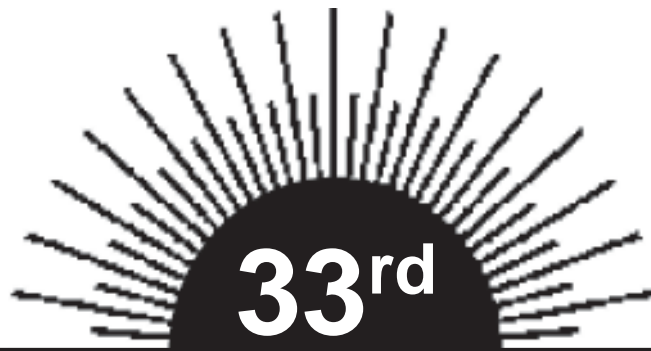


DHANALAXMI ROTO SPINNERS LIMITED



**ANNUAL REPORT
2019-2020**

Dhanalaxmi Roto Spinners Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

Rajkumar Inani	Managing Director	(DIN: 00885466)
Narayan Inani	Executive Director cum CFO	(DIN: 00525403)
Anirudh Inani	Whole Time Director	(DIN: 02253588)
Shyamsundar Jakhota	Chairman and Independent Director	(DIN: 00562306)
Kasturi Nagendra Prasad	Independent Director	(DIN: 00562599)
Simanth Roy Chowdhury	Independent Director	(DIN: 02479099)
Natasha Inani	Director	(DIN: 02691300)

COMPANY SECRETARY CUM COMPLIANCE OFFICER

Mrs. Anamika Khare Compliance Office (Membership No: A32499)

AUDIT COMMITTEE

K. N. Prasad	Chairman
Shyamsundar Jakhota	Member
Narayan Inani	Member

NOMINATION AND REMUNERATION COMMITTEE

Simanth Roy Chowdhury	Chairman
Shyamsundar Jakhota	Member
K.N. Prasad	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shyamsundar Jakhota	Chairman
K.N. Prasad	Member
Rajkumar Inani	Member

AUDITORS

M/s JEEDIGUNTA & CO

Chartered Accountants,
304, Legend Towers II,
Barkatpura, Hyderabad-500027,

REGISTERED OFFICE

DHANALAXMI ROTO SPINNERS LIMITED

Sy. No. 114 & 115, Station Road,
Thimmapur-509325
Ranga Reddy Dist. (Telangana)
E-mail: dhanlaxmiroto@yahoo.co.in
dhanroto@gmail.com
info@dhanroto.com
investor.relations@dhanroto.com
CIN: L18100TG1987PLC007769

CORPORATE OFFICE :

The Laxmi, 8-2-686/B/6/D/K & 8-2-686/B/M/K, 4th Floor,
Road No. 12, Banjara Hills, Near Indian Bank,
Hyderabad-500034, Telangana, India

BANKERS:

TAMILNAD MERCANTILE BANK LIMITED

15-2-696, 1st Floor, Kishangunj,
Siddiamber Bazar, Hyderabad-500012

CANBANK FACTORS LIMITED

(A SUBSIDIARY OF CANARA BANK)
Hyderabad Branch, Road No. 19,
Himayath Nagar, Hyderabad-500029

SHARE TRANSFER AGENTS / DEMAT REGISTRARS

CIL SECURITIES LIMITED

214, Raghava Ratna Towers, Chirag Ali Lane
Abids, Hyderabad-500 001
CIN : L67120TG1989PLC010188
SEBI Registration No. : INR000002276
E-Mail: rta@cilsecurities.com
Contact: Mr. VSM Yadav Raju
Contact No: 040-23202465 / 9666375981

Dhanalaxmi Roto Spinners Limited

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of **DHANALAXMI ROTO SPINNERS LIMITED** will be held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") on Wednesday, the 30th Day of September, 2020 at 12.30 P.M. to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended on that date, together with the Cash Flow Statement and the reports of the Board of Directors and Auditors thereof.
2. To Appoint a Director in place of Mr. Narayan Inani who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

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

"**RESOLVED THAT** subject to the provisions of Section 196, 197 & 203 and if any other applicable provisions of the Companies Act, 2013 and in accordance with the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 consent of the members is be and hereby given for re-appointment of Mr. Rajkumar Inani as Managing Director of the Company for the tenure of Three (3) years with effect from April 1, 2021 to March 31, 2024 on monthly remuneration of Rs. 2,50,000 as recommended by Nomination & Remuneration committee whose office shall be liable to determination by retirement of directors by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc., within the limits prescribed under Schedule V of the Companies Act, 2013 as amended from time to time."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution."

