

**DHANVERDHI  
EXPORTS LIMITED**

**32nd  
ANNUAL REPORT  
2016-2017**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mrs. Sudha Agarwalla, Managing Director  
Mr. Uttam Banerjee, Director  
Mr. Bhagwan Singh, Director  
Mr. Shambhu Nath Modi, Director  
Mr. Pratap Ram Ganguly, Director

### **STATUTORY AUDITORS**

M/s A.K. Meharia & Associates  
Chartered Accountants  
2, Garstin Place, 2nd Floor, Kolkata- 700 001

### **INTERNAL AUDITORS**

M/s Pugalia & Associates  
Chartered Accountants  
33A, J.L. Nehru Road, 4th floor, R.N./A-1  
Kolkata-700 001

### **BANKERS**

ORIENTAL BANK OF COMMERCE

### **REGISTERED OFFICE:**

A-402, Mangalam,  
24/26 Hemanta Basu Sarani, Kolkata-700 001.  
Phone: (033) 22436242/43  
Email: dhanverdhiexports@gmail.com  
Website: www.dhanverdhiexports.com

### **REGISTRAR & SHARE TRANSFER AGENTS**

S.K. Infosolutions Pvt. Ltd  
34/1A, Sudhir Chatterjee Street, Kolkata- 700 006.  
Phone: 033-22194815  
Email: contact@skcinfo.com

### **CIN**

L52110WB1985PLC217048

**DHANVERDHI EXPORTS LIMITED**

**NOTICE OF ANNUAL GENERAL MEETING**

**Notice is hereby given that the 32nd Annual General Meeting** of the Members of the Company will be held at the Registered Office of the Company at 402, Mangalam, 24/26, Hemanta Basu Sarani, Kolkata – 700 001 on **Wednesday, the 20th day of September, 2017 at 4.00 P.M** to transact the following businesses:-

**ORDINARY BUSINESS :**

1.To consider and adopt the audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the year ended on that date, the Report of the Auditors thereon and the Report of the Board of Directors of the Company for the year ended 31st March, 2017.

2.To consider and, if thought fit, to pass, the following resolution as ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and the Companies (Audit & Auditors) Rule, 2014 including any statutory modification(s) or re-enactment(s) thereof from time to time, M/s. VMD & Associates, Chartered Accountants (Firm Registration No. 326120E), be and are appointed as Auditors of the Company at the ensuing Annual General Meeting for a term of five years i.e. till the conclusion of the 37th Annual General Meeting (AGM), which was subject to ratification at every AGM at such remuneration plus service tax, out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

3.To appoint a Director in place of Mr. Uttam Banerjee (DIN: 00607337), who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office : A-402, Mangalam,  
24/26 Hemanta Basu Sarani,  
Kolkata- 700 001.

Dated: The 9th day of August, 2017

By order of the Board  
**For Dhanverdhi Exports Limited**

**(Sudha Agarwalla)**  
Managing Director  
DIN:00938365

## **DHANVERDHI EXPORTS LIMITED**

### **Notes :**

1. **A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy so appointed need not be a Member of Company. The Instrument of Proxy must be lodged with the Company not less than 48 hours before the Meeting.**

A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than 10 percent of the total Share Capital of the Company, carrying voting rights.

2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf in the meeting.
3. The Register of Members shall remain closed from **14th September, 2017 to 20th September, 2017 (both days inclusive).**
4. Members, Proxies and Authorised Representatives are requested to bring their attendance Slips together with their copies of their Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the AGM venue.
5. As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management of Administration) Rules, 2014, and the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system ("e-Voting") **under an arrangement with the Central Depository Services Limited (CDSL)** as specified more fully in the instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently.
6. Voting shall be reckoned in relation to a Member's holding of the Paid-up Equity Share Capital of the Company as at close of business on **13th September, 2017.**
7. Members are requested to notify Changes in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No. and in case of physical shares to the Registrar and Transfer Agents.
8. (a) Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email address with their Depository Participants, where shares are held in electronic form or to the Share Department of the Company / Registrars and Share Transfer Agents where shares are held in physical form.  
(b) Email addresses of Members as advised to the Share Department of the Company / Registrar and Share Transfer Agents where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/ notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs. Members intending to refresh/update their email addresses should do so as soon as possible.
9. a) Members desirous of getting any information in relation to the Company's Annual Report 2016-17 are requested to address their query (ies) well in advance, i.e. at least 10 days before the Meeting, to enable the Management to keep the information readily available at the Meeting.  
b) Members holding shares in Electronic Form are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.

## **DHANVERDHI EXPORTS LIMITED**

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions. Thereafter it was clarified vide Circular no. MRD/DOP/Cir-05/2009 dated May 20, 2009 that for securities market transactions and off market transaction involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of PAN Card to the Company/Registrars and Share Transfer Agent for registration of such transfer of shares, Hence, Members holding shares in the electronic form are requested to submit their PANs to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Company/Registrars and Share Transfer Agents, S.K.Infosolutions Pvt.Ltd.
11. As per requirements of the Listing Regulations with the Stock Ex- changes, particulars relating to appointment and reappointment of Directors are given in the Corporate Governance Section of the Annual Report.
12. **VOTING THROUGH ELECTRONIC MEANS**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 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).
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. The process and manner for remote e-voting are as under:**
  - (i) The remote e-voting period commences on **16th September , 2017 (10:00 am) and ends on 19th September , 2017 (5:00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **13th September 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on "Shareholders" tab.
  - (iv) 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, excluding the special characters.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

## DHANVERDHI EXPORTS LIMITED

(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
Pan	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"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. <ul style="list-style-type: none"><li>• Please Enter the DOB or Bank Account Number in order to Login.</li><li>• If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction ( iv</li></ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company i.e "**DHANVERDHI EXPORTS LIMITED**" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

## **DHANVERDHI EXPORTS LIMITED**

### (xviii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.

(xx) 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. iPhone and Window Phone users can download the app from the App Store and the Windows Phone Store respectively .Please follow the instructions as prompted by the mobile app while voting on your mobile.

13. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [akkhandelia@rediffmail.com](mailto:akkhandelia@rediffmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before **September 19, 2017, upto 5.00 pm.** without which the vote shall not be treated as valid.
14. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **13th September-2017.**  
A person who is not a member as on Cut Off date should treat this notice for information purpose only.
15. The shareholders shall have one vote per equity share held by them as on the cut-off date of **13th September-2017.** The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
16. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **13th September, 2017.** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
17. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
18. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. **13th September , 2017.** are requested to send the written /

## **DHANVERDHI EXPORTS LIMITED**

email communication to the Company at dhanverdhiexports@gmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

19. **Shri Anand Khandelia , Practising Company Secretary (Certificate of Practice Number FCS 5803)** has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
20. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.dhanverdhiexports.com](http://www.dhanverdhiexports.com) and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. The Delhi Stock Exchange Ltd.

Registered Office : A-402, Mangalam,  
24/26 Hemanta Basu Sarani,  
Kolkata- 700 001.

Dated: : The 9th day of August, 2017

By order of the Board  
**For Dhanverdhi Exports Ltd.**

(Sudha Agarwalla)

Managing Director  
DIN: 00938365

## **DHANVERDHI EXPORTS LIMITED**

### **DIRECTOR'S REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting their 32nd Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the financial year ended March 31, 2017.

#### **FINANCIAL RESULTS**

<b><u>PARTICULARS</u></b>	<b>Year ended 31st March 2017</b>	<b>Year ended 31st March 2016</b>
<b>Profit/(Loss) Before Tax</b>	<b>57,164.72</b>	<b>1,75,588.53</b>
Adjustment for:		
Provision for Taxation	<b>15,050 .00</b>	(37,615.00)
Deferred Tax Asset/Liability	<b>67,152.78</b>	-
Short Provision for Income Tax/FBT	<b>971.00</b>	(39,689.00)
<b>Profit After Taxation</b>	<b>1,08,296.50</b>	<b>98,284.53</b>
Balance Brought Forward	<b>39,76,553.92</b>	<b>38,78,269.39</b>
Balance Carried to Balance Sheet	<b>40,84,850.42</b>	<b>39,76,553.92</b>

#### **DIVIDEND**

In order to consolidate the Company's financial position, your directors consider it prudent not to recommend dividend for the year under review.

#### **RESERVES**

No amount is proposed to carry to any reserves by the board of directors.

#### **STATE OF COMPANY'S AFFAIR**

The results for the reporting year compared with the prior year were affected mainly due to non-selling of investments, which resulted in a decline in revenues. However the market value of Current Investments are increased substantially as compared to last year

#### **CHANGES IN THE NATURE OF BUSINESS**

There is no Change in the nature of the business of the Company during the year.

#### **MATERIAL CHANGES AND COMMITMENTS**

There is no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **INTERNAL CONTROL SYSTEMS**

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

**The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.**

#### **SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES:**

Your Company have associate companies namely M/s. Valley Magnesite Co. Ltd. (CIN: L23109WB1988PLC045491) holding 23.33% shares and M/s. Superlight Finance Pvt. Ltd. (CIN: U51109WB1996PTC077029) holding 31.99% shares within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

## **DHANVERDHI EXPORTS LIMITED**

### **DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **SHARE CAPITAL**

During the year under review, the company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

The information required u/s. 134(3)(q) of the Companies Act, 2013, read with the Rule 8(3) of Companies (Accounts) Rule, 2014 with respect to conservation of Energy, Technology absorption are not applicable to the company. The Company has no foreign exchange outflow or inflow during the year under review.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has complied with the provisions of section 186 of the Companies Act, 2013 in relation to Loan, Investment & Guarantee given by the company during the financial year and no disclosures in this regard is required under the aforesaid section in this Report.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES U/S 188(1)**

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

### **RISK MANAGEMENT POLICY**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & the listing regulations, the Board of Directors has adopted risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

At present the company has not identified any element of risk which may threaten the existence of the company.

### **CORPORATE SOCIAL RESPONSIBILITY**

In terms of the provisions of Section 135 read together with Rule of the Companies Act, the "corporate social responsibility" (CSR), requirement is not applicable to the Company.

### **CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (LODR), Regulation, 2015 of the Listing agreement shall be annexed with the report.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Board of Directors of the Company has adopted Whistle Blower Policy. The management of the Company, through the policy envisages encouraging the employees of the Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds & things which the management or any superior may indulge in. This policy has been circulated to employees of the Company. However, no employee has been denied access to the Audit Committee.

## **DHANVERDHI EXPORTS LIMITED**

### **NOMINATION & REMUNERATION COMMITTEE**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### **PARTICULARS OF EMPLOYEES**

None of the employees, who were in receipt of remuneration in excess of the limits as specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 throughout or part of the financial year under review, was engaged in the company.

### **DIRECTORS:**

Changes in Directors and Key Managerial Personnel

Mr Uttam Banerjee retires by rotation and, being eligible, offer himself for re appointment. The Directors recommend Mr Uttam Banerjee for re-appointment.

