

NOTICE IS HEREBY GIVEN THAT THE 25th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. DHANLAXMI FABRICS LIMITED WILL BE HELD ON SATURDAY ON 23RD SEPTEMBER, 2017, AT 01.00 P.M. AT REGISTERED OFFICE: MANPADA ROAD, BHOPAR VILLAGE, DOMBIVLI (EAST), THANE – 421 204. MAHARASHTRA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements consisting of the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended together with the reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Shri Mahesh Jhawar (DIN:00002908),who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

3. To Appoint Auditor and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), M/s. R. Soni & Co., Chartered Accountants, Mumbai (Registration no. 130349W), be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s. S.G. Kabra & Co, Chartered Accountants, (Regn No. 104507W), Statutory Auditors of the Company retiring at the conclusion of this Annual General Meeting) for a period of Five years i.e. from the conclusion of this 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company, subject to annual ratification by the shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee.”

SPECIAL BUSINESS:

4. **Ratification of appointment of Mr. Dilip Murlidhar Bathija., Cost Accountants, as a Cost Auditors of the Company**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, or any statutory modification or re-enactment thereof, **Mr. Dilip Murlidhar Bathija.,** Cost Accountant, appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2018, be paid a remuneration of Rs 25,000/- (Rupees Twenty Five thousand only) (excluding service tax, as applicable) in addition to reimbursement of out of pocket expenses and conveyance as recommended by the audit committee and approved by the Board of Directors of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution”.

5. **Appointment of Shri Gopal Mohta (DIN: 01877324) as an Independent Director**

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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Gopal Mohta (DIN: 01877324) who was appointed as an Additional Director of the Company, categorized as Independent, by the Board of Directors with effect from 30th May, 2017, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013, from a member proposing Shri Gopal Mohta (DIN: 01877324) for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from 30th May, 2017 to hold office up to 29th May, 2022, not liable to retire by rotation.”

6. **Approval of charges for service of documents on the shareholders**

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 20(2) and all other applicable provisions of the

“RESOLVED THAT pursuant to the provisions of Section 20(2) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the members be and are hereby given to the Board of Directors of the Company (the ‘Board’ which term shall include its Committee(s) constituted / to be constituted by it to exercise its powers including the powers conferred by this resolution) to levied amount of Rs.25/- (Rupees Twenty Five Only) per such document as a fee to member to enable recovery of expenses incurred by the Company towards complying with such request for delivery of any documents through a particular mode.”

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.”

7. Reappointment of Shri Vinod Sohanlal Jhawar (DIN: 00002903) as a Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Shri Vinod Sohanlal Jhawar (DIN: 00002903) as the Managing Director of the Company for the period and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Shri Vinod Sohanlal Jhawar in the best interests of the Company and as may be permissible at law, viz.:

- a) Period: 5 years w.e.f. 30th March, 2017 to 29th March, 2022 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.
- b) Salary: Rs 5,00,000 per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs.10,00,000/- (Rupees Ten lakhs only) per month (Inclusive of following perquisites)
 - i. Companies Contribution to Provident Fund;
 - ii. Gratuity as per rules of the Company;
 - iii. Provision for use of Company Car for official duties;
 - iv. Telephone at the residence including payment of Local/STD/ISD Calls for business use;
 - v. Payment of maintenance charges of society where he is residing, as per bills
 - vi. Reimbursement of medical expenses incurred for self and family without any ceiling.
 - vii. Reimbursement of Electricity charges
 - viii. Payment of Club fees/admission fees for two clubs.
- c) The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Managing Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.
- d) As long as Shri Vinod Sohanlal Jhawar (DIN: 00002903) functions as the Managing Director of the Company, his office shall not be subject to retirement by rotation.

- e) The Board or the Chairman of the Board may on the recommendation of the Nomination and Remuneration Committee of the Board give annual increases in basic salary, various allowances and perquisites, as may be deemed appropriate, so that the payment to Shri Vinod Sohanlal Jhawar in respect of the aforesaid, does not exceed the limits specified above, during the period of his appointment.

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

8. To enter into Related Party Transaction(s) pursuant to Section 188 of the Companies Act, 2013 up to Rs. 75 Crores with each related parties

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

“RESOLVED THAT in continuation of earlier resolution passed in this respect pursuant to the provisions of Section 188, if and to the extent applicable, and other applicable provisions of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 23(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, as amended from time to time and subject to consent of the Company, the Board of Directors of the Company be and are hereby authorised to enter into any and all transactions/contracts/arrangements with the ‘related party’ as defined in the Act and Regulation 2(zb) of the Listing Regulation and mentioned in below table, relating to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate or promoter group Company, making of loans to, and/or giving of guarantees or providing security and/or making of investments and the purchase from and/or sale to it of any securities by the Company, or any combination thereof, etc on such terms and conditions as the Board in its absolute discretion may deem fit provided however that the aggregate amount/value of all such transactions/contracts/arrangements that may be entered into and remaining outstanding at any time shall not exceed Rs.75 Crores with each related parties respectively during any financial year.”