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

"**RESOLVED THAT** subject to the provisions of Section 196, 197 & 203 and if any other applicable provisions of the Companies Act, 2013 and in accordance with the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 consent of the members is be and hereby given for re-appointment of Mr. Narayan Inani as Executive Director of the Company for the tenure of Three (3) years with effect from July 1, 2021 to June 30, 2024 on monthly remuneration of Rs. 2,50,000 as recommended by Nomination & Remuneration committee whose office shall be liable to determination by retirement of directors by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc., within the limits prescribed under Schedule V of the Companies Act, 2013 as amended from time to time."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution."

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

"**RESOLVED THAT** subject to the provisions of Section 196, 197 & 203 and if any other applicable provisions of the Companies Act, 2013 and in accordance with the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 consent of the members is be and hereby given for re-appointment of Mr. Anirudh Inani as Whole-Time Director of the Company for the tenure of Three (3) years with effect from July 1, 2021 to June 30, 2024 on monthly remuneration of Rs. 2,50,000 as recommended by Nomination & Remuneration committee whose office shall be liable to determination by retirement of directors by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc., within the limits prescribed under Schedule V of the Companies Act, 2013 as amended from time to time."

Dhanalaxmi Roto Spinners Limited

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution.

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

“**RESOLVED THAT** subject to the provisions of Section 196, 197 & 203 and if any other applicable provisions of the Companies Act, 2013 and in accordance with the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 consent of the members is be and hereby given for Change in Designation of Mrs. Natasha Inani from Non-Executive Director to Executive Director of the Company for the tenure of Three (3) years with effect from October 1, 2020 to September 30, 2023 on monthly remuneration of Rs. 1,50,000 as recommended by Nomination & Remuneration committee whose office shall be liable to determination by retirement of directors by rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc within the limits prescribed under Schedule V of the Companies Act, 2013 as amended from time to time.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution.

By Order of the Board
For **DHANALAXMI ROTO SPINNERS LIMITED**

Place: Thimmapur
Date : 30.08.2020

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository Participants. Members who hold shares in physical form are requested to register their email address with Company’s Registrar and Transfer Agents i.e., M/s. CIL SECURITIES LTD., 214, RAGHAVA RATNA TOWERS, CHIRAG ALI LANE, ABIDS, HYDERABAD-500 001.

NOTES:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-Voting.

Dhanalaxmi Roto Spinners Limited

5. Members will be able to attend the AGM through VC/OAVM. Members participating through the VC / OAVM facility shall be reckoned for the purpose of Quorum under section 103 of the Companies Act, 2013
6. Members holding shares in Demat are requested to intimate their respective Depository Holders (**participant**) relating to their change of addresses.
7. Corporate Members are requested to send to the Company's Registrar & Transfer Agents duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
8. Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address is requested to register their email address with Company's Registrar and Transfer Agents so that the Copy of Annual Report can be sent via mail.

9. Instructions for Shareholders for remote e-Voting

The business as set out in the Notice may be transacted and that:

(A) The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(B) The Facility for voting, through electronic voting system shall also be made available before the Video Conferencing meeting and members attending the meeting who have not already cast their vote may exercise their vote.

(C) The Members who have cast their vote by remote e-Voting shall not be entitled to cast their vote again.