### **Independent Director(s) declaration**

Mr. Shambhu Nath Modi and Mr. Pratap Ram Ganguly who are Independent Directors, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and the Listing Regulation. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulation, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **CODE OF CONDUCT**

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by Managing Directors and forms part of the Annual Report.

### **BOARD MEETING**

During the year eight Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of which are given in the Corporate Governance Report.

### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed

Mr. Anand Khandelia, a firm of company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure A"

### **STATUTORY AUDITORS & AUDITORS REPORT**

Pursuant to the provisions of section 139 of the Companies Act, 2013, A. K. Meharia & Associates, Chartered Accountants, were appointed as statutory auditors of the Company at the 29th annual general meeting (AGM) of the Company for a period from the conclusion of the said AGM till the conclusion of the 32nd AGM.

M/s. VMD & Associates, Chartered Accountants have submitted a written consent that they are eligible to hold office as Statutory Auditors of the Company in terms of Section 139 of the Act and that they also satisfy the criteria provided in Section 141 of the Act. The Board recommends the appointment of M/s.

## **DHANVERDHI EXPORTS LIMITED**

VMD & Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 37th Annual General Meeting subject to ratification of their appointment by the members at every AGM held thereafter . The necessary resolution is being placed for consideration of the members at the ensuing Annual General Meeting.

The Auditor of the company has not made any qualification, reservation or adverse remark or disclaimer in his report and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **INDUSTRIAL RELATIONS**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in the Listing Regulations.

### **DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2016-17, no complain had been received.

### **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS**

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

### **ACKNOWLEDGEMENTS:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

Place: New Delhi  
Dated: 26th May, 2017

For and on behalf of the Board  
**(Sudha Agarwalla)**  
Managing Director  
DIN: 00938365

**DHANVERDHI EXPORTS LIMITED**

Form No. MR-3

Annexure - A

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 2016-17

[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,  
DHANVERDHI EXPORTS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dhanverdhi Exports Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Dhanverdhi Exports Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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, minute books, forms and returns filed and other records maintained by Dhanverdhi Exports Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;: not applicable
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;: not applicable

**DHANVERDHI EXPORTS LIMITED**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and: not applicable
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) ..... (Mention the other laws as may be applicable specifically to the company): not applicable

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s)

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

**I further report that**

The Board of Directors of the Company is duly constituted. The changes 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.

Adequate notice is given to all directors to schedule the Board 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata

Date: 15/05/2017

Anand Khandelia

FCS No - 5841

**DHANVERDHI EXPORTS LIMITED**

Annexure -B.

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

**I REGISTRATION & OTHER DETAILS:**

i CIN	L52110WB1985PLC0217048
ii Registration Date	10.05.1985
iii Name of the Company	DHANVERDHI EXPORTS LIMITED
iv Category/Sub-category of the Company	Indian Non-Government Company
v "Address of the Registered office & contact details"	A-402, MANGALAM , 24/26 HEMANTA BASU SARANI, KOLKATA- 700001. PHONE: 033-22436242. EMAIL: DHANVERDHIEXPORTS@GMAIL.COM, WEBSITE: WWW.DHANVERDHIEXPORTS.COM
vi Whether listed company	YES
vii Name , Address & contact details of the Registrar & Transfer Agent, if any.	S.K. INFOSOLUTIONS PVT.LTD. ADD: 34/1A SUDHIR CHATTERJEE STREET, KOLKATA- 700006 PH- 033-2219 4815. EMAIL: CONTACT@SKCINFO.COM

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"
1	Other Financial Service Activities except insurance and pension funding activities	649	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	SUPERLIGHT FINANCE PVT.LTD	U51109WB1996PTC077029	ASSOCIATE	31.99	2(6)
2	VALLEY MAGMESITE CO. LTD.	L23109WB1988PLC045491	ASSOCIATE	23.33	2(6)

(13)

## DHANVERDHI EXPORTS LIMITED

### VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### A) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Percent Change the during year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>PROMOTERS</b>									
	(1) Indian									
	a) Individual/HUF	121,250	-	121,250	12.125%	121,250	-	121,250	12.125%	0.000%
	b) Central Govt.or State Govt."	-	-	-	-	-	-	-	-	-
	c) Bodies Corporates	-	-	-	-	-	-	-	-	0.000%
	d) Bank/FI	-	-	-	-	-	-	-	-	0.000%
	e) Any other	-	-	-	-	-	-	-	-	0.000%
	<b>SUB TOTAL:(A) (1)</b>	121,250	-	121,250	12.125%	121,250	-	121,250	12.125%	0.000%
	<b>(2) Foreign</b>									
	a) NRI- Individuals	-	-	-	-	-	-	-	-	-
	b) Other Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks/FI	-	-	-	-	-	-	-	-	-
	e) Any other...	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0	0.000%
	<b>"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"</b>	121,250	-	121,250	12.125%	121,250	-	121,250	12.125%	0.000%
	<b>B. PUBLIC SHAREHOLDING</b>									
	<b>(1) Institutions</b>									
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Banks/FI	-	-	-	-	-	-	-	-	-
	C) Cenntal govt	-	-	-	-	-	-	-	-	-
	d) State Govt.	-	-	-	-	-	-	-	-	-
	e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIS	-	-	-	-	-	-	-	-	-
	"h) Foreign Venture Capital Funds"	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0.000%
	<b>(2) Non Institutions</b>									
	a) Bodies corporates									
	i) Indian	278750	500000	778750	77.875%	278750	500000	778750	77.875%	0.000%
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	641	0	641	0.064%	641	0	641	0.064%	0.000%
	ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	81859	17500	99359	9.936%	81859	17500	99359	9.936%	0.000%
	c) Others (specify)	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (B)(2):</b>	361250	517500	878750	87.875%	361250	517500	878750	87.875%	0.000%
	<b>"Total Public Shareholding(B)= (B)(1)+(B)(2)"</b>	361250	517500	878750	87.875%	361250	517500	878750	87.875%	0.000%
	<b>"C. Shares held by Custodian for GDRs &amp; ADRs"</b>	0	0	0	0	0	0	0	0	0.000%
	<b>Grand Total (A+B+C)</b>	482,500	517,500	1,000,000	100.000%	482,500	517,500	1,000,000	100.000%	0.000%

## DHANVERDHI EXPORTS LIMITED

### II. Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	
1	ARUN KUMAR AGARWALLA	71,250	7.125%	-	71,250	7.125%	-	0.000%
2	ARUN KUMAR AGARWALLA(HUF)	50,000	5.000%		50,000	5.000%		0.000%
	<b>Total</b>	<b>121,250</b>	<b>12.125%</b>		<b>121,250</b>	<b>12.125%</b>		<b>0.000%</b>

### III. CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	ARUN KUMAR AGARWALLA				
	a)At the beginning of the year	71,250	7.125%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			71,250	7.125%
2	ARUN KUMAR AGARWALLA(HUF)				
	a)At the beginning of the year	50,000	5.000%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			50,000	5.000%
	<b>TOTAL</b>	<b>121,250</b>	<b>12.125%</b>	<b>121,250</b>	<b>12.125%</b>

### iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR & ADR)

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	VIDYUT DEALERS PVT.LTD				
	a)At the beginning of the year	140000	14.000%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			140000	14.000%
2	SWAGTAM DISTRIBUTORS PVT.LTD				
	a)At the beginning of the year	138750	13.875%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			138750	13.875%
3	ESHAA DEALTRADE PVT.LTD				
	a)At the beginning of the year	49000	4.900%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			49000	4.900%
4	KUNJBEHARI VINTRADE PVT.LTD				
	a)At the beginning of the year	49000	4.900%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			49000	4.900%
5	GOPESH VYAPAAR PVT.LTD				
	a)At the beginning of the year	49000	4.900%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			49000	4.900%

## DHANVERDHI EXPORTS LIMITED

6	GRAPES TRADECOM PRIVATE LTD				
	a)At the beginning of the year	49000	4.900%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			49000	4.900%
7	GOLDMOON MARKETING PVT.LTD				
	a)At the beginning of the year	49000	4.900%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			49000	4.900%
8	AMRIT DEALMARK PVT.LTD				
	a)At the beginning of the year	49000	4.900%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			49000	4.900%
9	KARUNAMAYEE DEALCOM PVT.LTD				
	a)At the beginning of the year	48700	4.870%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			48700	4.870%
10	UTSAV DEALMARK PVT.LTD				
	a)At the beginning of the year	48400	4.840%		
	b) changes during the year	(no changes during the year)			
	c)At the end of the year			48400	4.840%

### (v) Shareholding of Directors & KMP

Sl No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	PRATAP RAM GANGULY				
	a)At the beginning of the year	15000	1.500%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			15000	1.500%
2	BHAGWAN SINGH				
	a)At the beginning of the year	17500	1.750%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			17500	1.750%
3	DEBA PROSAD BANERJEE				
	a)At the beginning of the year	47500	4.750%		
	b) changes during the year	(334 No. of Shares Sold)			
	c)At the end of the year			47166	4.717%

**DHANVERDHI EXPORTS LIMITED**

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Rs. in Lakhs

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

## DHANVERDHI EXPORTS LIMITED

### B. Remuneration to other directors:

Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non Executive Directors				
	"(a) Fee for attending board committee meetings"	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration Overall Ceiling as per the Act.</b>	-	-	-	-

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel ₹ (Lakhs)			
1.	Gross salary	CEO	Company Secretary	CFO*	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	1.65	1.65
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as a % profit	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	1.65	165

Penalties / punishment / compounding of offences

There were no Penalties / punishment / compounding of offences for the year ending March ' 31 , 2017

Place: New Delhi  
Dated: 26th May, 2017

For and on behalf of the Board  
**(Sudha Agarwalla)**  
Managing Director  
DIN: 00938365

## **DHANVERDHI EXPORTS LIMITED**

### **REPORT ON CORPORATE GOVERNANCE**

#### **1. Company's Philosophy on Corporate Governance :**

The Company's philosophy on Corporate Governance is to enhance the long term economic value of the company its stakeholders and the society at large by adopting better corporate practices in fair and transparent manner by aligning interest of the company with its shareholders and other key stakeholders. Your Company continues to follow procedures and practices in conformity with the code of Corporate Governance outlined in the listing agreement

#### **Board of Directors:**

##### **Composition of the Board, Directorships & Committee positions held in other companies and shares held as on 31st March 2017:**

As on 31st March 2017, the Company had 5 Directors. The Board of Directors Comprise of One Managing, Executive & Non Independent director, Two Non Executive & Non Independent directors and Two Non Executive Independent directors.

Directors	Category	Board Meeting Attendance	Annual General Meeting Attendance	Directorship in other companies*	Committee membership**	Committee chairmanship**
Sudha Agarwalla	Managing, Executive (Non Independent Director)	08	Yes	03	03	NIL
Uttam Banerjee	Non Executive (Non Independent Director)	08	Yes	01	03	NIL
Bhagwan Singh	Non Executive (Non Independent Director)	08	Yes	NIL	NIL	NIL
Pratap Ram Ganguly	Non Executive (Independent Director)	05	Yes	01	01	05
Shambhu Nath Modi	Non Executive (Independent Director)	06	Yes	03	07	05

\* Other directorships do not include directorship of private limited companies, companies registered u/s 8 of Companies Act and of companies incorporated outside India.