Sr. No.	Name of Related Parties	Nature of Relationship	Nature of transactions	Amount
1	M/s. Dhanesh Fabrics Pvt Ltd	Subsidiary Company	Sale, Purchase and processing of fabrics and lease rent payment	Up to R.75 Crores with each related parties' ongoing basis.
2	M/s. DFL Fabrics Pvt Ltd			
3	M/s. Western Chlorides & Chemicals Pvt Ltd			
4	M/s. Dhalaxmi Cotex Ltd	Group Company	Share Trading and granting and taking of loans	
5	M/s. Sohanlal Export Fabrics Pvt Ltd			
6	M/s. Dhanlaxmi Export Fabric Pvt Ltd			
7	M/s. Promtech Impex Pvt Ltd			
8	M/s. MR Share Broking Pvt Ltd			
9	M/s. VRM Share Broking Pvt Ltd			

REGISTERED OFFICE:

Manpada Road, Bhopar Village,
Dombivli (East), Thane – 421 204
Maharashtra

By Order of the Board

Sd/-
Ramautar S. Jhawar
(Chairman & Director)

Date: 11/08/2017

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. A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON MAY NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERD OFFICE OF THE COMPNAY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
3. Corporate Members are requested to send in advance duly certified copy of Board Resolution / power of attorney authorizing their representative to attend the annual general meeting.
4. Members/ proxies are requested to bring their copies of annual reports and the attendance slip duly completed and signed at the meeting, quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
5. Pursuant to section 91 of the Companies Act, 2013 The Register of Members and the Transfer Book of the Company will remain closed from **19/09/2017 to 23/09/2017 (both days inclusive)**.
6. The Securities & Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding their shares in Physical Form can submit their PAN details to the share transfer agent (M/s. Bigshare Services Private Limited) of the Company.
7. Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat/physical form at: **M/s. Bigshare Services Pvt. Ltd**, at 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Andheri (East), Mumbai 400 059.

8. Pursuant to the provisions of Sections 101 and 136 of the Act read with 'The Companies (Accounts) Rules, 2014' electronic copy of the Annual Report for financial year 2016-2017 along with Notice of 25th Annual General Meeting of the company (including the Attendance Slip & Proxy Form) is being sent to all the members whose email id is registered with the Registrar/Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their e mail address, physical copies of the Annual Report for the financial year 2016-2017 along with the notice of the 25th Annual general Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Forms is being sent by other permissible modes.
9. Notice convening the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members who hold shares in dematerialized mode and whose email addresses are registered with their respective Depository Participants. For those members who have not registered their email address, physical copies of the said Notice inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.
10. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website www.dfl.net.in, which can be downloaded from the site. The physical copies of the aforesaid documents will also be available at the Company's registered office in Mumbai for inspection during normal business hours on all the working days except Saturdays and Sundays.
11. During the period beginning 24 hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.
12. Brief details of the Directors, who are seeking appointment / re-appointment, are annexed hereto as per the requirements of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
13. Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.

Procedure and Instruction for E-Voting:

In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Listing Regulation, 2015, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

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

The instructions for shareholders voting electronically are as under:

- 1) The voting period begins on **20th September, 2017** at **9.00 a.m.** and ends on **22nd September, 2017** at **5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **16th September, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <p>Members who have not updated their PAN with the Compan Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.-</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.-</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- 9) After entering these details appropriately, click on "SUBMIT" tab.
- 10) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 11) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 12) Click on the EVSN for the relevant "DHANLAXMI FABRICS LIMITED" on which you choose to vote.
- 13) 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.

- 14) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 15) 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.
- 16) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 17) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 18) 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.
- 19) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. i-Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- 20) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 21) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- 22) The Company has appointed M/s. Pankaj Trivedi & Co., Practicing Company Secretaries (C.P. No. 15301) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- 23) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- 24) In case of Members who are entitled to vote but have not electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 108/109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.

The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.

The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

REQUEST TO MEMBERS

Members are requested to send their question(s), if any, relating to the financial statements, shareholding, etc., to the Company Secretary/Chief Financial Officer at the Registered Office of the Company, on or before September 16, 2017, so that the answers/details can be kept ready at the Annual General Meeting

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013, SPECIAL BUSINESS:

Item No.4

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. Dilip Murlidhar Bathija., Cost Accountants, Mumbai to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 at a remuneration of ₹25,000/- plus taxes and reimbursement of out of pocket expenses for the financial year ending March 31, 2018.

