gratuity Cash Accumulation Plan). However, as per the Gratuity valuation obtained by the Company, the current year's obligation to Gratuity to be charged to P & L is Rs. 6.50 Lakhs.

28.2 The Company has not made provision for difference in Defined benefit obligation calculated by Actuarial Valuation and Fair value of plan assets to the extent of Rs. 5.00 Lakhs. Further, the Company has not recognised amount to the extent of Rs. 4.20 Lakh as Debits to Other Comprehensive Income during the year.

NOTE - 29	Year Ended	Year Ended
FINANCE COST	31.03.2022	31.03.2021
Interest on Working capital	63.17	67.85
Interest on Term Loan	20.60	18.61
Interest on Others	0.16	0.00
Bank charges/ Processing Fees	3.50	2.71
Total	87.43	89.17

NOTE - 30	Year Ended	Year Ended
DEPRECIATION	31.03.2022	31.03.2021
Depreciation on Fixed Assets	304.88	346.30

30.1. Depreciation has been provided as per guidelines given in Schedule II of Companies Act, 2013 on straight line method on triple shift basis

NOTE - 31	Year Ended	Year Ended
OTHER EXPENSES	31.03.2022	31.03.2021
31.1 - Manufacturing expenses		
Electricity Charges	392.36	324.49
Water Expenses	252.97	161.11
Repairs to building	22.07	4.04

Repairs to Machinery	19.07	27.21
Repairs and Maintenance Others	15.17	12.11
Weaving Charges	34.88	26.21
Freight & forwarding expenses (Domestic)	30.92	18.55
Laboratory expenses	2.26	0.56
Insurance Expenses	11.78	13.06
Lease rent for factory land	15.60	15.60
Clearing and Forwarding Charges (International)	0.21	0.14
Sizing/Warping Charges	81.16	26.59
Sample Charges	3.95	1.38
Textile Job work Expenses	807.00	466.81
Total	1,689.39	1,097.89

	Year Ended 31.03.2022	Year Ended 31.03.2021
31.2 Selling & distribution expenses		
Sales & Business promotion Expenses	13.22	7.52
Cash Discount	2.76	-
Commission & Brokerage	47.51	16.55
Total	63.49	24.07

	Year Ended 31.03.2022	Year Ended 31.03.2021
31.3 Administrative expenses		
Property Expenses	18.27	17.46
Printing & stationery	7.11	5.88
Postage & Courier charges	2.36	1.48
Legal & professional fees	25.88	21.31
Advertisement charges	1.02	1.04
Conveyance expenses	14.68	12.60
General Office Expenses	3.16	1.94
Listing fees - Stock Exchange	3.58	3.55
Vehicle expenses	6.32	6.17
Mobile and Telephone Expenses	1.65	1.90
Director Sitting Fees	0.50	0.23
Sundry Balances W/off	1.78	8.02
Travelling Expenses	4.77	2.32
Other expenses	4.64	4.17
Software Development Expenses	-	1.01
CSR Expenditure	6.00	7.00
Total	101.72	96.07
Grand Total	1,854.59	1,218.03

	Year Ended 31.03.2022	Year Ended 31.03.2021
Payment to auditors		
Auditor		
Statutory audit Fees	1.00	1.00
Tax Audit Fees	0.40	0.40
Total	1.40	1.40

NOTE - 32 EXCEPTIONAL ITEMS	Year Ended 31.03.2022	Year Ended 31.03.2021
TUF Interest Subsidy Received	70.02	-
Bad Debts Written off	(21.88)	(29.25)
Profit on Sale of Assets	-	90.96
TED Refund	-	-
Total	48.14	61.71

NOTE - 33 EARNING PER SHARE(EPS)	Year Ended 31.03.2022	Year Ended 31.03.2021
(i) Net Profit after tax as per statement of Profit & Loss Attributable to Equity Shareholders	54.06	46.92
(ii) Weighted average number of Equity shares used as denominator for calculating EPS	-	-
(iii) Basic and Diluted Earnings per share	85.81	85.81
(iv) Face Value per Equity share	0.63	0.55
	Rs.10/-	Rs.10/-

NOTE - 34 CONTINGENT LIABILITIES	Year Ended 31.03.2022	Year Ended 31.03.2021
Contingent Liabilities not provided for in respect of		
1. Shri Dhairyasheel Mane Textile Park, Ichalkaranji Bills for Common Infrastructure & interest raised by park are under dispute as per M.O.U signed by the park. Legal case Appeal is pending before Appellant Court	528.96	528.96

NOTE - 35 FOREIGN EXCHANGE EARNING AND OUTGO	Year Ended 31.03.2022	Year Ended 31.03.2021
a) Earning - Fabrics Export	1.91	-
b) Outgo - Import of Spares & Parts for Machinery	25.78	6.55

36. RELATED PARTY DISCLOSURE

a) Name of the related party and description of relationship

Sr. No.	Related Parties	Nature of Relationship
1	Dhanlaxmi Cotex Ltd	Common Directors
2	Promtech Impex Pvt Ltd	Common Directors
3	Western Chlorides & Chemicals Pvt Ltd	Subsidiary Company
4	Dhanesh Fabrics Pvt Ltd	Subsidiary Company
5	DFL Fabrics Pvt Ltd.	Subsidiary Company
6	Vinod S Jhawar	Managing Director
7	Mahesh S Jhawar	Director
8	Mukul V Jhawar	Director
9	Ayushi Gilra	Independent Women Director
10	Durgesh Kabra	Independent Director
11	Atul Rungta	Independent Director
12	Rahul M Jhawar	Relative of Director
13	Lalit V Jhawar	Relative of Director

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

Sr. No.	Related parties	Nature of Transactions during the year	FY 2021-22 (Rs. In Lacs)	FY 2020-21 (Rs. In Lacs)
1	Promtech Impex Pvt Ltd	Interest Received	9.27	6.80
		Loan taken (net)	10.28	43.39
		Rent Received	0.42	-
2	Western Chlorides & Chemicals Pvt Ltd	Rent Paid	15.60	15.60
3	Dhanesh Fabrics Pvt Ltd	Textile Job work Charges Received	102.62	66.39
		Rent Received	0.30	0.30
		Fabric Sale	68.84	72.66
		Loan given (Net)	-	74.03
4	DFL Fabrics Pvt Ltd	Loan Repayment Received	-	50.00
5	Vinod S Jhawar	Directors Remuneration	43.50	30.00
6	Mukul V. Jhawar	Directors Remuneration	39.00	20.00
7	Durgesh Kabra	Director Sitting Fees	0.15	0.15
8	Rahul Jhawar	Sale of Property	-	168.00
9	Lalit Jhawar	Salary	28.20	20.00
10	Athul Rungta	Director Sitting Fees	0.35	0.08
11	Purshottam Randad	Chief Financial Officer	4.12	4.07
12	Vishnu Thaker	Company Secretary	1.80	1.80

c) Details of Balances with related parties at the year end

Sr. No.	Related parties	FY 2021-22		FY 2020-21	
		Dr. Balance	Cr. Balance	Dr. Balance	Cr. Balance
(i)	Western Chlorides & Chemicals Pvt Ltd	-	-	-	-
(ii)	Dhanesh Fabrics Pvt Ltd	92.15	-	122.15	-
(iii)	DFL Fabrics Pvt Ltd	100.00	-	100.00	-
(iv)	Promtech Impex Pvt Ltd	-	10.28	87.40	-

Note: 36.1 All related party transactions are excluding GST and other taxes as applicable.