\*\* Chairmanship/Membership of Board committees includes Membership of Audit, Nomination & Remuneration and stakeholders Relationship committees only.

\*\* No Director is a member of more than 10 committees or chairman of more than 5 committees across all companies in which he is a Director.

##### **Number of Board Meetings held & dates on which meeting held:**

Number of Board Meetings Held : 8  
Date on which held : 27th April 2016, 27th May 2016,  
1st August, 2016, 11th August 2016,  
7th September 2016, 9th November 2016,  
27th December , 2016, 13th February, 2017 .

## **DHANVERDHI EXPORTS LIMITED**

### **Role of Independent Directors:**

The independent directors devote sufficient time and attention to professional obligations for informed and balanced decision making at the Board and various committee meetings. They regularly update and refresh skills, knowledge and familiarity with the Company and actively and constructively participate in the meetings.

### **Independent Directors Meeting:**

During the year under review, the Independent Directors met on January 20, 2017, inter alia, to discuss:

- a) Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- b) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

### **Disclosures in relation to the appointment/re-appointment of Directors:**

As required, brief profiles of the directors appointed or re-appointed are appended below:

#### **a) Uttam Banarjee**

<b>Name of the Director</b>	Mr.Uttam Banerjee
<b>Father's Name</b>	Late Ananda Prasad Banerjee
<b>Director Identification No.(DIN)</b>	00607337
<b>Date of Birth</b>	07.04.1960
<b>Date of Appointment</b>	10.06.2002
<b>Qualifications</b>	B.Com
<b>Experience</b>	Mr. Uttam Banerjee is a Commerce Graduate from Burdwan University having experience of over 34 Years in Capital Market. He is recognized for his experience in the field of Accounts, Investments and Fund Management.
<b>Directorship in other Companies</b>	Saumya Consultants Limited Swagtam Distributors Private Limited Vidyut Dealers Private Limited Sashwat Infraprojects Private Limited
<b>Chairman/Member of the Committee of the Board of Directors of the Company</b>	<b>Member :</b> Audit Committee Stakeholder's Relationship Committee Nomination and Remuneration Committee
<b>Membership / Chairmanship of Committees of the other public companies in which he is a Director</b>	Nil
<b>No.of Shares held in the Company</b>	Nil

### **Code of Conduct:**

The Company has a code of conduct applicable to all Board Members & Senior Management staff for avoidance of conflict of interest between each of the above individuals and the Company. Each Board Members & Senior Management staff declare their compliance with the Code of Conduct as at the end of each Financial Year. A certificate to this effect is attached to this report duly signed by Managing Director.

## **DHANVERDHI EXPORTS LIMITED**

### **3. Audit committee**

Apart from all the matters provided in the section 177 of the Companies Act 2013 and Listing Regulation, the Audit committee reviews reports of the internal Auditors, meets statutory auditors as and when required and discuss findings , suggestions, observations and other related matters.

a) The Composition of the Committee and the attendance of each member at Meetings were as follows:

<b>Members</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meeting Attended</b>
Pratap Ram Ganguly	Chairman	Non Executive (Independent)	4
Shambhu Nath Modi	Member	Non Executive (Independent)	4
Uttam Banerjee	Member	Non Executive (Non Independent)	4

b) Details of the Audit Committee Meetings Held :

<u>Date of Meeting</u>	<u>No. of Members Attended</u>
26.05.2016	Three
10.08.2016	Three
08.11.2016	Three
11.02.2017	Three

### **4. Nomination and Remuneration Committee**

In compliance with Section 178 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules,2014 and Listing Regulation, the composition and other details as required are as follows:-

a) The Composition of the Committee and the attendance of each member at Meetings are as follows:

<b>Members</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meeting Attended</b>
Pratap Ram Ganguly	Chairman	Non Executive (Independent)	1
Shambhu Nath Modi	Member	Non Executive (Independent)	1
Uttam Banerjee	Member	Non Executive (Non Independent)	1

b) Details of the Nomination and Remuneration Committee Meetings Held :

<u>Date of Meeting</u>	<u>No. of Members Attended</u>
22.12.2016	Three

#### **The terms of reference to this committee include:**

- The Committee shall identify persons who are qualified to become directors and who may be appointed as Key Managerial Persons in accordance with criteria laid down, recommend the board their appointment and removal and shall carry out evaluation of every director's performance.
- This Committee is empowered to review and recommend the Board of Directors, remuneration and commission of directors and other senior executives of the Company.

#### **Remuneration Policy:**

The Remuneration policy of your Company is a comprehensive and the policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

#### **Non-executive/ Independent directors remuneration**

The Company is not paying any remuneration to the Non-executive Directors.

## **DHANVERDHI EXPORTS LIMITED**

### **5. Stakeholder's Relationship Committee :**

In line with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulation, the composition and other details of 'Stakeholders Relationship Committee' are as follows:-

a) The Composition of the Committee and the attendance of each member of the committee are given below:

Name of the Director	Designation	No. of Meeting Attended
Pratap Ram Ganguly	Chairman	2
Shambhu Nath Modi	Member	2
Uttam Banerjee	Member	2

b) Mrs. Sudha Agarwalla is the compliance officer of the Company.

c) Details of the Stakeholder's Relationship Committee Meetings Held :

<u>Date of Meeting</u>	<u>No. of Members Attended</u>
13.04.2016	Three
07.10.2016	Three

No complaints have been received during the year regarding transfer of shares and/or non receipt of balance sheet etc.

#### **The terms of reference to this committee include:**

- Review, on periodic basis, status of grievances relating to transfer, transmission of shares, issue of duplicate shares.
- Monitor expeditious redressal of Investors grievances.
- Review instances of non-receipt of Annual Report.
- Consider all matters related to all security holders of the Company.

6. Business Risk Evaluation and Management is an ongoing process within the Organization. The Company laid down the procedure to inform Board members about the risk assessment and minimisation procedures. The Board framed, implemented and monitored, the Company's risk management practices and activities at regular interval. At present the Board has not identified any element of risk which may threaten the existence of the company.

### **7. General Body Meetings:**

a) **Location, Place and time where last three Annual General Meetings were held are given below:-**

Financial Year	Date of AGMs	Location	Time
2015-2016	26th September 2016	A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001.	1.00 P.M
2014-2015	27th September 2015	E-947, Chittranjan Park, New Delhi	1.00 P.M
2013-2014	27th September 2014	E-947, Chittranjan Park, New Delhi	1.00 P.M

b) **Special Resolutions passed at previous three AGMs:-**

i) AGM on 26th September 2016

In the AGM held on 26th September, 2016, a Special Resolution was passed for adopting the new set of Article of Association in terms of the provisions of section 14 of the Companies Act, 2013. in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

ii) AGM on 27th September 2015

No Special Resolution was passed at this AGM.

## **DHANVERDHI EXPORTS LIMITED**

### iii) AGM on 27th September 2014

In the AGM held on 27th September, 2014, a Special Resolution was passed for adopting the new set of Article of Association in terms of the provisions of section 14 of the Companies Act, 2013. in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

c) No Extraordinary General Meeting of the members was held.

### **8. Disclosures:**

#### **a) Disclosures on materially significant related party transaction:**

The statements containing the transactions with related parties were submitted periodically to the Audit Committee. There are no related party transactions that may have potential conflict with the interest of the Company at large. There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.

#### **b) Details of non-compliance(s) by the Company:**

No penalties have been imposed or strictures have been issued by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years against the non compliance relating to the matter aforesaid.

#### **c) Whistle Blower Policy/ Vigil Mechanism**

The Board of Directors of the Company has adopted Whistle Blower Policy. The management of the Company, through the policy envisages encouraging the employees of the Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds & things which the management or any superior may indulge in. This policy has been circulated to employees of the Company. However, no employee has been denied access to the Audit Committee.

d) The adoption of the other non-mandatory requirements set out in Listing Regulation is under consideration.

#### **e) Disclosure of Accounting Treatment**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

### **9. Means of Communication:**

The quarterly Unaudited Financial Results and the Audited Financial Results as approved and taken on record by the Board are sent to the Stock Exchanges where the Company's shares are listed and then published generally in "Political Business Daily(English editions) and "Sukhabar(Bengali editions). The results are also posted on the Company's website www. dhanverdhiexports.com. However, these are not sent individually to shareholders.

Management Discussion and Analysis Report is an integral part of annual report.

### **10. Management Discussion & Analysis Report:**

The Company's performance is up beating. The Company does not foresee any threat in terms of investment policy and return on instrument as such the company is taking all its offers to overcome such unforeseen threat and to exceed in the concerned fora. The management is hopeful in achieving a better result in future.

### **11. CEO and CFO Certification**

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors in its meeting held on May, 26, 2017 as required under SEBI ( Listing Obligations and Disclosure Requirements) Regulations.

## **DHANVERDHI EXPORTS LIMITED**

### **12. General Shareholders Information:**

#### a) Annual General Meeting

Date : 20th September, 2017.  
Time : 4.00 PM  
Venue : Registered Office;  
A-402, Mangalam,  
24/26 Hemanta Basu Sarani, Kolkata-700 001.

b) Financial year of the Company : 1st April 2016 to 31st March 2017

c) Book Closure Date : 14th September, 2017 to 20th September, 2017  
(Both day inclusive)

d) Dividend payment date (if any) : Not recommended

#### e) Listing on Stock Exchanges :

The Company has listed its shares at – Stock Exchanges as stated below:

Sl.No. Name of Stock Exchanges  
01. Delhi Stock Exchange Ltd.

ISIN No. for Dematerialisation : INE171S01013

of shares

f) Market Price Data : Company's Shares are not frequently traded  
in the Stock Exchange.

#### g) Registrar and share transfer Agent

(for Both: Physical and Dematerialized  
share transfers)

: S.K.Infosolutions Pvt.Ltd  
34/1A, Sudhir Chatterjee Street,  
Kolkata- 700 001.  
Email: [contact@skcinfo.com](mailto:contact@skcinfo.com)

#### h) Share Transfer System:

Subject to documentation being in order, transfer requests of equity shares in physical form lodged with the Company/ Registrars are processed within 15 days from the date of receipt.