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. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

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. 4 of this Notice is accordingly commended for your approval.

Item No.5

Item No. 5 Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company have appointed *Shri Gopal Mohta*, as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Shri Gopal Mohta holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Shri Gopal Mohta as a Director of the Company.

The Company has also received a declaration from Shri Gopal Mohta confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Shri Gopal Mohta is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company. In the opinion of the Board, Shri Gopal Mohta fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations and she is independent of the management.

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

None of the Directors, Key Managerial Personnel and their relatives, except Shri Gopal Mohta and his relatives, are in any way, concerned or interested in the said resolution. The resolution as set out in item No. 5 of this Notice is accordingly commended for your approval.

Item No.6

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed.

Further a member may request the delivery of document through any other mode by paying such fees as may be determined by the members in the Annual General Meeting.

Accordingly, the Board recommends the passing of the resolution at Item No. 6 of the accompanying Notice for member's approval.

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

Item No.7

Pursuant to the provisions of Sections 196, 197 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the Rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors at its meeting held on 30th March, 2017 appointed Shri Vinod Sohanlal Jhawar (DIN 00002903) as the Managing Director of the Company with effect from 30th March, 2017 to 29th March, 2022 for a period of five years.

Shri Vinod Sohanlal Jhawar has been associated with the Company for more than 25 years and during such association, he has served in various positions in the Company. Shri Vinod Sohanlal Jhawar will continue to be designated a Managing Director of the Company.

Considering his long association with the Company and adequate experience in various fields, the Board recommends confirmation of the appointment of Shri Vinod Sohanlal Jhawar as Managing Director of the Company for a period of five years with effect from March 30, 2017 on the terms as to remuneration, allowances etc. as set out in the resolution being item No.7 of the accompanying Notice subject to necessary approvals

Considering Shri Vinod Sohanlal Jhawar's experience, seniority and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

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

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

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

The Nomination and Remuneration Committee at its meeting held on March 30, 2017 has already approved the remuneration payable to Shri Vinod Sohanlal Jhawar. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon and The Board recommends the Special Resolution set out at Item No.7 of the accompanying Notice for the approval by the Members.

Shri Vinod Sohanlal Jhawar, Shri Ramautar Jhawar and Shri Mahesh Jhawar and their relatives are concerned or interested, financially or otherwise in the Resolution set out at Item No.7 of the Notice.

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

I General Information :				
1	Nature of Industry	Manufacturing of diversified products viz. Textiles including Yarn, Viscose Filament Yarn.		
2	Date or expected date of commencement of commercial production	Commercial operations commenced in the year 1992.		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
4	Financial performance based on given			
Particulars		As per audited financial results for the year (Rs. In lakhs)		
		2013-14	2014-15	2015-16
	Paid up Capital	858.11	858.11	858.11
	Reserves & Surplus	2878.75	3028.69	3091.05
	Statement of Profit and Loss	180.58	188.49	62.36
	Domestic Revenue from Operations (Net)	6306.04	7837.27	8837.10
	Export Revenue from Operations	-	-	-
	Total Revenue from Operations (Net)	6306.04	7837.27	8837.10
	Other Income	104.04	128.42	392.25
	Total Revenue	6410.08	7965.69	9229.35
	Total Expenses	6017.56	7712.72	9087.34
	Profit before Taxation	392.52	252.97	142.01
	Tax Expenses/ (Income) including Deferred Tax	211.94	64.48	79.65
	Net Profit	180.58	188.49	62.36
5	Foreign investments or collaborators, if any	NIL		
6	Background details of Shri Vinod Sohanlal Jhawar	Shri Vinod Jhawar is Commerce Graduate having 30 years' experience in Textile Business. His Director Identification Number is 00002903. He is one of the Senior Most Executive of the Company and has been in the service of the Company for the last over 25 years holding a very senior position and has rich experience about the affairs of the Company.		
7	Past remuneration	Rs.5 Lakhs per month inclusive of all perquisites and benefits.		
8	Recognition or awards	-		
9	Job profile and his suitability	His job involves diverse fields of finance, law, taxation and corporate affairs. It requires long term strategy and in depth knowledge of the Textile market to remain cost efficient and competitive. Further, the Managing Director is entrusted with the powers and authority to manage the affairs of the Company subject to superintendence, direction and control of the Board of Directors. He is having vast experience of Corporate management and possesses all required competencies. Thus, he is ideally suited for the job.		
10	Remuneration proposed	As mentioned in the resolution.		