The procedure and instructions for members for voting electronically are as under:

The voting period begins at 9.30 A.M. on 27-09-2020 and ends at 5.00 P.M. on 29-09-2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd day of September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The Company has appointed Shailesh Baheti, Practicing Company Secretary, Partner Baheti Gupta & Co., who in the opinion of the Board is duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner.

i) Open your web browser during the voting period and log on to the e-Voting website **www.evotingindia.com**

ii) Now click on "Shareholders" to cast your votes.

iii) User-ID for Members holding shares in Demat Form:-

a) For CDSL : 16 digits beneficiary ID

b) For NSDL : 8 Character DPID followed by 8 Digits Client ID

For Members holding shares in Physical Form :-

a) Folio Number registered with the Company Or

b) Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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- vii) After entering these details appropriately, click on "SUBMIT" tab
- viii) 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.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi) 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.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) 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.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) 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.
- xvii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

Note for Non – Individual Shareholders and Custodians

- ◆ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- ◆ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- ◆ The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- ◆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; accounts@dhanroto.com and info@bahetiguptanco.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**.
- xix) The results shall be declared on or after AGM and will be announced accordingly in Compliance with provision of Section 108 of the Companies Act, 2013 and rule 20 of the companies (Management and Administration) Rules, 2014.
10. 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 (record date) of 23rd day of September 2020.
11. **Process for those shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**
- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

Dhanalaxmi Roto Spinners Limited

b) For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

12. Instructions for shareholders attending the AGM through VC/OAVM are as under:

- A) Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- B) Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- C) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- D) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- E) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- F) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

G) Instructions For Shareholders for e-Voting During the AGM are as Under:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
 3. If any Votes are cast by the shareholders through the e-Voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
 4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.
14. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.

By Order of the Board
For **DHANALAXMI ROTO SPINNERS LIMITED**

Place : Thimmapur
Date : 30.08.2020

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

Dhanalaxmi Roto Spinners Limited

Explanatory Statement (Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice:

Item No. 3: Re-Appointment of Mr. Rajkumar Inani as Managing Director

Mr. Rajkumar Inani is the Managing Director of the Company who holds office as Managing Director till 31/03/2021. Nomination and Remuneration committee keeping in view his vast and rich experience and expertise has recommended the Board his re-appointment as Managing Director for another period of 3 years and your Board of Directors at their meeting held on 30th day of August 2020 appointed him as Managing Director for a period of three years w.e.f.01/04/2021 subject to the approval of members.

The terms of his appointment are as follows:

1. Remuneration of Rs. 2,50,000 per month
2. Period of Appointment: 3 years beginning from 01st April 2021 to 31st March 2024.
3. Appointment may be terminated by either party by giving 3 months notice in writing of such termination or as may be mutually agreed between the parties.

The Board considers that his continued association would be of immense benefit to the Company in all round progress and prosperity of the company.

Disclosures as required to be made to the members for payment of remuneration in case of inadequacy of profits in accordance with the provisions of Companies Act, 2013 and schedule V is set out below.

Except Mr. Rajkumar Inani, being an appointee, and Mr. Narayan Inani, Mr. Anirudh Inani and Mrs. Natasha Inani being relatives of the proposed appointee none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3

In compliance with the provisions of section 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under re-appointment of Mr. Rajkumar Inani as a Managing Director for a period of 3 years commencing from 01/04/2021 is now being placed before the Members for their approval.

Item No. 4: Re-Appointment of Mr. Narayan Inani as Executive Director.

Mr. Narayan Inani has been appointed as Executive Director of the Company on July 1, 2018 for a term of three years and his office of Executive Directors will end on 30th June, 2021. Nomination and Remuneration committee keeping in view of his vast and rich experience and expertise has recommended the Board his re-appointment as Executive Director for another period of 3 years and your Board of Directors at their meeting held on 30th day of August, 2020 appointed him as Executive Director for a period of three years w.e.f. 01/07/2021 subject to the approval of members.

The terms of his appointment are as follows:

1. Remuneration of Rs. 2,50,000 per month
2. Period of Appointment: 3 years beginning from 01st July 2021 to 30th June 2024.
3. Appointment may be terminated by either party by giving 3 months' notice in writing of such termination or as may be mutually agreed between the parties.

The Board considers that his continued association would be of immense benefit to the Company in all round progress and prosperity of the company.

Disclosures as required to be made to the members for payment of remuneration in case of inadequacy of profits in accordance with the provisions of Companies Act, 2013 and schedule V is set out below.