37. 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.

As at 31st March 2022						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	-	67.08	67.08	67.08	67.08
Trade Receivables	-	-	1,183.21	1,183.21	1,183.21	1,183.21
Cash and cash equivalents	-	-	2.38	2.38	2.38	2.38
	-	-	1,252.67	1,252.67	1,252.67	1,252.67

Financial liabilities						
Trade Payables	-	-	512.79	512.79	512.79	512.79
Short Term Borrowings	-	-	1,337.20	1,337.20	1,337.20	1,337.20
Long Term Borrowings	-	-	122.01	122.01	122.01	122.01
	-	-	1,972.01	1,972.01	1,972.01	1,972.01

As at 31st March 2021						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	-	67.08	67.08	67.08	67.08
Trade Receivables	-	-	1,141.98	1,141.98	1,141.98	1,141.98
Cash and cash equivalents	-	-	7.85	7.85	7.85	7.85
	-	-	1,216.91	1,216.91	1,216.91	1,216.91

Financial liabilities						
Trade Payables	-	-	562.84	562.84	562.84	562.84
Short Term Borrowings	-	-	458.82	458.82	458.82	458.82
Long Term Borrowings	-	-	222.67	222.67	222.67	222.67
	-	-	1,244.34	1,244.34	1,244.34	1,244.34

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

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

Ageing of Accounts receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
0 - 6 months	973.81	812.84
6 months - 1 year	22.31	0.00
1-2 year	52.37	245.54
2-3 year	94.75	40.15
More than 3 year	973.81	812.84
Total	1183.20	1141.98

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. 06. 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 exposures 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.

38. Disclosure of Financial Ratios

Particular	Numerator	Denominator	FY 2020-21	FY 2019-20	% of Variance
Current Ratio	3585.41	1946.63	1.84	2.37	(22.42)
Debt-Equity Ratio	1459.22	5260.46	0.28	0.13	111.92
Debt Service Coverage Ratio	468.26	169.43	2.76	2.76	-
Return on Equity Ratio	54.06	5233.43	0.01	0.01	-
Inventory Turnover Ratio	6569.87	1421.04	4.62	3.98	16.16
Trade Receivable Turnover Ratio	6569.87	1162.59	5.65	3.14	79.97
Trade Payable Turnover Ratio	4347.17	537.82	8.08	3.03	166.76
Net Capital Turnover Ratio	6569.87	1638.78	4.01	2.80	43.18
Net Profit Ratio	54.06	6569.87	0.01	0.01	-
Return on Capital Employed	161.73	6798.72	0.02	0.02	-

Note:

1. Due to covid-19 pandemic Ratios are not exactly comparable
2. Increase short term borrowing led to increase Debt-Equity Ratio
3. Increase turnover led to increase Trade Receivable Turnover Ratio
4. Increase credit purchases led to increase Trade Payable Turnover Ratio
5. Increase turnover led to increase Net Capital Turnover Ratio

39. Additional Regulatory Information in Schedule III

- (a) All the Title deeds of Immovable properties (other than properties where the Company is the lessee and the lease agreement is duly executed in favour of the lessee) are in the name of the Company.
- (b) The Company does not have any investment property; hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.
- (c) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (d) The Company has not given any Loans or advances to specified persons during the year.
- (e) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (f) The quarterly information statement filed by the Company with banks or financial institutions is in agreement with the books of accounts.
- (g) Willful Defaulter: the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (h) The Company does not have any transactions or relationship with Struck off Companies.
- (i) There are no charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.
- (j) The provision related to number of layers as prescribed under section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to Company.
- (k) Detailed Ratio analysis given in note number 38.
- (l) There is no Scheme of Arrangements as on March 31, 2022.
- (m) Utilization of borrowings availed from banks and financial institutions The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilized for long term purposes.

(n) Additional information to be disclosed by way of Notes to Statement of Profit and Loss.

(i) The Company does not have any undisclosed income as on March 31, 2022.

(ii) The Company does not have any Crypto Currency or Virtual Currency as on March 3, 2022"

40. Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 a CSR committee has been formed by the company. The gross amount required to be spent by the company during the year is Rs 5.80 lacs and Company has spent Rs 6.10 lacs during the year on CSR activities.

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Amount required to be spent by the company during the year	5.80	7.09
(ii) Amount of expenditure incurred	6.10	7.00
(iii) Shortfall at the end of the year	-	0.09
(iv) Total of previous years shortfall	-	0.09

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

As per our attached report of even date
For M/s. Gohel and Associates LLP
Chartered Accountants
FR No- 102588W
UDIN: 22036247AJWLSF4643

Sd/-
Dinesh C. Bangar
(Partner)
(Mem No.036247)
Place: Mumbai
Dated: 30th May, 2022

For and on behalf of the Board of Directors

Sd/-
Vinod S. Jhwar
(Managing Director)
DIN: 00002903

Sd/-
Purushottam Randad
(Chief Financial Officer)

Sd/-
Mukul V. Jhwar
(Whole Time Director)
DIN: 08170211

Sd/-
Vishnu Thaker
(Company Secretary)

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

To the Members of Dhanlaxmi Fabrics Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Dhanlaxmi Fabrics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (statement of changes in equity) and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit Matters are these matters that, in our professional judgment, were of most significance in our Audit of Consolidated financial statement of the current period. These matters were addressed in the context of our Audit of Consolidated financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us except the matters reported in the notes to accounts.

Emphasis of Matters

We draw attention to

1. Capital Work in Progress includes investment in properties amounting to Rs. 1049.60 lacs consist of advances paid for acquisition of immovable property which are paid for more than 12 months. In the absence of specific timeline, registered transfer deeds and external valuations, there carrying values has been considered as fair values. In absence of reliable external information, no impairment provisions have been made there upon.
2. Sundry Debtors include Rs. 214.90 lacs due for more than six months. No provision has been made in the books for the same as the management has considered the same as good and recoverable.
3. Refer to Note no 5 of the financial statements, the loan & advances given are closely monitored by the Board of Directors and therefore no appraisal, renewal, policies, procedure and documents have been executed.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditors Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- We did not audit the financial statements of DFL Fabrics Pvt. Ltd., subsidiary, whose financial statements / financial information reflect total assets of Rs. 258.14 lacs as at 31st March, 2022, total revenues of Rs. 34.93 lacs, as considered in the consolidated financial statements.

Report on Other Legal and Regulatory Requirements As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- 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 of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.
- With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 1) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - 2) The Consolidated Financial statements did not have any long term contracts including derivative contracts.
 - 3) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
 - 4) a) Whether the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) Whether the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

d) The company has neither declared nor paid dividend during the year.