#### i) Distribution of Shareholding as on 31.03.2017:-

No. of Equity Shares held	No. of Share-Holders	% of Share-holders	No. of Share held	% of Share holdings
Upto 500	79	80.61	641	0.06
501-100	0	0.00	0	0
1001-3000	0	0.00	0	0
3001-5000	0	0.00	0	0
5001-10000	0	0.00	0	0
10001-50000	16	16.33	649359	64.94
50001-100000	1	1.02	71250	7.13
100001 & above	2	2.04	278750	27.87
	<u>98</u>	<u>100.00</u>	<u>1000000</u>	<u>100.00</u>

**DHANVERDHI EXPORTS LIMITED**j) Categories of Shareholders as on 31.03.2017 :-

Category	No. of Share-Holders	% of Share-holders	No. of Share held	% of Share held
Promoters Bodies	02	2.04	121250	12.13
Corporate	13	13.27	778750	77.87
Public	83	84.69	100000	10.00
	98	100.000	1000000	100.00

j) **Dematerialization and Rematerialisation:**

Request for Dematerialization and Rematerialisation should be sent either to the Company's Registrar and Share Transfer Agents or to the Share Department of the Company.

k) **Dematerialization of Shares and liquidity:**

4,82,500 Equity Shares ( 48.25%) have been dematerialized upto 31st March, 2017.

l) **Address for Correspondence:****Registered Office**

A-402, Mangalam,  
24/26 Hemanta Basu Sarani, Kolkata- 700 001.  
Phone: (033)2243-6242/6243  
E-Mail Id: dhanverdhiexports@gmail.com

**13. Compliance of Listing Regulation pertaining to mandatory requirements & Auditors Certificate on Corporate Governance:**

The Company has complied with all the mandatory requirements on Corporate Governance as specified in the Listing Regulation.

As required in the Listing Regulation , the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

For and on Behalf of the Board

Registered Office : A-402, Mangalam,  
24/26 Hemanta Basu Sarani,  
Kolkata- 700 001.

Dated: The 9th day of August, 2017

(Sudha Agarwalla)  
Managing Director  
DIN: 00938365

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2017.

For and on Behalf of the Board

Place : Kolkata

Dated: The 9th day of August, 2017

(Sudha Agarwalla)  
Managing Director  
DIN : 00938365

**DHANVERDHI EXPORTS LIMITED**

**Auditors Certificate of Compliance of Conditions of  
Corporate Governance**

To  
The Members of Dhanverdhi Exports Limited,  
Kolkata

We have examined the compliance of conditions of Corporate Governance by **Dhanverdhi Exports Limited** ("the Company"), for the year ended on 31 March, 2017, as stipulated in the Listing Regulation of the Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulation.

We further 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 **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

Place: Kolkata  
Dated: The 9th day of August, 2017

**(Nidhi B. Sarda)**  
Partner  
Membership Number:402040

## **DHANVERDHI EXPORTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **DHANVERDHI EXPORTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Sec 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;

## **DHANVERDHI EXPORTS LIMITED**

(b) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure –A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) on the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B and
  - (g) with respect to the other matters 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 explanation given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial positions in its financial statements.
    - ii) The Company has made provisions, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management;

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(Nidhi B. Sarda)**

Partner

Membership Number:402040

Place: Kolkata

Dated: 26th May, 2017

## **DHANVERDHI EXPORTS LIMITED**

### **ANNEXURE- A TO THE AUDITOR'S REPORT**

(Referred to in paragraph 1 of our report of even date)

- i) The Company does not have any kind of Fixed assets and so the Company does not maintain records. Thus, paragraph 3(i) of the Order is not applicable to the Company.
- ii) The Company does not have any kind of Inventories during and at the end of the year and so it does not hold any physical inventory. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii) As per the information and explanation given to us, the company has not granted any loans, secured or unsecured to Companies, firms or other parties, covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub-clause (a), (b) of clause (iii) of Paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted any deposit from the public as stipulated under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under and the directives issued by the Reserve Bank of India.
- vi) In our opinion, maintenance of cost records pursuant to the Companies (Cost Records and audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 are not applicable to the company
- vii) a) In our opinion and according to the information and explanations given to us, Company is generally been regular in depositing with appropriate authorities undisputed statutory dues, as required under this clause and applicable to the Company during the year. There is no undisputed amount payable in respect of aforesaid statutory dues, outstanding for more than six months from the date they become payable as on 31st March, 2017.  
b) According to the information and explanations given to us, there are no statutory dues that have not been deposited with the appropriate authorities on account of any dispute except a demand of Rs.8.46 Lakh from Income Tax for the year 2006-07 which is disputed before the Income Tax Authorities.
- viii) The Company does not have any loans or borrowing from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix) The company did not raise any money by way of initial public offer or further public offer and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x) In our opinion and according to information and explanations given to us, no fraud by the Company or on the company by its officer or employees has been noticed or reported during the course of our audit.

## **DHANVERDHI EXPORTS LIMITED**

- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for any managerial remuneration during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, there are no related party transactions in accordance with section 177 and 188 of the Act. Accordingly, paragraph 3(xiii) of the Order is not applicable.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company has made investments in units of Mutual Funds for more than fifty percent of total assets at the end of the year and earned the income from units for more than fifty percent of total income for the year. As per Information & explanation given to us, the company is not required to get registration under section 45-IA of the Reserve Bank of India Act 1934.

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(Nidhi B. Sarda)**

Partner

Membership Number:402040

Place: Kolkata

Dated: 26th May, 2017

## **DHANVERDHI EXPORTS LIMITED**

### **ANNEXURE-B TO THE AUDITOR'S REPORT**

#### **Report on the Internal Financial Controls under Clause(I) of the sub-section 3 of Section 143 of the Companies Act, 2013('the Act')**

We have audited the internal financial controls over financial reporting of Dhanverdhi Exports Ltd ('the Company') as of 31st March, 2017 in conjunction with our audit of financial statements of the Company for the year ended on that date.

#### **Management's responsibility for Internal Financial Control**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

## **DHANVERDHI EXPORTS LIMITED**

dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(Nidhi B. Sarda)**

Partner

Membership Number:402040

Place: Kolkata

Dated: 26th May, 2017

**DHANVERDHI EXPORTS LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2017**

		(Amount in ₹) AS AT 31ST MARCH, 2017	(Amount in ₹) AS AT 31ST MARCH, 2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Shareholders Fund</u></b>			
Share Capital	2	10,000,000.00	10,000,000.00
Reserve & Surplus	3	4,084,850.42	3,976,553.92
<b><u>Non Current Liabilities</u></b>			
Long Term Provisions	4	566.00	13,593.00
<b><u>Current Liabilities</u></b>			
Other Current Liabilities	5	44,670.00	63,413.00
Short Term Provisions	6	50,599.00	47,945.00
<b>Total</b>		<b>14,180,685.42</b>	<b>14,101,504.92</b>
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
Non-Current Investments	7	4,363,055.90	4,363,055.90
Deferred Tax Assets(Net)	8	598,390.00	531,237.22
<b><u>Current Assets</u></b>			
Current Investments	9	8,239,747.12	8,171,676.36
Cash & Bank Balances	10	879,160.40	615,203.44
Short Term Loans & Advances	11	100,332.00	420,332.00
<b>Total</b>		<b>14,180,685.42</b>	<b>14,101,504.92</b>
Significant Accounting Policies	1		

The accompanying Notes of Accounts are an integral part of financial statements.

As per our report of even date

**For A.K. Meharia & Associates**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sardar)**

Partner

Membership Number 402040

Place: Kolkata

Date: 26th May, 2017

**Sudha Agarwalla**

Managing Director

DIN : 00938365

**For and on behalf of Board**

**Uttam Banerjee**

Director

DIN : 00607337

**Bhagwan Singh**

Director

DIN : 00607390

**Deba Prosad Banerjee**

CFO

**DHANVERDHI EXPORTS LIMITED****STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

		(Amount in ₹) For the Year 2016 - 2017	Amount in ₹ For the Year 2015 - 2016
<b>INCOME</b>	NOTES		
Revenue from Operation	-		-
Other Income	12	<b>468,828.72</b>	791,525.03
<b>Total Revenue</b>		<b>468,828.72</b>	791,525.03
<b>EXPENSES</b>			
Employee Benefit Expenses	13	<b>176,911.00</b>	220,214.00
Others expenses	14	<b>234,753.00</b>	395,722.50
<b>Total Expenses</b>		<b>411,664.00</b>	615,936.50
<b>Profit/(Loss) Before Tax</b>		<b>57,164.72</b>	175,588.53
<b>Tax Expense:</b>			
Current Tax		<b>(15,050.00)</b>	(37,615.00)
Deferred Tax		<b>67,152.78</b>	-
Short Provision for Income Tax		<b>(971.00)</b>	(39,689.00)
<b>Profit/(Loss) for the Period</b>		<b>108,296.50</b>	98,284.53
<b>Earning Per equity Share-Basic &amp; Diluted</b>	15	<b>0.11</b>	0.10
Face Value Per Share (In ₹ `)		<b>10.00</b>	10.00

Significant Accounting Policies 1

The accompanying Notes of Accounts are an integral part of financial statements.

As per our report of even date

**For A.K. Meharia & Associates**  
Firm Registration Number-324666E  
Chartered Accountants

**For and on behalf of Board**

**(Nidhi B. Sardar)**  
Partner  
Membership Number 402040  
Place: Kolkata  
Date: 26th May, 2017

**Sudha Agarwalla**  
Managing Director  
DIN : 00938365

**Uttam Banerjee**  
Director  
DIN : 00607337

**Bhagwan Singh**  
Director  
DIN : 00607390

**Deba Prosad Banerjee**  
CFO

**DHANVERDHI EXPORTS LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

	(Amount in ₹) AS AT 31ST MARCH, 2017	(Amount in ₹) AS AT 31ST MARCH, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation	57,164.72	175,588.53
Adjustment For:		
Other Income	(757.96)	-
Profit on sale of investment	(468,070.76)	(791,525.03)
<b>Operating Loss before working capital changes</b>	<b>(411,664.00)</b>	<b>(615,936.50)</b>
Increase/(Decrease) in current liabilities & Provisions	(31,139.00)	(543,030.00)
Increase/Decrease in Long Term Provision	(13,027.00)	13,593.00
Income Tax Paid for Earlier Year	(971.00)	(39,689.00)
<b>Net cash Flow from Operating Activities</b>	<b>A) (456,801.00)</b>	<b>(1,185,062.50)</b>
<b>CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Proceeds from sale of investment	2,452,789.54	9,133,929.65
Purchase of investment	(2,052,789.54)	(8,058,929.66)
Other Income	757.96	-
<b>Net Cash Flow from Investment Activities</b>	<b>B) 400,757.96</b>	<b>1,074,999.99</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Increase)/Decrease in Loans & Advances	320,000.00	178,314.50
<b>Net Cash Flow from Financing Activities</b>	<b>C) 320,000.00</b>	<b>178,314.50</b>
Net Increase/(decrease) in cash & cash equivalent	<b>(A+B+C) 263,956.96</b>	<b>68,251.99</b>
Cash & Cash Equivalent (opening Balance)	<b>615,203.44</b>	<b>546,951.45</b>
Cash & Cash Equivalent (Closing Balance)	<b>879,160.40</b>	<b>615,203.44</b>

## Notes:

- 1 The Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 'Cash Flow Statement' as specified in Companies (Accounts) Rules, 2014  
2 Figures of the previous period has been rearranged/ regrouped where ever considard necessary.