Except Mr. Narayan Inani, being an appointee, and Mr. Rajkumar Inani, Mr. Anirudh Inani and Mrs. Natasha Inani being relatives of the proposed appointee none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

In compliance with the provisions of section 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under re-appointment of Mr. Narayan Inani as a Executive Director for a period of 3 years commencing from 01/07/2021 is now being placed before the Members for their approval.

Item No. 5: Re-Appointment of Mr. Anirudh Inani as Whole Time Director

Mr. Anirudh Inani has been appointed as Whole Time Director of the Company on July 1, 2018 for a term of three years and his office of Whole Time Director will end on 30th June, 2021. Nomination and Remuneration committee keeping in

Dhanalaxmi Roto Spinners Limited

view his vast and rich experience and expertise has recommended the Board his re-appointment as Whole Time Director for another period of 3 years and your Board of Directors at their meeting held on 30th day of August, 2020 appointed him as Whole Time Director for a period of three years w.e.f. 01/07/2021 subject to the approval of members.

The terms of his appointment are as follows:

1. Remuneration of Rs. 2,50,000 per month
2. Period of Appointment: 3 years beginning from 01st July 2021 to 30th June 2024.
3. Appointment may be terminated by either party by giving 3 months notice in writing of such termination or as may be mutually agreed between the parties.

The Board considers that his continued association would be of immense benefit to the Company in all round progress and prosperity of the company.

Disclosures as required to be made to the members for payment of remuneration in case of inadequacy of profits in accordance with the provisions of Companies Act, 2013 and schedule V is set out below.

Except Mr. Anirudh Inani, being an appointee and Mr. Narayan Inani, Mr. Rajkumar Inani & Mrs. Natasha Inani, being relatives of the proposed appointee none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

In compliance with the provisions of section 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under re-appointment of Mr. Anirudh Inani as a Whole Time Director for a period of 3 years commencing from 01/07/2021 is now being placed before the Members for their approval.

Item No. 6: Change in Designation of Mrs. Natasha Inani from Non-Executive Director to Executive Director.

Mrs. Natasha Inani has been appointed as Non-Executive Director of the Company on March 10, 2015. Nomination and Remuneration committee keeping in view of her vast and rich experience and expertise has recommended the Board for her Change in Designation from Non-Executive Director to Executive Director and your Board of Directors at their meeting held on 30th day of August, 2020 appointed her as Executive Director w.e.f. 01/10/2020 for a period of 3 years subject to the approval of members.

The terms of her appointment are as follows:

1. Remuneration of Rs. 1,50,000 per month
2. Period of Appointment: 3 years beginning from 01st October 2020 to 30th September, 2023.
3. Appointment may be terminated by either party by giving 3 months notice in writing of such termination or as may be mutually agreed between the parties.

The Board considers that her continued association would be of immense benefit to the Company in all round progress and prosperity of the company.

Disclosures as required to be made to the members for payment of remuneration in case of inadequacy of profits in accordance with the provisions of Companies Act, 2013 and schedule V is set out below.

Except Mrs. Natasha Inani, being an appointee and Mr. Raj Kumar Inani, Mr. Anirudh Inani and Mr. Narayan Inani being relatives of the proposed appointee none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

In compliance with the provisions of section 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under Change in Designation of Mrs. Natasha Inani from Non-Executive Director to Executive Director commencing from 01/10/2020 is now being placed before the Members for their approval.

ADDITIONAL DISCLOSURES REQUIRED TO BE MADE IN ACCORDANCE WITH THE PROVISIONS OF COMPANIES ACT, 2013 READ WITH SCHEDULE V OF THE ACT IN RESPECT OF ITEM NO. 3, 4, 5 & 6

The Nomination and Remuneration Committee recommended the re-appointment of Mr. Rajkumar Inani as Managing Director for a period of three years w.e.f. 01/04/2021, Mr. Narayan Inani, as Executive Director for a period of three years w.e.f. 01/07/2021 and Mr. Anirudh Inani, as Whole Time Director for a period of three years w.e.f. 01/07/2021 at the same remuneration paid to them earlier and Mrs. Natasha Inani as Executive Director for a period of 3 years w.e.f. 01/10/2020 at the remuneration of Rs. 1,50,000 per month. The decision to re-appoint, change in designation and payment of remuneration was taken after considering the current position of the Company and prevailing market conditions and after review of existing remuneration paid to them.