For R H A D & Co.
Chartered Accountants
FRN: 102588W

Sd/-
Dinesh C. Bangar
(Partner)
M. No. : 036247
UDIN: 22036247AJWNEM4606
Place: Mumbai
Date: 30.05.2022

Consolidated Significant Accounting Policies 2021-22

NOTE NO. 1

1. Corporate Information

The Consolidated Financial Statements comprise financial statements of "Dhanlaxmi Fabrics Limited" ("the Holding Company") and its subsidiaries (collectively referred to as "the Group") for the year ended 31st March 2022. The Principal activities of the group is cornered in to dealers and manufacturing and Processing of Textile and allied products/services and Power Generation.

2. 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

- i. The Financial Statements of the Holding Company and its Subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expense and Cash flows, after dully eliminating intra-group balances and intra-group transactions
- ii. The difference in accounting policies of the Holding Company and its subsidiaries/ associates are not material
- iii. The Consolidated Financial Statements have been prepared using Uniform accounting policies for like transactions and other events in similar circumstances.
- iv. The Carrying amount of the parent's investment in each subsidiary is offset(eliminated) against the parent's portion of equity in each subsidiary
- v. The Consolidated 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.
- vi. These Consolidated 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.
- vii. The Group follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis the TUF subsidiary interest receivable from government for the year 2014-15, 2015-16 which will be accounted on Cash basis as and when received. The Consolidated 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 Group 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

- (iv) 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.
- (v) The Company recognises income from power generated on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

(II) Other Income

(i) Interest Income

Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(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.

- (iii) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (iv) 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.
- (c) Leasehold Land is depreciated over the period of the Lease.

(D) Inventories Valuation

- (iv) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (v) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good is arrived at estimated cost.
- (vi) Scrap is valued at net realisable value.
- (vii) Power Inventory is valued at cost

(E) 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.

(F) 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.

(G) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

(H) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

"(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach."

(I) Investments

All Unquoted equity investments are measured at carrying value and all other equity investments are measured at Fair Value, with value changes recognised in Consolidated Statement of Profit & Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'

(J) 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.

(ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. Gratuity which is a defined benefit is accrued based on actuarial valuation as at Balance Sheet date by an independent actuary. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year.

(iii) The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets excluding non-qualifying asset (reimbursement right). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(L) 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 Group's earnings per share are 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.

(M) 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.

(O) Impairment of Assets

The Group 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.

(P) Provisions and Contingent Liabilities

The Group 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.

(Q) Operating Cycle

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

(R) 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.

(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 Group 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 Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The group 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 Group 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.

3. FIRST TIME ADOPTION OF IND AS

The Group 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

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 Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

(II) Ind AS mandatory exemptions

(i) Estimates

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

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

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

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

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

DHANLAXMI FABRICS LIMITED

Consolidated Balance Sheet as at 31st March, 2022

(Amount in Lacs)

Particulars		Note	As at 31.03.2022		As at 31.03.2021	
B	ASSETS					
1	Non-Current Assets					
	a.	Property, Plants & Equipment	2	1,700.52		2,003.05
	b.	Capital work-in-progress	3	1,049.60		1,048.60
	c.	Financial Assets				
	i)	Investments	4	123.88		110.93
	ii)	Loans	5	196.96		286.28
	iii)	Other financial assets		-		-
	d.	Non- Current tax assets (Net)	6	489.91		320.63
	e.	Other Non-Current Assets	7	381.77	3,942.64	351.79
						4,121.29
2	Current Assets					
	a.	Inventories	8	2,060.08		1,122.25
	b.	Financial Assets				
	i)	Trade receivables	9	1,298.55		1,296.95
	ii)	Cash and Bank Balances	10	51.36		29.50
	c.	Current Tax Assets(Net)	11	4.41		15.88
	d.	Other Current Assets	12	540.65	3,955.05	535.64
						3,000.22
		TOTAL ASSETS			7,897.68	7,121.51
A	EQUITY AND LIABILITIES					
1	EQUITY					
	a.	Equity Share Capital	13	858.11		858.11
	b.	Other Equity	14	4,587.49	5,445.60	4,512.80
						5,370.91
2	LIABILITIES					
	Non-Current Liabilities					
	a.	Financial Liabilities				
	i)	Long-term borrowings	15	122.01		222.67
	ii)	Other Financial Liabilities		-		-
	b.	Deferred tax liabilities (net)	16	77.93		118.12
	c.	Other long-term liabilities	17	4.19		4.19
	d.	Long-term provisions		-		-
	e.	Non-Current tax Liabilities (net)		-	204.13	-
						344.98
3	Current Liabilities					
	Financial Liabilities					
	i)	Short-term borrowings	18	1,511.23		632.85
	ii)	Trade Payable	19			
		(a) Total outstanding dues - MSMEs		69.45		103.41
		(b) Total outstanding dues- Other than MSMEs		556.47		546.72
	iii)	Other Financial Liabilities		-		-
	b.	Other current liabilities	20	55.55		55.03
	c.	Short-term provisions	21	55.25		67.61
	d.	Current Tax Liabilities(Net)		-	2,247.95	-
						1,405.62
		TOTAL EQUITY & LAIBILITIES			7,897.68	7,121.51

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For M/s. Gohel and Associates LLP

Chartered Accountants

FR No- 102588W

UDIN: 22036247AJWNEM4606

Sd/-

Dinesh C. Bangar

(Partner)

(Mem No.036247)

Place: Mumbai

Dated: 30th May, 2022

Sd/-

Vinod S. Jhavar

(Managing Director)

DIN: 00002903

Sd/-

Purushottam Randad

(Chief Financial Officer)

Sd/-

Mukul V. Jhavar

(Whole Time Director)

DIN: 08170211

Sd/-

Vishnu Thaker

(Company Secretary)

DHANLAXMI FABRICS LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March 2022

(Amount in Lacs)

Particulars	Note No.	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
A Income:			
1 Revenue from operations	22	7,054.67	4,643.00
2 Other income	23	47.28	104.06
Total Income		7,101.95	4,747.07
B Expenses:			
(a) Cost of materials consumed	24	3,239.27	1,386.16
(b) Cost of Store & Spares Consumed	25	118.18	55.84
(c) Purchases of stock-in-trade	26	1,356.78	650.40
(d) Changes in inventories of finished goods, WIP and Stock-in-trade	27	(937.83)	225.69
(e) Employee benefits expenses	28	894.24	659.02
(f) Finance costs	29	87.44	91.31
(g) Depreciation	30	313.68	337.27
(f) Other expenses	31	1,983.87	1,313.92
Total Expenses		7,055.63	4,719.59
3 Profit/(Loss) before exceptional Items & Taxes		46.32	27.47
4 Exceptional Items	32	44.24	45.18
5 Profit/(Loss) Before Taxes		90.57	72.65
6 Tax expense:			
(a) Current tax		69.17	35.50
(b) Deferred Tax		-40.19	-35.59
(c) Excess/Short Tax Provision of Earlier Years		-0.04	-2.67
Net Tax Expense		28.94	(2.76)
7 Profit/(Loss) for the period		61.62	75.41
8 Other comprehensive income			
- Items that will not be reclassified to profit or loss		-	-
- Income tax relating to items that will not be reclassified to P&L		-	-
- Items that will be reclassified to P&L		-	-
- Income tax relating to items that will be reclassified to P&L		-	-
Total Other comprehensive income		-	-
9 Total comprehensive income for the period		61.62	75.41
10 Earnings per Equity share (Face Value of Rs. 10/- each)			
a) Basic	33	0.72	0.88
b) Diluted	33	0.72	0.88