**For A.K. Meharia & Associates**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sarda)**

Partner

Membership Number 402040

Place: Kolkata

Date: 26th May, 2017

**Sudha Agarwalla**

Managing Director

DIN : 00938365

**For and on behalf of Board****Uttam Banerjee**

Director

DIN : 00607337

**Bhagwan Singh**

Director

DIN : 00607390

**Deba Prosad Banerjee**

CFO

## **DHANVERDHI EXPORTS LIMITED**

### **NOTE - 1**

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Basis of Preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

##### **b) Investments**

Investments are classified into current and Long -term investment. Current Investments are stated at lower of cost and fair market value. Long Term Investments are stated at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.

##### **c) Earning Per Share**

Basic and Diluted Earnings per shares are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

##### **d) Taxation**

Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income Tax Act, 1961, Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and law that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in future.

##### **e) Employee Benefits**

Gratuity Liability has been provided on the basis of actuarial valuation. The company does not contribute to any fund for gratuity for its employees. The cost of providing benefits is determined on the basis of actuarial valuation at each year end using projected unit credit method. Actuarial gain and losses is recognized in the period in which they occur in the statement of profit and loss.

##### **f) Provision & Contingent Liability**

A provision is recognized when there is a present obligation as a result of past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. These are reviewed at each year end and adjusted to reflect the best current estimates. Contingent liabilities are not recognised but disclosed in the financial statements.

As per our report of even date

**For A.K. Meharia & Associates**

**For and on behalf of Board**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sarda)**

Partner

Membership Number 402040

Place: Kolkata

Date: 26th May, 2017

**Sudha Agarwalla**

Managing Director

DIN : 00938365

**Uttam Banerjee**

Director

DIN : 00607337

**Bhagwan Singh**

Director

DIN : 00607390

**Deba Prosad Banerjee**

CFO

## DHANVERDHI EXPORTS LIMITED

### Notes to Financial Statements for the year ended 31st March, 2017

	(Amount in ₹) AS AT <u>31ST MARCH, 2017</u>	(Amount in ₹) AS AT <u>31ST MARCH, 2016</u>		
<b>NOTE - 2</b>				
<b>SHARE CAPITAL</b>				
<b>Authorised Shares:</b>				
10,00,000 (PY:10,00,000) Equity Shares of Rs.10/-each	<u>10,000,000.00</u>	<u>10,000,000.00</u>		
<b>Issued, Subscribed &amp; fully Paid - up Shares</b>				
10,00,000 (PY:10,00,000) Equity Shares of Rs.10/-each	<u>10,000,000.00</u>	<u>10,000,000.00</u>		
	<u>10,000,000.00</u>	<u>10,000,000.00</u>		
<b>a) Terms/rights attached to equity shares.</b>				
<p>The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.</p>				
<b>b) Details of shareholders holding more than 5% shares in the company</b>				
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of Rs.10 each fully paid up</b>				
Swagtam Distributors Pvt. Ltd.	138,750	13.88%	138,750	13.88%
Arun Kumar Agarwalla (HUF)	50,000	5.00%	50,000	5.00%
Vidyut Dealers Pvt Ltd	140,000	14.00%	140,000	14.00%
Arun Kumar Agarwalla	71,250	7.13%	71,250	7.13%
<b>NOTE - 3</b>				
<b>RESERVES &amp; SURPLUS</b>				
Profit & Loss Account				
Balance as per last financial statement		3,976,553.92		3,878,269.39
Profit/(Loss) for the year		<u>108,296.50</u>		<u>98,284.53</u>
		<u>4,084,850.42</u>		<u>3,976,553.92</u>
<b>NOTE - 4</b>				
<b>LONG TERM PROVISIONS</b>				
Provision for Gratuity		<u>566.00</u>		<u>13,593.00</u>
		<u>566.00</u>		<u>13,593.00</u>
<b>NOTE - 5</b>				
<b>OTHER CURRENT LIABILITIES</b>				
Sundry Creditors for Exp. & Others		<u>44,670.00</u>		<u>63,413.00</u>
		<u>44,670.00</u>		<u>63,413.00</u>
<b>NOTE - 6</b>				
<b>SHORT TERM PROVISIONS</b>				
Provision for Gratuity		35,549.00		10,330.00
Provision for Taxation		<u>15,050.00</u>		<u>37,615.00</u>
		<u>50,599.00</u>		<u>47,945.00</u>

## DHANVERDHI EXPORTS LIMITED

### Notes to Financial Statements for the year ended 31st March, 2017

	(Amount in ₹) AS AT <u>31ST MARCH, 2017</u>	(Amount in ₹) AS AT <u>31ST MARCH, 2016</u>
<b>NOTE - 7</b>		
<b>NON CURRENT INVESTMENTS</b>		
<u>Trade Investments (Valued at cost unless stated otherwise)</u>		
<u>Quoted Equity Instruments</u>		
(Face Value: Rs.10/- each fully paid up)		
2,45,000 (P.Y:2,45,000) Equity Share of Valley Magnesite Co. Ltd	<b>788,700.00</b>	788,700.00
7,57,000 (P.Y:7,57,000) Equity Share of Ganodaya Finlease Ltd.	<b>1,026,900.00</b>	1,026,900.00
4,76,400 (P.Y:4,76,400) Equity Share of Saumya Consultants Ltd.	<b>1,037,455.90</b>	1,037,455.90
	<u><b>2,853,055.90</b></u>	<u>2,853,055.90</u>
<u>Unquoted Equity Instruments</u>		
( Face Value: Rs.10/- each fully paid up)		
<u>Investment in Associates</u>		
72,000 ( P.Y. 72,000) Equity Share of Superlight Finance Pvt Ltd	<b>640,000.00</b>	640,000.00
	<u><b>640,000.00</b></u>	<u>640,000.00</u>
<u>Investment in other company</u>		
20,000 ( P.Y. 20,000) Equity Share of Windsor Mercantiles Pvt Ltd	<b>200,000.00</b>	200,000.00
40,000 ( P.Y. 40,000) Equity Share of Core Mercantiles Pvt Ltd	<b>400,000.00</b>	400,000.00
27,000 ( P.Y. 27,000) Equity Share of Bright Finance Pvt Ltd	<b>270,000.00</b>	270,000.00
	<u><b>870,000.00</b></u>	<u>870,000.00</u>
<b>Total Investment</b>	<u><b>4,363,055.90</b></u>	<u>4,363,055.90</u>
Market Value of Quoted Investment	<u><b>11,425,488.00</b></u>	<u>20,258,950.00</u>
<b>NOTE - 8</b>		
<b>DEFERRED TAX ASSETS</b>		
<u>On account of</u>		
Losses Carried Forward	<b>587,230.00</b>	531,237.22
Income Tax Disallowances to be allowed on payments	<b>11,160.00</b>	-
	<u><b>598,390.00</b></u>	<u>531,237.22</u>
<b>NOTE - 9</b>		
<b>CURRENT INVESTMENTS</b>		
<u>Trade Investments (Valued at cost unless stated otherwise)</u>		
<u>Mutual Fund</u>		
17564.217 ( P.Y.: Nil ) Reliance Regular Savings Fund -Balanced Plan G	<b>775,000.00</b>	-
446255.141 (P.Y: 446255.141)HDFC Corporate Debt Oppertunities Fund	<b>5,044,423.49</b>	5,044,423.49
120584.748(P.Y: 120584.748)Reliance Corporate Bond Fund	<b>1,322,706.16</b>	1,322,706.16
253.834 (P.Y 432.308)Reliance Money Manager Fund Growth Plan G	<b>548,579.11</b>	847,189.84
Nil (P.Y. 21153.002)Reliance Monthly Income Plan-G	-	408,318.51
33920.99 (P.Y. 33920.99)Reliance regular Savings fund-Debt Plan	<b>549,038.36</b>	549,038.36
	<u><b>8,239,747.12</b></u>	<u>8,171,676.36</u>
Market Value of Mutual Funds Investment	<u><b>9,810,995.71</b></u>	<u>9,230,005.59</u>

## DHANVERDHI EXPORTS LIMITED

	(Amount in ₹) AS AT <u>31ST MARCH, 2017</u>	(Amount in ₹) AS AT <u>31ST MARCH, 2016</u>
<b>NOTE - 10</b>		
<b>CASH &amp; BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
<u>Balances with bank:</u>		
On Current Accounts:	90,156.14	49,490.18
Cash in hand	<u>789,004.26</u>	<u>565,713.26</u>
	<u>879,160.40</u>	<u>615,203.44</u>
<b>NOTE - 11</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<i>(Unsecured considered good)</i>		
<u>Advances recoverable in cash or in kind to Others</u>		
To Related Parties	-	-
To Others	-	370,000.00
Income Tax Refundable	50,332.00	50,332.00
Advance Tax	<u>50,000.00</u>	-
	<u>100,332.00</u>	<u>420,332.00</u>
	(Amount in ₹) For the Year <u>2016 - 2017</u>	(Amount in ₹) For the Year <u>2015 - 2016</u>
<b>NOTE - 12</b>		
<b>OTHER INCOME</b>		
Profit on Sale of Investment	468,070.76	791,525.03
Other Income	<u>757.96</u>	-
	<u>468,828.72</u>	<u>791,525.03</u>
<b>NOTE - 13</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Bonus	164,719.00	210,934.00
Gratuity	<u>12,192.00</u>	<u>9,280.00</u>
	<u>176,911.00</u>	<u>220,214.00</u>
<b>NOTE - 14</b>		
<b>OTHER EXPENSES</b>		
Payment to Auditor (Refer details below)	34,500.00	34,350.00
Advertisement Charge	10,887.00	44,508.00
Travelling & Conveyance	11,162.00	21,726.00
Miscellaneous Expenses	25,929.00	64,494.00
Listing Fees	-	28,430.00
Car Hire Charges	5,415.00	46,017.00
Printing & Stationary Charge	6,390.00	23,998.00
Depository Charges	13,367.00	43,796.00
Legal & Professional charges	100,876.00	45,783.00
Registrar Fees	16,450.00	26,069.50
Internal Audit Fees	6,000.00	6,000.00
Interest on Income Tax	<u>3,777.00</u>	<u>10,551.00</u>
	<u>234,753.00</u>	<u>395,722.50</u>
<u>Payment to Auditor</u>		
<u>As Auditor (Including Service Tax)</u>		
Statutory Audit Fee	<u>34,500.00</u>	<u>34,350.00</u>
	<u>34,500.00</u>	<u>34,350.00</u>

**DHANVERDHI EXPORTS LIMITED**

<b>NOTE - 15</b>	<b>(Amount in ₹)</b>	<b>(Amount in ₹)</b>
<b>EARNINGS PER SHARE(EPS)</b>	<b>AS AT</b>	<b>AS AT</b>
	<b>31ST MARCH, 2017</b>	<b>31ST MARCH, 2016</b>
Net profit/(loss) after tax as per statement of Profit and Loss attributable to Equity Shareholders	<b>108,296.50</b>	98,284.53
Weighted average number of equity shares used as denominator for calculating EPS	<b>1000000</b>	1000000
Basic & Diluted Earning Per Share	<b>0.11</b>	0.10

**NOTE - 16**

As per information available with the Company, there are no suppliers covered under Micro, Small & Medium Enterprises Development Act,2006. As a result, no interest provision/payment have been made by the Company to such creditors, if any, and no disclosure thereof is made in this account.