11 Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	In the past few years, the remuneration of Senior Executives in the industry in general has gone up manifold. The remuneration proposed to be paid to the Managing Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Vinod Jhawar before approving the remuneration as proposed herein above.
12 Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Besides the remuneration proposed, Shri Vinod Jhawar, he is a Co-promoter of the Company also holds 3,86,300 equity Shares of the Company and Shri Ramautar Jhawar and Shri Mahesh Jhawar are related to him.
13 Reasons of loss or inadequate profits	N.A
14 Steps taken or proposed to be taken for improvement	N.A
15 Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

Item No.8

Pursuant to the provisions of Section 188, if and to the extent applicable, and other applicable provisions of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), all related party transactions beyond the thresholds mentioned in Rule 15(3) (a) require prior approval of the Members in general meeting. Further, as per the provisions of Regulation 23(2) (4) of the SEBI (LODR), Regulation 2015, as amended from time to time, all related party transactions require prior approval of the Audit Committee and all material transactions with related parties require approval of the members of a public listed company through an Ordinary resolution and the related parties are required to abstain from voting on such resolution whether the entity is a related party to the particular transaction or not.

“Material Related Party Transaction” under Regulation 23(1) of listing Regulation means any transaction to be entered into individually or taken together with previous transactions during a financial year exceeding 10% of the annual consolidated turnover of a company as per its last audited financial statements. The annual consolidated turnover of the Company for the financial year 2016-17 is Rs. 104.74 Crores. Accordingly, any transaction(s) by the Company with a related party (except with its wholly owned subsidiaries) exceeding Rs. 10.47 Crores (10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members is required for the same.

REGISTERED OFFICE:

Manpada Road, Bhopar Village,
Dombivli (East), Thane – 421 204
Maharashtra

By Order of the Board

Date: 11/08/2017

**Sd/-
Ramautar S. Jhawar
(Chairman & Director)**

**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)**

Sr. No	Name of the Directors	Shri. Vinod Sohanlal Jhawar	Shri. Mahesh Sohanlal Jhawar	Shri Gopal Mohta
1	Date of Birth	22 nd February, 1964	26 th April, 1961	11 th November, 1955
2	Age	53 Years	56 Years	62 Years
3	Date of Appointment	01/11/2009	01/10/1992	30/05/2017
4	PAN	AABPJ8706F	AABPJ1860C	ACTPM1508Q
5	DIN	00002903	00002908	01877324
6	No. of Equity shares held in the company (as on 31.03.2017)	3,86,300	27,400	Nil
7	Qualifications	B.Com	B.com	B.com
8	Brief Profile	Shri Vinod Jhawar is Commerce Graduate having 30 years' experience in Textile Business. He is one of the Senior Most Executive of the Company and has been in the service of the Company for the last over 25 years holding and has rich experience about the affairs of the Company.	Shri Mahesh Jhawar is Commerce Graduate having 35 years' experience in Textile Business. He is one of the Senior Most Executive of the Company and has been in the service of the Company for the last over 25 years and has rich experience about the affairs of the Company.	Shri Gopal Mohta is also a Commerce Graduate having more than 35 years' of experience Finance and Administration.
9	List of other Directorships (excluding Foreign Company)	1. Jhawar Trade & Investment Pvt. Ltd 2. VRM Share Broking Pvt. Ltd 3. Dhanesh Fabrics Pvt. Ltd 4. Promtech Impex Pvt. Ltd 5. DFL Fabrics Pvt. Ltd 6. Dhanlaxmi Vidyut Private Limited 7. Krishar Multitrade Private Limited 8. Krishita Multitrade Private Limited	1. Jhawar Trade & Investment Pvt. Ltd 2. VRM Share Broking Pvt. Ltd 3. Dhanesh Fabrics Pvt. Ltd 4. DFL Fabrics Pvt. Ltd 5. Dhanlaxmi Cotex Limited 6. MR Share Broking Private Limited 7. Dhanlaxmi Vidyut Private Limited 8. Sohanlal Export Fabrics Pvt Ltd	1. Dhanlaxmi Cotex Limited
10	Membership/Chairmanship of other Public Companies (includes only Audit Committee & Stakeholder Relationship Committee)	None	Dhanlaxmi Fabrics Limited Stakeholder Relationship Committee: Chairman	None
11	Relationships, if any between Directors, interest.	Brother of Mr. Ramautar Jhawar and Mahesh Jhawar	Brother of Mr. Vinod Jhawar and Mr. Ramautar Jhawar	None