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our attached report of even date
For M/s. Gohel and Associates LLP
Chartered Accountants
FR No- 102588W
UDIN: 22036247AJWNEM4606

For and on behalf of the Board of Directors

Sd/-
Dinesh C. Bangar
(Partner)
(Mem No.036247)
Place: Mumbai
Dated: 30th May, 2022

Sd/-
Vinod S. Jhwar
(Managing Director)
DIN: 00002903

Sd/-
Mukul V. Jhwar
(Whole Time Director)
DIN: 08170211

Sd/-
Purushottam Randad
(Chief Financial Officer)

Sd/-
Vishnu Thaker
(Company Secretary)

DHANLAXMI FABRICS LIMITED

Consolidated Cash Flow Statement for the year ended 31 March, 2022

(Amount in Lacs)

Particulars	For the year ended 31 st March 2022		For the year ended 31 st March 2021	
A. Cash flow from operating activities				
Net Profit / (Loss) before Tax		90.57		72.65
<u>Adjustments for:</u>				
- Depreciation and amortization	313.68		337.27	
- (Profit) (-) Loss (+) on sale / write off of assets	(0.45)		(90.96)	
- Earlier Year Excess or Short Tax Provision written off	0.04		2.67	
- Finance cost	87.44		91.31	
- Interest income	(21.29)		(22.55)	
- Dividend Received	(4.19)		(4.82)	
- Long term capital Gain/Loss	24.82		(10.09)	
- Short term capital Gain/Loss	(19.72)		(26.40)	
- Share Trading Loss	(0.15)		(0.76)	
- Rental Income from Investment Property	(25.44)		(35.03)	
Operating profit / (loss) before working capital changes		445.29		313.30
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
- Inventories (increase / decrease)	(937.83)		225.69	
- Trade and other receivables	(1.60)		548.37	
- Other current assets	6.46		(244.73)	
- Other Current Liabilities	(11.83)		40.26	
- Trade and other Payables	(24.22)		(116.11)	
- Change in Other Non -Current Assets	(169.27)		(65.76)	
- Change in Capital Work in Progress	(1.00)		(0.21)	
- Cash generated from operations		(1,139.29)		387.52
Net income tax (paid) / refunds		(694.00)		700.82
		69.17		35.50
Net cash flow from / (used in) operating activities (A)		(763.17)		665.32
B. Cash flow from investing activities				
- Purchase of fixed assets	(17.41)		(29.16)	
- Sale of fixed assets	6.71		169.20	
- Long term capital Gain/Loss	(24.82)		10.09	
- Short term capital Gain/Loss	19.72		26.40	
- Share Trading Loss	0.15		0.76	
- Rental income from investment properties	25.44		35.03	
- Long Term Advances	59.34		(115.82)	
- Other Long term Liabilities	-		(22.87)	
- Purchase / Sale of Investment (Net)	0.12		(32.69)	
- Dividend Received	4.19		4.82	
Net cash flow from / (used in) investing activities (B)		73.45		45.74
C. Cash flow from financing activities				
Net Increase / (decrease) long-term borrowings	(100.65)		186.20	
Net increase / (decrease) in working capital borrowings	878.38		(857.40)	
Interest received	21.29		22.55	
Interest Paid	(87.44)		(91.31)	
Net cash flow from / (used in) financing activities (C)		711.58		(739.96)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		21.86		(28.90)
Cash and cash equivalents at the beginning of the year		29.50		58.40
Cash and cash equivalents at the end of the year		51.36		29.50

As per our attached report of even date

For M/s. Gohel and Associates LLP

Chartered Accountants

FR No- 102588W

UDIN: 22036247AJWNEM4606

Sd/-

Dinesh C. Bangar

(Partner)

(Mem No.036247)

Place: Mumbai

Dated: 30th May, 2022

For and on behalf of the Board of Directors

Sd/-

Vinod S. Jhawar

(Managing Director)

DIN: 00002903

Sd/-

Mukul V. Jhawar

(Whole Time Director)

DIN: 08170211

Sd/-

Purushottam Randad

(Chief Financial Officer)

Sd/-

Vishnu Thaker

(Company Secretary)

DHANLAXMI FABRICS LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March, 2022

(Amount in Lacs)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity Share Capital		
Particulars	Numbers	Amount
Balance at 1st April, 2020	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at 31st March, 2021	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at 31st March, 2022	85.81	858.11

B. Other Equity					
Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserves	Retained Earnings		
Balance as at 1st April, 2020	896.00	119.08	3,463.39	(54.95)	4423.53
Profit for the year	-	-	75.41	13.87	89.28
Trf to General Reserve	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Remeasurements of Defined Benefit Plan	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	-	-
Balance as at 31st March, 2021	896.00	119.08	3,538.80	-41.08	4,512.80
Profit for the year	-	-	61.62	13.07	74.69
Final Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Trf to General Reserve	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	-	-
Balance as at 31st March, 2022	896.00	119.08	3,600.43	-28.01	4587.49

Description of Asset	Gross Block at Cost			Depreciation				Net Block		
	As on 01.04.21	Addition	Sold	As on 31.03.22	Upto 31.03.21	Provided	Adjusted	Upto 31.03.22	As on 31.03.22	As on 31.03.21
Land	472.88	0.00	0.00	472.88	0.00	0.00	0.00	0.00	472.88	472.88
Building	778.09	0.00	0.00	778.09	382.57	24.52	0.00	407.10	371.00	395.52
Plant & Machinery	5093.17	11.70	0.00	5104.87	4186.95	266.39	0.00	4453.35	651.52	906.21
Electrical Installation	158.90	0.00	0.00	158.90	134.19	5.92	0.00	140.11	18.79	24.72
Pipe Fitting	34.62	0.00	0.00	34.62	32.74	0.15	0.00	32.89	1.73	1.89
Furniture & Fixture	109.02	0.42	0.00	109.45	103.25	0.52	0.00	103.77	5.68	5.77
Laboratory Equpts	27.49	0.00	0.00	27.49	25.22	0.17	0.00	25.39	2.10	2.27
Office Equipment	12.13	4.71	0.00	16.84	10.12	1.22	0.00	11.34	5.50	2.01
Air Conditioner	19.29	0.00	0.00	19.29	15.17	1.06	0.00	16.23	3.05	4.11
Computer	53.10	0.57	0.00	53.67	51.66	0.35	0.00	52.01	1.66	1.44
Motor Vehicle	86.03	0.00	22.78	63.25	37.50	8.79	16.52	29.76	33.48	48.53
Misc. fixed Assets	54.18	0.00	0.00	54.18	45.15	2.59	0.00	47.75	6.43	9.03
House Property	128.59	0.00	0.00	128.59	25.47	1.93	0.00	27.40	101.19	103.12
Sub Total	7027.49	17.41	22.78	7022.12	5050.00	313.63	16.52	5347.11	1675.01	1977.49
Windmill Assets										
Land	10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	10.00	10.00
Plant and Machinery	521.00	0.00	0.00	521.00	505.44	0.05	0.00	505.49	15.51	15.56
Sub Total	531.00	0.00	0.00	531.00	505.44	0.05	0.00	505.49	25.51	25.56
Total	7558.49	17.41	22.78	7553.12	5555.44	313.68	16.52	5852.60	1700.52	2003.05