**NOTE - 17**

The company does not possess any kind of Fixed Assets.

**NOTE - 18****RELATED PARTY DISCLOSURE**

There is no transaction or balance outstanding at the end of the period with the related parties in terms of the provisions as per Accounting Standard - 18, hence no disclosures of transactions with the related parties are given.

**NOTE - 19**

Previous year figures have been regrouped/rearranged wherever considered necessary.

**NOTE - 20****SEGMENT REPORTING**

The Company has only one segment of business i.e. Investment & Finance and the Company operates in a single geographical segment viz. India, accordingly no separate segment reporting is applicable to the company.

**NOTE - 21**

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are provided in the table below:

	<b>SBN's</b>	<b>Other denomination Notes</b>	<b>Total</b>
Closing Cash in hand as on 08.11.2016	400,000.00	315,170.26	715,170.26
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in banks	400,000.00	-	400,000.00
Closing Cash in hand as on 30.12.2016	-	550,054.26	550,054.26

**NOTE - 22****DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 "EMPLOYEE BENEFIT"**

(a) Net Employee Benefit Expenses (Recognised in Employee Benefits Expense)

(i) Current Service Cost	<b>5,308.00</b>	7,969.00
(ii) Interest Cost	<b>1,794.00</b>	1,171.00
(iii) Expected return on Plan Assets	-	-

## DHANVERDHI EXPORTS LIMITED

(iv) Actuarial (gain) / Losses on obligation	<b>5,090.00</b>	140.00
(v) Total Expenses	<b>12,192.00</b>	9,280.00
<b>(b) Net Assets (Liability) recognized in Balance Sheet</b>		
(i) Present value of obligation at the end of the year	<b>36,115.00</b>	23,923.00
(ii) Fair value of Plan Assets	-	-
(iii) Net Plan Assets / (Liability)	<b>(36,115.00)</b>	(23,923.00)
<b>c) Change in obligation during the year</b>		
(i) Present value of obligation at the beginning of the year	<b>23,923.00</b>	14,643.00
(ii) Current Service Cost	<b>5,308.00</b>	7,969.00
(iii) Interest Cost	<b>1,794.00</b>	1,171.00
(iv) Actuarial (Gain) / Losses on obligation	<b>5,090.00</b>	140.00
(v) Benefits Paid	-	-
(vii) Present value of obligation at the end of the year	<b>36,115.00</b>	23,923.00
<b>(d) Change in Fair Value of Plan Assets during the year</b>		
i) Plan Assets at the beginning of the year	-	-
(ii) Expected return on Plan Assets	-	-
(iii) Contributions by the employer	-	-
(iv) Benefits Paid	-	-
(v) Plan Assets at the end of the year	-	-
<b>(e) Actuarial Assumption</b>		
(i) Discount Rate	<b>7.50%</b>	8.00%
(ii) Expected return on Plan Assets	<b>0.00%</b>	0.00%
(iii) Inflation Rate	<b>6.00%</b>	6.00%
(iv) Remaining Working Life	<b>10 Years</b>	11 Years
(v) Mortality Table	Projected Unit Credit Method	Projected Unit Credit Method

### **NOTE - 22**

#### **CONTINGENT LIABILITIES**

The company has received a demand intimation from the CPC, Income Tax for the assessment year 2007-2008 for Rs.845843/- and against which the company has filed an rectification petition before the Income Tax assessing officer.

As per our report of even date

**For A.K. Meharia & Associates**

**For and on behalf of Board**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sarda)**

**Sudha Agarwalla**

**Uttam Banerjee**

**Bhagwan Singh**

Partner

Managing Director

Director

Director

Membership Number 402040

DIN : 00938365

DIN : 00607337

DIN : 00607390

Place: Kolkata

Date: 26th May, 2017

**Deba Prosad Banerjee**

CFO

## **DHANVERDHI EXPORTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS**

#### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of DHANVERDHI EXPORTS LIMITED ("the Company") and consolidated with the audited financial statements of its associate (the Company and its associate constitute 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated 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 Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and its associate and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 these consolidated financial statements by the Board of Directors of the Company.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Board of Directors of the respective Companies, as well as evaluating the overall presentation of the Consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

## **DHANVERDHI EXPORTS LIMITED**

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2017, and its Consolidated profit and its Consolidated cash flows for the year ended on that date.

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

1.The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the auditor's report on Consolidated Financial Statements.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

(e) on the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i)The Company has disclosed the impact of pending litigations on its financial positions in its financial statements.

ii)The Company has made provisions, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii)There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv)The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(Nidhi B. Sarda)**  
Partner

Membership Number: 402040

Place : Kolkata

Dated: 26th May, 2016

## **DHANVERDHI EXPORTS LIMITED**

### **Annexure - A to the Auditors' Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Dhanverdhi Exports Ltd ("the Company") and its associate companies as of 31 March 2017 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable

## **DHANVERDHI EXPORTS LIMITED**

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company and its associate companies have, 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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

Place: Kolkata  
Dated: 26th May, 2017

**(Nidhi B. Sarda)**  
Partner  
Membership Number: 402040

**DHANVERDHI EXPORTS LIMITED****CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017**

		(Amount in ₹) AS AT 31ST MARCH, 2017	(Amount in ₹) AS AT 31ST MARCH, 2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders Fund</b>			
Share Capital	2	10,000,000.00	10,000,000.00
Reserve & Surplus	3	7,580,332.58	6,429,168.95
<b><u>Non Current Liabilities</u></b>			
Long Term Provisions	4	566.00	13,593.00
<b><u>Current Liabilities</u></b>			
Other Current Liabilities	5	44,670.00	63,413.00
Short Term Provisions	6	50,599.00	47,945.00
<b>Total</b>		<b>17,676,167.58</b>	<b>16,554,119.95</b>
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
Non-Current Investments	7	7,858,538.06	6,815,670.93
Deferred Tax Assets(Net)	8	598,390.00	531,237.22
<b><u>Current Assets</u></b>			
Current Investments	9	8,239,747.12	8,171,676.36
Cash & Bank Balances	10	879,160.40	615,203.44
Short Term Loans & Advances	11	100,332.00	420,332.00
<b>Total</b>		<b>17,676,167.58</b>	<b>16,554,119.95</b>

Significant Accounting Policies 1

The accompanying Notes of Accounts are an integral part of financial statements.

As per our report of even date

**For A.K. Meharia & Associates**  
Firm Registration Number-324666E  
Chartered Accountants

**For and on behalf of Board**

**(Nidhi B. Sardar)**  
Partner  
Membership Number 402040  
Place: Kolkata  
Date: 26th May, 2017

**Sudha Agarwalla**  
Managing Director  
DIN : 00938365

**Uttam Banerjee**  
Director  
DIN : 00607337

**Bhagwan Singh**  
Director  
DIN : 00607390

**Deba Prosad Banerjee**  
CFO

**DHANVERDHI EXPORTS LIMITED****CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

		(Amount in ₹) For the Year 2016 - 2017	(Amount in ₹) For the Year 2015 - 2016
<b>INCOM</b>	NOTES		
Revenue from Operation		-	-
Other Income	12	<b>468,828.72</b>	791,525.03
<b>Total Revenue</b>		<b>468,828.72</b>	791,525.03
<b>EXPENSES</b>			
Employee Benefit Expenses	13	<b>176,911.00</b>	220,214.00
Others expenses	14	<b>234,753.00</b>	395,722.50
<b>Total Expenses</b>		<b>411,664.00</b>	615,936.50
<b>Profit/(Loss) Before Tax</b>		<b>57,164.72</b>	175,588.53
<b>Tax Expense:</b>			
Current Tax		<b>(15,050.00)</b>	(37,615.00)
Deferred Tax		<b>67,152.78</b>	-
Short Provision for Income Tax		<b>(971.00)</b>	(39,689.00)
Share of profit(loss) in associates		<b>1,042,867.13</b>	1,230,702.69
<b>Profit/(Loss) for the Period</b>		<b>1,151,163.63</b>	1,328,987.22
<b>Earning Per equity Share-Basic &amp; Diluted</b>	15	<b>1.15</b>	1.33
Face Value Per Share (In ₹)		<b>10.00</b>	10.00
Significant Accounting Policies	1		

The accompanying Notes of Accounts are an integral part of financial statements.

As per our report of even date

**For A.K. Meharia & Associates**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sarda)**

Partner

Membership Number 402040

Place: Kolkata

Date: 26th May, 2017

**Sudha Agarwalla**

Managing Director

DIN : 00938365

**For and on behalf of Board**

**Uttam Banerjee**

Director

DIN : 00607337

**Bhagwan Singh**

Director

DIN : 00607390

**Deba Prosad Banerjee**

CFO

**DHANVERDHI EXPORTS LIMITED****CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

	(Amount in ₹) AS AT 31ST MARCH, 2017	(Amount in ₹) AS AT 31ST MARCH, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation	57,164.72	175,588.53
Adjustment For:		
Other Income	(757.96)	-
Profit on sale of investment	(468,070.76)	(791,525.03)
<b>Operating Loss before working capital changes</b>	<b>(411,664.00)</b>	<b>(615,936.50)</b>
Increase/(Decrease) in current liabilities & Provisions	(31,139.00)	(543,030.00)
Increase/Decrease in Long Term Provision	(13,027.00)	13,593.00
Income Tax Paid for Earlier Year	(971.00)	(39,689.00)
<b>Net cash Flow from Operating Activities</b>	<b>A) (456,801.00)</b>	<b>(1,185,062.50)</b>
<b>CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Proceeds from sale of investment	2,452,789.54	9,133,929.65
Purchase of investment	(2,052,789.54)	(8,058,929.66)
Other Income	757.96	-
<b>Net Cash Flow from Investment Activities</b>	<b>B) 400,757.96</b>	<b>1,074,999.99</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Increase)/Decrease in Loans & Advances	320,000.00	178,314.50
<b>Net Cash Flow from Financing Activities</b>	<b>C) 320,000.00</b>	<b>178,314.50</b>
Net Increase /(decrease) in cash & cash equivalent	<b>(A+B+C) 263,956.96</b>	<b>68,251.99</b>
Cash & Cash Equivalent (opening Balance)	615,203.44	546,951.45
Cash & Cash Equivalent (Closing Balance)	<b>879,160.40</b>	<b>615,203.44</b>

Notes:

1 The Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 'Cash Flow Statement' as specified in Companies (Accounts) Rules, 2014