NOTE - 3 CAPITAL WORK-IN PROGRESS	Year Ended 31.03.2022	Year Ended 31.03.2021
Dhairyashee Mane Textile Co-op Park Kolhapur	364.60	364.60
Advance to Chanchal Das & Sons for Property	605.00	604.00
Land at Five Star MIDC Kegal Hatkangale	80.00	80.00
Total	1,049.60	1,048.60

NOTE - 3.1 CAPITAL WORK IN PROGRESS AGING SCHEDULE	Year Ended 31.03.2022	Year Ended 31.03.2021
Projects In Progress	-	-
Less Than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More Than 3 Years	1,049.60	1,048.60
Total	1,049.60	1,048.60

NOTE - 4 NON-CURRENT INVESTMENTS	Year Ended 31.03.2022	Year Ended 31.03.2021
Investment in Shares	123.88	123.88
Total	123.88	123.88

NOTE - 5 LOANS	Year Ended 31.03.2022	Year Ended 31.03.2021
Dhanlaxmi Fabrics Ltd	22.94	-
Dhanesh Fabrics Pvt Ltd	74.03	74.03
Promtech Impex Pvt Ltd	-	112.25
DFL Fabrics Pvt Ltd	100.00	100.00
Total	196.96	286.28

5.1 Company has given interest free loan to its Wholly Owned Subsidiary DFL Fabrics Pvt Ltd and Dhanesh Fabrics Pvt Ltd for its principal business activities.

5.2 The Loans and advances above are extended for the purpose of business and repayable on demand. The aforesaid loans are extended at different interest rate. These loans and advances are unsecured and closely monitored by Board of Directors and therefore no agreement, deed, appraisal etc. has been executed thereon.

NOTE - 6 NON-CURRENT TAX ASSET(NET)	Year Ended 31.03.2022	Year Ended 31.03.2021
Unutilized Input Tax Credit (GST)	399.72	247.61
Income Tax Refund Receivable (Net of Provision for Tax)	0.65	0.65
Advance Tax Paid	255.00	240.00
TCS Receivable	0.54	-
TDS Receivables	165.10	133.79
Less: Provision for Income Tax	331.50	302.00
Total	489.50	320.05

NOTE - 7 OTHER NON CURRENT ASSETS	Year Ended 31.03.2022	Year Ended 31.03.2021
Security Deposits	149.08	146.85
Fixed Deposits with Bank	26.32	24.73
Income Tax Paid Under Protest		
For A.Y. 2010-11 (Under Appeal)	117.22	117.22
For A.Y. 2011-12 (Under Appeal)	52.10	52.10
For A.Y. 2012-13 (Under Appeal)	5.32	5.32
For A.Y. 2013-14 (Under Appeal)	5.57	5.57
VAT/CST paid under Appeal		
VAT/CST Pre-deposit FY2017-18	2.44	-
VAT/CST Pre-deposit FY2016-17	23.71	-
Total	489.91	320.63

NOTE - 8 INVENTORIES	Year Ended 31.03.2022	Year Ended 31.03.2021
Finished Goods	485.47	346.19
Raw Material	1,101.31	491.93
Stock in Process - WIP	359.15	158.77
Stores & Spares	114.15	125.35
Total	2,060.08	1,122.25

NOTE - 9 TRADE RECEIVABLES						Year Ended 31.03.2022
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	1083.65	22.49	17.43	50.86	40.24	1214.66
Undisputed trade receivables - considered doubtful	-	-	35.10	48.79	-	83.89
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-

NOTE - 9 TRADE RECEIVABLES						Year Ended 31.03.2021
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	943.83	6.89	207.02	43.61	44.63	1245.98
Undisputed trade receivables - considered doubtful	-	-	50.97	-	-	50.97
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-

9.1 No Provision for Doubtful Debtors is made as Management of the company is hopeful of full recoverability of the same.

NOTE - 10 CASH AND CASH EQUIVALENTS	Year Ended 31.03.2022	Year Ended 31.03.2021
Cash on hand	2.56	2.59
Balance with banks	48.80	26.92
Total	51.36	29.50

NOTE - 11 CURRENT TAX ASSET(NET)	Year Ended 31.03.2022	Year Ended 31.03.2021
Advance tax Paid	35.00	23.00
TCS Receivable	0.43	0.54
TDS Receivables	48.56	32.26
Less: Provision for Income Tax	(79.58)	(39.91)
Total	4.41	15.88

NOTE - 12 OTHER CURRENT ASSETS	Year Ended 31.03.2022	Year Ended 31.03.2021
Other Loans & Advances	0.30	0.80
Un-utilized Input Tax Credit (GST)	3.72	-
Loan to staff	6.60	0.95
Advance to Suppliers	514.99	518.76
Prepaid Expenses	15.04	15.12
Total	540.65	535.64

12.1 Advance to supplier includes Rs. 500.78 lacs being advance given for purchase of coal.

NOTE - 13 EQUITY SHARE CAPITAL	Year Ended 31.03.2022	Year Ended 31.03.2021
Authorised Share Capital		
1,50,00,000 Equity Shares of Rs. 10/- Each (Previous Year 1,50,00,000 Equity Shares Rs.10/-Par Value)	1,500.00	1,500.00
	-	-
Issued, Subscribed and Paid up	858.11	858.11
85,81,100 Equity Shares of Rs.10/- each (Previous Year 85,81,100 Equity SharesRs.10/-Par Value)	-	-
	-	-

13.1: The reconciliation of the no. of shares outstanding at the beginning and at the end of reporting period 31-03-2022:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	8,581,100	858.11	8,581,100	858.11
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	8,581,100	858.11	8,581,100	858.11

13.2: 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.

13.3: 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.**13.4: Shares held by Promoters**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	% held as at	No of Shares	% held as at
Laxmi Mahesh Jhawar	107,573	1.25	107,573.00	1.25
Mahesh Sohanlal Jhawar	84,100	0.98	84,100.00	0.98
Mukul Vinod Jhawar	60,000	0.70	60,000.00	0.70
Lalit Vinod Jhawar	1,200	0.01	1,200.00	0.01
Rahul Mahesh Jhawar	70,200	0.82	70,200.00	0.82
Ramautar S. Jhawar (Jamnadevi Jhawar Family Trust)	500	0.01	500.00	0.01
Promtech Impex Pvt Ltd	12,80,000	14.92	12,80,000	14.92
Jhawar Commodities Pvt Ltd	14,57,446	16.98	14,57,446	16.98
Vandana Vinod Jhawar	652,430	7.60	652,430.00	7.60
Vinod Sohanlal Jhawar	1,529,978	17.83	1,529,978.00	17.83
Dhanlaxmi Cotex Ltd	1,185,079	13.81	1,185,079.00	13.81

13.5: The details of Shareholders holding more than 5% Shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	% held as at	No of Shares	% held as at
Eskay Niryat Pvt Ltd.	12,80,000	14.92	12,80,000	14.92
Promtech Impex Pvt Ltd	12,80,000	14.92	12,80,000	14.92
Jhawar Commodities Pvt Ltd	14,57,446	16.98	14,57,446	16.98
Vandana Vinod Jhawar	652,430	7.60	652,430.00	7.60
Vinod Sohanlal Jhawar	1,529,978	17.83	1,529,978	17.83
Dhanlaxmi Cotex Ltd	1,185,079	13.81	1,185,079	13.81

NOTE - 14 OTHER EQUITY	Year Ended	Year Ended
	31.03.2022	31.03.2021
Capital Reserve		
At the beginning and at the end of the year	-	-
General Reserve		
Opening Balance(As per last Balance Sheet)	-	-
Add: Transferred from Surplus	119.08	119.08
	119.08	119.08
Surplus		
Opening Balance (As per last Balance sheet)	3,538.80	3,463.39
Add: Net Profit after tax Transferred from Statement of Profit & Loss	61.62	75.41
Less: Transfer to General Reserve	-	-
	3,600.43	3,538.80
Security Premium		
Opening Balance	896.00	896.00
Add: During the Year	-	-
Closing Balance	896.00	896.00
Other Comprehensive Income		
Opening Balance	(41.08)	(54.95)
Add: During the year	13.07	13.87
Closing Balance	(28.01)	(41.08)
Total	4,587.49	4,512.80

NOTE - 15 LONG TERM BORROWINGS	Year Ended 31.03.2022	Year Ended 31.03.2021
Secured Loans		
Term Loan from AXIS Bank	55.94	106.00
Term Loan from The Shamaro Vithal Co-Op. Bank	66.07	116.67
Total	122.01	222.67

15.1 - Bank term loans are secured by way of first charge over the entire fixed assets of the company both present and future created out of the term loan, Personal guarantee of three director and corporate guarantee of M/s. Western Chlorides and Chemicals Pvt Ltd subsidiary of the Company.

NOTE - 16 DEFERED TAX LIABILITIES (NET)	Year Ended 31.03.2022	Year Ended 31.03.2021
Deferred Tax Liabilities		
At Beginning of the year	118.97	153.71
Deferred Tax Liability/ (Assets) for the year	(40.19)	(35.59)
At Closing of the year	77.93	118.12

16.1 The Deferred Tax balances have arisen principally on account of timing difference between the depreciation admissible under the Income tax Act 1961 and depreciation as per Provisions of Companies Act, 2013

NOTE - 17 OTHER LONG TERM LIABILITIES	Year Ended 31.03.2022	Year Ended 31.03.2021
Deposits received from Licensee	4.19	4.19

17.1 Security deposits received against Leave and License Agreement entered with the following Licensee for office No.402 to 406 at Kailas Corporate Lounge Vikroli given on rent to them.

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
1. Synergy Property Development Services Pvt Ltd	-	-
2. G4 Securities Solution (India) Pvt. Ltd.	4.19	4.19
3. Mr. Mohammad Muzaammi Suyani	-	-
Total	4.19	4.19

17.2 The carrying value of Security Deposits is deemed to be the Fair Value.

NOTE - 18 SHORT TERM BORROWINGS.	Year Ended 31.03.2022	Year Ended 31.03.2021
Secured Loans		
Cash credit from The Shamaro Vithal Co-Op. Bank Ltd	184.11	19.43
Cash Credit from Axis Bank Ltd	110.81	379.59
Working Capital Demand Loan with SVC Bank Ltd	300.00	-
Working Capital Demand Loan with Axis Bank Ltd	650.00	-
Current Maturities of Long Term Loan from Axis Bank	35.33	36.47
Current Maturities of Long Term Loan from The Shamaro Vithal Co-Op. Bank	46.67	23.33
Unsecured Loans		
Mahesh S Jhawar	-	-
Dhanesh Fabrics Pvt Ltd	-	-
Promtech Impex Pvt Ltd	10.28	-
Dhanlaxmi Fabrics Limited	174.03	174.03
Total	1,511.23	632.85

18.1 Cash Credits facilities obtained from banks are secured by way of Hypothecation of stocks and Book Debts and Personal guarantee of three Directors and Corporate Guarantee of M/s. Western Chlorides & Chemicals Pvt Ltd subsidiary of the Company.

NOTE - 19 TRADE PAYABLE	Outstanding for following periods from due date of payment				Year Ended 31.03.2022
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	69.45	-	-	-	69.45
Others	538.42	7.01	11.04	-	556.47
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

NOTE - 19 TRADE PAYABLE					Year Ended 31.03.2021
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	103.41	-	-	-	103.41
Others	452.36	87.74	6.22	0.40	546.72
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

NOTE - 19.1 MSME DISCLOSURE	Year Ended 31.03.2022	Year Ended 31.03.2021
The details of amounts outstanding to Micro and Small enterprises under the Micro and Small Enterprises Development Act, 2006 (MSED Act), based on the available information with the company are as under		
1. Principal amount not due and remaining unpaid as on 31.3.2022	20.71	60.97
2. Principal amount due and remaining unpaid as on 31.03.2022	48.74	42.45
3. Interest due on (2) above and the unpaid interest	-	-
4. Interest due and payable for the period of delay other than (3) above	-	-

19.2 Company has not provided for interest on principal amount which was due and remaining unpaid as on 31.03.2022 exceeding stipulated time.

NOTE - 20 OTHER CURRENT LIABILITIES	Year Ended 31.03.2022	Year Ended 31.03.2021
Charity Fund	1.29	2.42
Salary payable	28.66	23.54
Property Tax Payable	10.67	13.66
Advance from Customer	3.19	8.32
Statutory Liabilities	11.74	7.09
Total	55.55	55.03

NOTE - 21 SHORT TERM PROVISIONS	Year Ended 31.03.2022	Year Ended 31.03.2021
Provision for Outstanding Expenses	55.25	67.60
Total	55.25	67.60

NOTE - 22 REVENUE FROM OPERATIONS	Year Ended 31.03.2022	Year Ended 31.03.2021
Fabric Sales	4,211.31	2,376.75
Textile Job work Income	2,784.59	2,239.26
Profit/(Loss) from Future and options (F&O) transactions	17.03	(2.75)
Power Sales	41.75	29.74
Total	7,054.67	4,643.00

NOTE - 23 OTHER INCOME	Year Ended 31.03.2022	Year Ended 31.03.2021
Interest Income	21.29	22.55
Lease Rent Received	25.44	35.03
Net LTG/(LTCL) on sale of Shares	(24.82)	10.09
Net STCG/(STCL) on Sale of Shares	19.72	26.40
Misc. Income including Scrap Sales	1.30	0.40
Dividend received	4.19	4.82
VAT Refund Received	-	2.91
Foreign Exchange Gain	-	1.11
Profit & Loss on Share Trading	0.15	0.76
Total	47.28	104.06