2 Figures of the previous period has been rearranged/ regrouped where ever considered necessary.

**For A.K. Meharia & Associates**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sarda)**

Partner

Membership Number 402040

Place: Kolkata

Date: 26th May, 2017

**Sudha Agarwalla**

Managing Director

DIN : 00938365

**For and on behalf of Board****Uttam Banerjee**

Director

DIN : 00607337

**Bhagwan Singh**

Director

DIN : 00607390

**Deba Prosad Banerjee**

CFO

## **DHANVERDHI EXPORTS LIMITED**

### **Notes to Consolidated Financial Statements for the year ended 31st March, 2017**

#### **NOTE - 1**

##### **SIGNIFICANT ACCOUNTING POLICIES**

###### **a)Basis of Preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

###### **b)Principals of Consolidation**

The Consolidated Financial Statements consist of DHANVERDHI EXPORTS LIMITED ("the Company") and its Associates companies (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

- i)Investment in associates where the Company directly or indirectly holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – Accounting for Investments in Associates in Consolidated Financial Statements notified by Companies (Accounting Standards) Rules, 2006. The financial statements of the associates used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2017,
- ii)The difference between the cost of investment in the associates and the Group's share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- iii)The Group accounts for its share of post acquisition changes in net assets of associates, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.
- iv)Name of the Associates and their percentage shareholding

	<u>2016 - 2017</u>	<u>2015 - 2016</u>
Superlight Finance Pvt Ltd	31.99%	31.99%
Valley Magnesite Company Ltd	23.33%	23.33%

###### **c)Investments**

i)Investments are classified into current and Long -term investment. Current Investments are stated at lower of cost and fair market value. Long Term Investments are stated at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.

ii)The Equity investment in Associates where company has significant influence but not control is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date

###### **d)Earning Per Share**

Basic and Diluted Earnings per shares are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

## **DHANVERDHI EXPORTS LIMITED**

### **e)Taxation**

Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income Tax Act, 1961, Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and law that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in future.

### **f)Employee Benefits**

Gratuity Liability has been provided on the basis of actuarial valuation. The company does not contribute to any fund for gratuity for its employees. The cost of providing benefits is determined on the basis of actuarial valuation at each year end using projected unit credit method. Actuarial gain and losses is recognized in the period in which they occur in the statement of profit and loss.

### **g)Provision & Contingent Liability**

A provision is recognized when there is a present obligation as a result of past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. These are reviewed at each year end and adjusted to reflect the best current estimates. Contingent liabilities are not recognised but disclosed in the financial statements.

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As per our report of even date

**For A.K. Meharia & Associates**

**For and on behalf of Board**

Firm Registration Number-324666E

Chartered Accountants

**(Nidhi B. Sardar)**

Partner

Membership Number 402040

Place: Kolkata

Date: 26th May, 2017

**Sudha Agarwalla**

Managing Director

DIN : 00938365

**Uttam Banerjee**

Director

DIN : 00607337

**Bhagwan Singh**

Director

DIN : 00607390

**Deba Prosad Banerjee**

CFO

## DHANVERDHI EXPORTS LIMITED

### Notes to Consolidated Financial Statements for the year ended 31st March, 2017

	(Amount in ₹) AS AT 31ST MARCH, 2017	(Amount in ₹) AS AT 31ST MARCH, 2016
<b>NOTE - 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Shares:</b>		
10,00,000 (PY:10,00,000) Equity Shares of Rs.10/-each	10,000,000.00	10,000,000.00
<b>Issued, Subscribed &amp; fully Paid - up Shares</b>		
10,00,000 (PY:10,00,000) Equity Shares of Rs.10/-each	10,000,000.00	10,000,000.00
	10,000,000.00	10,000,000.00

**a) Terms/rights attached to equity shares.**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

**b) Details of shareholders holding more than 5% shares in the company**

	AS AT 31ST MARCH, 2017		AS AT 31ST MARCH, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of Rs.10 each fully paid up</b>				
Swagtam Distributors Pvt. Ltd.	138,750	13.88%	138,750	13.88%
Arun Kumar Agarwalla (HUF)	50,000	5.00%	50,000	5.00%
Vidyut Dealers Pvt Ltd	140,000	14.00%	140,000	14.00%
Arun Kumar Agarwalla	71,250	7.13%	71,250	7.13%

**NOTE - 3**

**RESERVES & SURPLUS**

**Profit & Loss Account**

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Balance as per last financial statement	6,429,168.95	3,878,269.39
Profit/(Loss) for the year	1,151,163.63	1,328,987.22
Profit on consolidation	-	1,221,912.34
	7,580,332.58	6,429,168.95
	7,580,332.58	6,429,168.95

**NOTE - 4**

**LONG TERM PROVISIONS**

Provision for Gratuity	566.00	13,593.00
	566.00	13,593.00

**NOTE - 5**

**OTHER CURRENT LIABILITIES**

Sundry Creditors for Exp. & Others	44,670.00	63,413.00
	44,670.00	63,413.00

**NOTE - 6**

**SHORT TERM PROVISIONS**

Provision for Gratuity	35,549.00	10,330.00
Provision for Taxation	15,050.00	37,615.00
	50,599.00	47,945.00

## DHANVERDHI EXPORTS LIMITED

### Notes to Consolidated Financial Statements for the year ended 31st March, 2017

	(Amount in ₹) AS AT 31ST MARCH, 2017	(Amount in ₹) AS AT 31ST MARCH, 2016
<b>NOTE - 7</b>		
<b>NON CURRENT INVESTMENTS</b>		
<u>Trade Investments (Valued at cost unless stated otherwise)</u>		
<u>Quoted Equity Instruments</u>		
2,45,000 (P.Y:2,45,000) Equity Share of Valley Magnesite Co. Ltd (excluding ` 7259284.29 (p.y- 7259284.29) of capital reserve arising on consolidation Add:Share of post acquisition profit(net of losses)	<b>788,700.00</b>	788,700.00
	<b><u>3,511,908.73</u></b>	<b><u>2,470,391.08</u></b>
	<b>4,300,608.73</b>	3,259,091.08
7,57,000 (P.Y:7,57,000) Equity Share of Ganodaya Finlease Ltd.	<b>1,026,900.00</b>	1,026,900.00
4,76,400 (P.Y:4,76,400) Equity Share of Saumya Consultants Ltd.	<b>1,037,455.90</b>	1,037,455.90
	<b><u>6,364,964.63</u></b>	<b><u>5,323,446.98</u></b>
<u>Unquoted Equity Instruments</u>		
(Face Value: Rs.10/- each fully paid up)		
<u>Investment in Associates</u>		
72,000 ( P.Y. 72,000) Equity Share of Superlight Finance Pvt Ltd (excluding ` 524797.09 (p.y-524797.09 ) of capital reserve arising on consolidation Add:Share of post acquisition profit(net of losses)	<b>640,000.00</b>	640,000.00
	<b><u>(16,426.57)</u></b>	<b><u>(17,776.05)</u></b>
	<b>623,573.43</b>	622,223.95
<u>Investment in other company</u>		
20,000 ( P.Y. 20,000) Equity Share of Windsor Mercantiles Pvt Ltd	<b>200,000.00</b>	200,000.00
40,000 ( P.Y. 40,000) Equity Share of Core Mercantiles Pvt Ltd	<b>400,000.00</b>	400,000.00
27,000 ( P.Y. 27,000) Equity Share of Bright Finance Pvt Ltd	<b>270,000.00</b>	270,000.00
	<b><u>870,000.00</u></b>	<b><u>870,000.00</u></b>
Total Investment	<b><u>7,858,538.06</u></b>	<b><u>6,815,670.93</u></b>
Market Value of Quoted Investment	<b><u>11,425,488.00</u></b>	<b><u>20,258,950.00</u></b>
<b>NOTE - 8</b>		
<b>DEFERRED TAX ASSETS</b>		
<u>On account of</u>		
Losses Carried Forward	<b>587,230.00</b>	531,237.22
Income Tax Disallowances to be allowed on payments	<b>11,160.00</b>	-
	<b><u>598,390.00</u></b>	<b><u>531,237.22</u></b>
<b>NOTE - 9</b>		
<b>CURRENT INVESTMENTS</b>		
<u>Trade Investments (Valued at cost unless stated otherwise)</u>		
<u>Mutual Fund</u>		
17564.217 ( P.Y.: Nil ) Reliance Regular Savings Fund -Balanced Plan G	<b>775,000.00</b>	-
446255.141 (P.Y: 446255.141)HDFC Corporate Debt Opportunities Fund	<b>5,044,423.49</b>	5,044,423.49
120584.748(P.Y: 120584.748)Reliance Corporate Bond Fund	<b>1,322,706.16</b>	1,322,706.16
253.834 (P.Y 432.308)Reliance Money Manager Fund Growth Plan G	<b>548,579.11</b>	847,189.84
Nil (P.Y. 21153.002)Reliance Monthly Income Plan-G	-	408,318.51
33920.99 (P.Y. 33920.99)Reliance regular Savings fund-Debt Plan	<b>549,038.36</b>	549,038.36
	<b><u>8,239,747.12</u></b>	<b><u>8,171,676.36</u></b>
Market Value of Mutual Funds Investment	<b><u>9,810,995.71</u></b>	<b><u>9,230,005.59</u></b>
<b>NOTE - 10</b>		
<b>CASH &amp; BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalent</b>		
<u>Balances with bank:</u>		
On Current Accounts:	<b>90,156.14</b>	49,490.18
Cash in hand	<b>789,004.26</b>	565,713.26
	<b><u>879,160.40</u></b>	<b><u>615,203.44</u></b>