NOTE - 24 COST OF RAW MATERIALS CONSUMED	Year Ended 31.03.2022	Year Ended 31.03.2021
Yarn	1,548.73	450.49
Dyes	207.77	134.17
Chemicals	543.15	341.27
Packing Material	32.63	19.69
Coal	854.18	397.18
Consumables	52.81	43.28
Discount	-	0.07
Total	3,239.27	1,386.16

NOTE - 25 STORES AND SPARES CONSUMPTION	Year Ended 31.03.2022	Year Ended 31.03.2021
Indigenous	118.18	55.84
Total	118.18	55.84

NOTE - 26 PURCHASES OF STOCK IN TRADE	Year Ended 31.03.2022	Year Ended 31.03.2021
Fabric Purchase	1,356.78	650.40
Total	1,356.78	650.40

NOTE - 27 CHANGES IN INVENTORY OF FINISHED GOODS, WIP & STOCK-IN-TRADE	Year Ended 31.03.2022	Year Ended 31.03.2021
Inventory (At close)		
Fabric	485.47	345.95
Yarn	-	0.24
Work in Progress	359.15	158.77
Raw Material	1,101.31	491.93
Stores and Spares	114.15	125.35
Total	2,060.08	1,122.25
Inventory (At commencement)		
Fabric	345.95	336.43
Yarn	0.24	10.64
Work in Progress	158.77	271.40
Raw Material	491.93	532.92
Stores and Spares	125.35	196.55
Total	1,122.25	1,347.94
Net Change	(937.83)	225.69

NOTE - 28 EMPLOYEE BENEFIT EXPENSES	Year Ended 31.03.2022	Year Ended 31.03.2021
Labour Job Charges	488.23	381.58
Salary, Bonus and Others	293.30	205.39
Director's Salary	82.50	50.00
Contribution to P.F & ESIC	16.58	14.27
Contribution to Gratuity Fund	2.50	3.25
Contribution to Maharashtra Labour Welfare Fund	0.07	0.08
Staff welfare Expenses	11.05	4.45
Total	894.24	659.02

28.1 The Company has provided Provision for Gratuity Fund Rs. 2.50 Lacs for contribution to be made to LIC Annuity scheme (New Group Gratuity Cash Accumulation Plan) However, as per the Gratuity valuation obtained by the company, the current years obligation to Gratuity to be charged to P & L is Rs. 6.50 Lacs.

28.2 The Company has not made provision for difference in Defined benefit obligation calculated by Actuarial Valuation and Fair value of plan assets to the extent of Rs. 5.00 Lacs. Further, the company has not recognised amount to the extent of Rs. 4.20 Lacs as Debits to Other Comprehensive Income during the year.

NOTE - 29 FINANCE COST	Year Ended 31.03.2022	Year Ended 31.03.2021
Interest on Working capital	63.17	67.85
Interest on Term Loan	20.60	20.73
Interest on Others	0.16	0.00
Bank charges/ Processing Fees	3.50	2.72
Total	87.43	91.31

NOTE - 30 DEPRECIATION	Year Ended 31.03.2022	Year Ended 31.03.2021
Depreciation on Fixed Assets	313.68	337.27

30.1 Depreciation has been provided as per guidelines given in Schedule II of Companies Act, 2013 on straight line method.

NOTE - 31	Year Ended	Year Ended
OTHER EXPENSES	31.03.2022	31.03.2021
31.1 - Manufacturing expenses		
Electricity Charges	392.36	324.49
Water Expenses	252.97	161.11
Repairs to building	22.07	4.04
Repairs to Machinery	19.07	27.21
Repairs and Maintenance Others	15.17	12.12
Weaving Charges	145.10	27.02
Freight & forwarding expenses (Domestic)	32.44	19.17
Laboratory expenses	2.26	0.56
Insurance Expenses	12.79	14.00
Lease rent for factory land	15.90	15.90
Clearing and Forwarding Charges (International)	0.21	0.14
Sizing/Warping Charges	81.16	26.59
Sample Charges	3.95	1.38
Textile Job work Expenses	807.00	537.41
Total	1,802.44	1,171.17

	Year Ended	Year Ended
	31.03.2022	31.03.2021
31.2 Selling & distribution expenses		
Sales & Business promotion Expenses	13.22	7.66
Cash Discount	2.76	-
Commission & Brokerage	47.91	17.54
Total	63.89	25.20

	Year Ended	Year Ended
	31.03.2022	31.03.2021
31.3 Administrative expenses		
Property Tax & Other Related Expenses	28.94	31.14
Printing & stationery	7.13	5.91
Postage & courier charges	2.77	1.48
Legal & professional fees	27.01	23.00
Advertisement charges	1.02	1.04
Conveyance expenses	15.57	13.33
General expenses	3.55	2.45
Listing fees - Stock Exchange	3.58	3.55
Vehicle expenses	7.00	6.77
Mobile and Telephone Expenses	1.99	2.05
Director Sitting Fees	0.50	0.23
Sundry Balances W/off	1.69	9.38
Travelling Expenses	4.90	3.58
Other expenses	5.19	4.65
Software Development Expenses	0.11	1.12
CSR Expenditure	6.00	7.00
Total	117.54	117.55
Grand Total (31.1+31.2+31.3)	1,983.87	1,313.92

	Year Ended	Year Ended
	31.03.2022	31.03.2021
Payment to auditors		
Auditor		
Statutory audit Fees	1.00	1.00
Tax Audit Fees	0.40	0.40
Total	1.40	1.40

NOTE - 32	Year Ended	Year Ended
EXCEPTIONAL ITEMS	31.03.2022	31.03.2021
Interest Received on TUF Subsidy	70.02	-
Bad Debts written off	(26.23)	(45.78)
Profit on Sale of Assets	0.45	90.96
Total	44.24	45.18

NOTE - 33 EARNING PER SHARE(EPS)	Year Ended 31.03.2022	Year Ended 31.03.2021
(i) Net Profit after tax as per statement of Profit & Loss Attributable to Equity Shareholders	61.62	75.41
(ii) Weighted average number of Equity shares used as denominator for calculating EPS	-	-
(iii) Basic and Diluted Earnings per share	85.81	85.81
(iv) Face Value per Equity share	0.72	0.88
	Rs.10/-	Rs.10/-

NOTE - 34 CONTINGENT LIABILITIES	Year Ended 31.03.2022	Year Ended 31.03.2021
Contingent Liabilities not provided for in respect of		
1. Shri Dhairyasheel Mane Textile Park, Ichalkaranji Bills for Common Infrastructure & interest raised by park are under dispute as per M.O.U signed by the park. Legal case Appeal is pending before Appellant Court	528.96	528.96

NOTE - 35 FOREIGN EXCHANGE EARNING AND OUTGO	Year Ended 31.03.2022	Year Ended 31.03.2021
a) Earning - Fabrics Export	1.91	-
b) Outgo - Import of Spares & Parts for Machinery	25.78	6.55

36. RELATED PARTY DISCLOSURE

a) Name of the related party and description of relationship

Sr. No.	Related Parties	Nature of Relationship
1	Dhanlaxmi Cotex Ltd	Common Directors
2	Promtech Impex Pvt Ltd	Common Directors
3	Western Chlorides & Chemicals Pvt Ltd	Subsidiary Company
4	Dhanesh Fabrics Pvt Ltd	Subsidiary Company
5	DFL Fabrics Pvt Ltd.	Subsidiary Company
6	Vinod S Jhawar	Managing Director
7	Mahesh S Jhawar	Director
8	Mukul V Jhawar	Director
9	Ayushi Gilra	Independent Women Director
10	Durgesh Kabra	Independent Director
11	Atul Rungta	Independent Director
12	Rahul M Jhawar	Relative of Director
13	Lalit V Jhawar	Relative of Director
14	Purshottam Randad	Chief Financial Officer
15	Vishnu Thaker	Company Secretary

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

Sr. No.	Related parties	Nature of Transactions during the year	FY 2021-22 (Rs. In Lacs)	FY 2020-21 (Rs. In Lacs)
1	Promtech Impex Pvt Ltd	Interest Received	11.96	6.84
		Repayment of Loan Received	24.85	72.93
		Loan Taken (Net)	10.28	-
		Loan given(Net)	-	55.89
2	Vinod S Jhawar	Directors Remuneration	43.50	30.00
3	Mukul V. Jhawar	Directors Remuneration	39.00	20.00
4	Durgesh Kabra	Director Sitting Fees	0.15	0.15
5	Rahul Jhawar	Sale of Property	-	168.00
9	Lalit Jhawar	Salary	28.20	20.00
6	Athul Rungta	Director Sitting Fees	0.35	0.08
7	Purshottam Randad	Chief Financial Officer	4.12	4.07
8	Vishnu Thaker	Company Secretary	1.80	1.80

c) Details of Balances with related parties at the year end

Sr. No.	Related parties	FY 2021-22		FY 2020-21	
		Dr. Balance	Cr. Balance	Dr. Balance	Cr. Balance
(iv)	Promtech Impex Pvt Ltd	-	10.28	112.25	-

Note: 36.1 All related party transactions are excluding GST and other taxes as applicable.

37. 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.

As at 31st March 2022						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	13.07	110.81	123.88	123.88	123.88
Trade Receivables	-	0.00	1298.55	1298.55	1298.55	1298.55
Cash and cash equivalents	-	0.00	51.36	51.36	51.36	51.36
	-	13.07	1460.72	1473.79	1473.79	1473.79

Financial liabilities						
Trade Payables	-	-	625.92	625.92	625.92	625.92
Short Term Borrowings	-	-	1511.23	1511.23	1511.23	1511.23
Long Term Borrowings	-	-	122.01	122.01	122.01	122.01
	-	-	2259.16	2259.16	2259.16	2259.16

As at 31st March 2021						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	13.87	144.34	158.21	158.21	158.21
Trade Receivables	-	0.00	1296.95	1296.95	1296.95	1296.95
Cash and cash equivalents	-	0.00	29.50	29.50	29.50	29.50
	-	13.87	1470.79	1484.66	1484.66	1484.66

Financial liabilities						
Trade Payables	-	-	650.14	650.14	650.14	650.14
Short Term Borrowings	-	-	632.85	632.85	632.85	632.85
Long Term Borrowings	-	-	222.67	222.67	222.67	222.67
	-	-	1505.65	1505.65	1505.65	1505.65

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

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

Ageing of Accounts receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
0 - 6 months	1083.65	943.83
6 months - 1 year	22.49	6.89
1-2 year	52.52	257.99
2-3 year	99.65	43.61
More than 3 year	40.24	44.63
Total	1298.55	1296.95

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. 06. 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 exposures 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.

38. Disclosure of Financial Ratios

Particulars	Numerator	Denominator	31.03.2022	31.03.2021	% of Variance
Current Ratio	3955.05	2247.95	1.76	2.13	(17.57)
Debt-Equity Ratio	1633.24	5445.60	0.30	0.16	88.29
Debt Service Coverage Ratio	488.52	169.44	2.88	3.04	(5.04)
Return on Equity Ratio	61.62	5408.26	0.01	0.01	-
Inventory Turnover Ratio	7054.67	1591.16	4.43	3.76	17.92
Trade Receivable Turnover Ratio	7054.67	1297.75	5.44	2.96	83.65
Trade Payable Turnover Ratio	4714.23	638.03	7.39	2.96	149.62
Net Capital Turnover Ratio	7054.67	1707.09	4.13	2.91	42.01
Net Profit Ratio	61.62	7054.67	0.01	0.02	(46.22)
Return on Capital Employed	178.01	7156.77	0.02	0.03	(3.60)
Return on Investment	-	-	-	-	-

Note:-

1. Due to covid-19 pandemic Ratios are not exactly comparable
2. Increase short term borrowing led to increase Debt-Equity Ratio
3. Increase turnover led to increase Trade Receivable Turnover Ratio
4. Increase credit purchases led to increase Trade Payable Turnover Ratio
5. Increase turnover led to increase Net Capital Turnover Ratio

39. Additional Regulatory Information in Schedule III

- (o) All the Title deeds of Immovable properties (other than properties where the Company is the lessee and the lease agreement is duly executed in favour of the lessee) are in the name of the Company.
- (p) The Company does not have any investment property; hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.
- (q) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (r) The Company has not given any Loans or advances to specified persons during the year.
- (s) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (t) The quarterly information statement filed by the Company with banks or financial institutions is in agreement with the books of accounts.
- (u) Willful Defaulter: the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (v) The Company does not have any transactions or relationship with Struck off Companies.
- (w) There are no charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.
- (x) The provision related to number of layers as prescribed under section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to Company.
- (y) Detailed Ratio analysis given in note number 38.
- (z) There is no Scheme of Arrangements as on March 31, 2022.
- (aa) Utilization of borrowings availed from banks and financial institutions The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilized for long term purposes.

(bb) Additional information to be disclosed by way of Notes to Statement of Profit and Loss.

- (i) The Company does not have any undisclosed income as on March 31, 2022.
(ii) The Company does not have any Crypto Currency or Virtual Currency as on March 31, 2022"

40. Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 a CSR committee has been formed by the company. The gross amount required to be spent by the company during the year is Rs 5.80 lacs and Company has spent Rs 6.10 lacs during the year on CSR activities.

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Amount required to be spent by the company during the year	5.80	7.09
(ii) Amount of expenditure incurred	6.10	7.00
(iii) Shortfall at the end of the year	-	0.09
(iv) Total of previous years shortfall	-	0.09

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

As per our attached report of even date
For M/s. Gohel and Associates LLP
Chartered Accountants
FR No- 102588W
UDIN: 22036247AJWNEM4606

Sd/-
Dinesh C. Bangar
(Partner)
(Mem No.036247)
Place: Mumbai
Dated: 30th May, 2022

For and on behalf of the Board of Directors

Sd/-
Vinod S. Jhawar
(Managing Director)
DIN: 00002903

Sd/-
Mukul V. Jhawar
(Whole Time Director)
DIN: 08170211

Sd/-
Purushottam Randad
(Chief Financial Officer)

Sd/-
Vishnu Thaker
(Company Secretary)