## DHANVERDHI EXPORTS LIMITED

<b>NOTE - 11</b>	<b>(Amount in ₹)</b>	<b>(Amount in ₹)</b>
<b>SHORT TERM LOANS AND ADVANCES</b>	<b>AS AT</b>	<b>AS AT</b>
<b>(Unsecured considered good)</b>	<b>31ST MARCH, 2017</b>	<b>31ST MARCH, 2016</b>
Advances recoverable in cash or in kind to Others		
To Related Parties	-	-
To Others	-	370,000.00
Income Tax Refundable	<b>50,332.00</b>	50,332.00
Advance Tax	<b>50,000.00</b>	-
	<b>100,332.00</b>	<b>420,332.00</b>
	<b>(Amount in ₹)</b>	<b>(Amount in ₹)</b>
	<b>For the Year</b>	<b>For the Year</b>
	<b>2016 - 2017</b>	<b>2015 - 2016</b>
<b>NOTE - 12</b>		
<b>OTHER INCOME</b>		
Profit on Sale of Investment	<b>468,070.76</b>	791,525.03
Other Income	<b>757.96</b>	-
	<b>468,828.72</b>	<b>791,525.03</b>
<b>NOTE - 13</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Bonus	<b>164,719.00</b>	210,934.00
Gratuity	<b>12,192.00</b>	9,280.00
	<b>176,911.00</b>	<b>220,214.00</b>
<b>NOTE - 14</b>		
<b>OTHER EXPENSES</b>		
Payment to Auditor (Refer details below)	<b>34,500.00</b>	34,350.00
Advertisement Charge	<b>10,887.00</b>	44,508.00
Travelling & Conveyance	<b>11,162.00</b>	21,726.00
Miscellaneous Expenses	<b>25,929.00</b>	64,494.00
Listing Fees	-	28,430.00
Car Hire Charges	<b>5,415.00</b>	46,017.00
Printing & Stationary Charge	<b>6,390.00</b>	23,998.00
Depository Charges	<b>13,367.00</b>	43,796.00
Legal & Professional charges	<b>100,876.00</b>	45,783.00
Registrar Fees	<b>16,450.00</b>	26,069.50
Internal Audit Fees	<b>6,000.00</b>	6,000.00
Interest on Income Tax	<b>3,777.00</b>	10,551.00
	<b>234,753.00</b>	<b>395,722.50</b>
<b>Payment to Auditor</b>		
<u>As Auditor (Including Service Tax)</u>		
Statutory Audit Fee	<b>34,500.00</b>	34,350.00
	<b>34,500.00</b>	<b>34,350.00</b>
<b>NOTE - 15</b>		
<b>EARNINGS PER SHARE(EPS)</b>		
Net profit/(loss) after tax as per statement of Profit and Loss attributable to Equity Shareholders	<b>1,151,163.63</b>	1,328,987.22
Weighted average number of equity shares used as denominator for calculating EPS	<b>1000000</b>	1000000
Basic & Diluted Earning Per Share	<b>1.15</b>	1.33

## **DHANVERDHI EXPORTS LIMITED**

### **NOTE - 16**

As per information available with the Company, there are no suppliers covered under Micro, Small & Medium Enterprises Development Act, 2006. As a result, no interest provision/payment have been made by the Company to such creditors, if any, and no disclosure thereof is made in this account.

### **NOTE - 17**

The company does not possess any kind of Fixed Assets.

### **NOTE - 18**

#### **RELATED PARTY DISCLOSURE**

There is no transaction or balance outstanding at the end of the period with the related parties in terms of the provisions as per Accounting Standard - 18, hence no disclosures of transactions with the related parties are given.

### **NOTE - 19**

Previous year figures have been regrouped/rearranged wherever considered necessary.

### **NOTE - 20**

#### **SEGMENT REPORTING**

The Company has only one segment of business i.e. Investment & Finance and the Company operates in a single geographical segment viz. India, accordingly no separate segment reporting is applicable to the company.

### **NOTE - 21**

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are provided in the table below:

	SBN's	Other denomination Notes	Total
Closing Cash in hand as on 08.11.2016	400,000.00	315,170.26	715,170.26
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in banks	400,000.00	-	400,000.00
Closing Cash in hand as on 30.12.2016	-	550,054.26	550,054.26

### **NOTE - 22**

#### **DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 "EMPLOYEE BENEFIT"**

##### **(a) Net Employee Benefit Expenses (Recognised in Employee Benefits Expense)**

(I) Current Service Cost	<b>5,308.00</b>	7,969.00
(ii) Interest Cost	<b>1,794.00</b>	1,171.00
(iii) Expected return on Plan Assets	-	-
(iv) Actuarial (gain) / Losses on obligation	<b>5,090.00</b>	140.00
(v) Total Expenses	<b>12,192.00</b>	9,280.00

##### **(b) Net Assets (Liability) recognized in Balance Sheet**

(I) Present value of obligation at the end of the year	<b>36,115.00</b>	23,923.00
(ii) Fair value of Plan Assets	-	-
(iii) Net Plan Assets / (Liability)	<b>(36,115.00)</b>	(23,923.00)

**DHANVERDHI EXPORTS LIMITED****C) Change in obligation during the year**

(i) Present value of obligation at the beginning of the year	<b>23,923.00</b>	14,643.00
(ii) Current Service Cost	<b>5,308.00</b>	7,969.00
(iii) Interest Cost	<b>1,794.00</b>	1,171.00
(iv) Actuarial (Gain) / Losses on obligation	<b>5,090.00</b>	140.00
(v) Benefits Paid	-	-
(vii) Present value of obligation at the end of the year	<b>36,115.00</b>	23,923.00

**(d) Change in Fair Value of Plan Assets during the year**

(i) Plan Assets at the beginning of the year	-	-
(ii) Expected return on Plan Assets	-	-
(iii) Contributions by the employer	-	-
(iv) Benefits Paid	-	-
(v) Plan Assets at the end of the year	-	-

**(e) Actuarial Assumption**

(I) Discount Rate	<b>7.50%</b>	8.00%
(ii) Expected return on Plan Assets	<b>0.00%</b>	0.00%
(iii) Inflation Rate	<b>6.00%</b>	6.00%
(iv) Remaining Working Life	<b>10 Years</b>	11 Years
(v) Mortality Table	<b>Projected Unit Credit Method</b>	Projected Unit Credit Method

**NOTE - 23****CONTINGENT LIABILITIES**

The company has received a demand intimation from the CPC, Income Tax for the assessment year 2007-2008 for Rs.845843/- and against which the company has filed an rectification petition before the Income Tax assessing officer.

## **DHANVERDHI EXPORTS LIMITED**

(CIN:L52110WB1985PLC217048)

Regd.Office:- A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata – 700 001.

Phone:033-22436242,

Email: dhanverdhiexports@gmail.com ; Website: www.dhanverdhiexports.com

### **ATTENDANCE SLIP**

32nd Annual General Meeting- 20th September, 2017.

(To be presented at the entrance)

Name of the attending Member( In Block Letters)
Folio :
DP ID CLIENT ID No.:
No.of Shares Held :
Name of PROXY (In Block Letters , to be filled in if Proxy Attends instead of the Member)

I hereby record my presence at the 32nd Annual General Meeting of the Company held on Wednesday , 20th September, 2017 at 4.00 P.M at A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001

Signature of the Member/Proxy

(to be signed at the time of handing over this slip)

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## DHANVERDHI EXPORTS LIMITED

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**Form No. MGT 11**

### PROXY FORM

(32nd Annual General Meeting – 20th September, 2017)

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

Name of the Member(s)	
Registered Address	
Folio No./DP ID-Client ID	
E-Mail ID	
No.of Shares	

I/We , being the member(s) of \_\_\_\_\_ shares of the named company, hereby appoint

1.Name:	
Address:	
Email Id	Signature
or failing him	
2.Name:	
Address:	
Email Id	Signature
or failing him	
3.Name:	
Address:	
Email Id	Signature

as my proxy to attend and vote for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company , to be held on Wednesday , the 20th September, 2017 at A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Sl.No.	Resolution	For	Against
<b>Ordinary Business:</b>			
1.	Adoption of Financial Statements of the Company for the year ended 31st March, 2017 together with the Director's & Auditors Report thereon.		
2.	Appointment of V.M.D & Associates, Chartered Accountants as Statutory Auditors of the Company .		
3.	To appoint a Director in place of Mr. Uttam Banerjee who retires by rotation and being eligible, offers himself for re-appointment.		

Signed this \_\_\_ day of \_\_\_\_\_ 2017

Signature of Member

Signature of proxy

Revenue  
Stamp

Notes:1) The proxy form to be effective should be duly completed , dated, signed , stamped and deposited at the registered office of the company at least 48 hours before the time fixed for holding the meeting.

(2) Please bring your copy of Annual Report to the Meeting.

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## Form No. MGT-12

### Polling Paper

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

**Name of the Company :** Dhanverdhi Exports Ltd.  
**Registered Office:** A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001.  
**CIN:** L52110WB1985PLC217048

### BALLOT PAPER

Name sole /First Named Shareholder (In Block Letters)			
Postal Address		1.	
Registered Folio No/ Client ID No.		No.of. Shares Held	

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

Sl.No.	Resolution	I/We assent to the resolution <b>For</b>	I/We dissent to the resolution <b>Against</b>
<b>Ordinary Business:</b>			
1.	Adoption of Financial Statements of the Company for the year ended 31st March, 2017 together with the Director's & Auditors Report thereon.		
2.	Appointment of V.M.D & Associates, Chartered Accountants as Statutory Auditors of the Company .		
3.	To appoint a Director in place of Mr. Uttam Banerjee who retires by rotation and being eligible, offers himself for re-appointment.		

Signed this \_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder(s)

Place \_\_\_\_\_

.....

Note: Please read the instructions overleaf before exercising your vote.

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## **DHANVERDHI EXPORTS LIMITED**

### **INSTRUCTIONS**

1. This ballot paper is provided to enable the shareholder(s) or their proxy(ies) for voting by way of Ballot Paper, who does not have access to e-voting facility and / or who have not voted through e-voting , so that they can also participate in voting process through physical Ballot Paper.
2. A Member can opt for only one mode of voting i.e through e-voting or by Ballot Paper. If a Member casts votes by both modes, then voting done through e-voting shall prevail and voting by Ballot Paper shall be treated as invalid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system as well as the votes received through physical Ballot Papers from member(s) at the venue of AGM for declaring the final result for each of the Resolutions forming part of **32nd AGM** Notice of Company.

### **Process and Manner for Members opting to vote by using the Ballot Paper.**

1. Please complete and sign this Ballot Paper and drop in the locked Ballot Box provided in the meeting hall of this AGM for voting purpose.
2. This Ballot Paper should be signed by the Member as per the specimen signature registered with Registrar and Share Transfer Agent of the Company viz. M/s S.K.Infosolutions Pvt.Ltd. or by their proxy(ies) duly authorized by the Member. In case of Joint holding , the Ballot Paper should be completed and signed by the first named Member and in his/her absence, by the next named joint holder or by their proxy(ies) duly authorised by any Joint Holder(s). A power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an duly attested / notarized copy of the POA.
3. In case the shares are held by companies, trusts, societies etc . the duly completed Ballot Paper should be accompanied by a certified true copy of the relevant Board Resolution / Authorization document(s).
4. Votes should be cast in case of each resolution separately either in favour or against by putting (✓) mark in the respective column provided in the Ballot Paper.
5. The voting rights of shareholders shall be in proportion of the shares held by them in the Paid-up Equity Share Capital of the Company as on **Wednesday, 13th September, 2017** and each such share carries one voting right.
6. A member may request Ballot Paper from the Company or they can download the same from the website of the Company viz: [www.dhanverdhiexports.com](http://www.dhanverdhiexports.com) , if so required.
7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Papers will be rejected. The Ballot Papers will also be rejected if it is torned , defaced or mutilated to the extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified with the available records.
8. The decision of the Scrutinizer on the validity of the Ballot Paper and any other related matter shall be final and binding.
9. The results declared alongwith Scrutinizer's Report shall be placed on the Company's website i.e [www.dhanverdhiexports.com](http://www.dhanverdhiexports.com) within 3 working days of the conclusion of this AGM and on the website of CDSL whenever they upload, and will simultaneously be forwarded to the Stock Exchange(s) where the Company's shares are listed.

## Route Map to AGM Venue