The Committee while approving the remuneration has taken into consideration the limits as specified under section II(A) of Part II of Schedule V of the Companies Act, 2013 which inter alia provides remuneration payable in case of inadequacy of profits or no profits.

Dhanalaxmi Roto Spinners Limited

Mr. Rajkumar Inani, Mr. Narayan Inani, Mr. Anirudh Inani and Mrs. Natasha Inani are associated with the Company since long period and have contributed towards the growth of Company. Their continued association provided immense benefits to the Company and therefore Nomination and Remuneration Committee and the Board of Directors appreciated the contributions made by them towards the growth and recognition of the Company and considering the same Board approved the re-appointments of Mr. Rajkumar Inani, Mr. Narayan Inani and Mr. Anirudh Inani as Managing Director, Executive Director and Whole Time-Director respectively and change in designation of Mrs. Natasha Inani from Non Executive Director to Executive Director and payment of the remuneration as tabled below, as recommended by the Nomination and Remuneration Committee subject to the approval of members as follows:

Name of the Director	Mr. Rajkumar Inani, Managing Director	Mr. Narayan Inani, Executive Director	Mr. Anirudh Inani, Whole Time Director	Mrs. Natasha Inani, Executive Director
Remuneration	2,50,000 per month	2,50,000 per month	2,50,000 per month	1,50,000 per month

The additional information as required under Section II of Part II of Schedule V of the Companies Act, 2013 is given below:

Details of Directors Seeking Appointment /Re-appointment/ Change in Terms of Appointment at the Annual General Meeting

In pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Mr. Narayan Inani	Mr. Anirudh Inani	Mr. Rajkumar Inani	Mrs. Natasha Inani,
DIN	00525403	02253588	00885466	02691300
Date of Birth	10/09/1968	30/04/1980	30/05/1964	06/10/1983
Date of Appointment	30/09/2003	30/06/2009	30/10/1992	10/03/2015
Qualifications	B.COM	MBA	B.Com	B.A.
Expertise in specific functional area	Mr. Narayan Inani is a Commerce Graduate and has wide experience in Finance and Administration	Mr. Anirudh Inani has done his Master of Business Administration and has wide experience in the field of Marketing.	Mr. Rajkumar Inani has done his Diploma in Textile and is one of first Director of the Company.	Mrs. Natasha Inani is a Graduate in Bachelor of Arts and has rich experience in Paper and Pulp Trading
List of Directorships of other Listed Companies as at 31 st March, 2020	-	-	Ankit India Limited	-
Memberships/ Chairmanships of committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee (Shareholders/ Investors Grievance Committee))	-	-	1	-
Number of Shares held in the Company	1,28,400	1,67,945	1,36,400	1,35,829

Further the three proposed appointee are promoters of the company and are brothers to each other & Mrs. Natasha Inani is wife of Mr. Anirudh Inani.

Dhanalaxmi Roto Spinners Limited

I. GENERAL INFORMATION

S.No	Nature of Industry	Trading, Import & Export			
1	Date or expected date of commencement of commercial Production	Your Company is a trading Company and hence no production activity is involved.			
2	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
3	Financial performance during last three years	(Rs. in Lakhs)			
		Particulars	FY 18-19	FY 17-18	FY 16-17
		Total Revenue	9966.02	7593.46	5425.35
		Profit After Tax	263.04	234.13	197.35
4	Foreign investments or Collaborators, if any	No foreign investment			

II. INFORMATION ABOUT THE DIRECTORS

1. Background of the Directors: Mr. Anirudh Inani has done his Master of Business Administration and has wide experience in the field of Marketing. Mr. Rajkumar Inani has done his diploma in Textile where as Mr. Narayan Inani is Commerce graduate and has wide experience in Finance and administration. Mrs. Natasha Inani has done Graduation in Bachelor of Arts.

2. Remuneration Details

Year	Mr. Rajkumar Inani	Mr. Narayan Inani	Mr. Anirudh Inani	Mrs. Natasha Inani
2018-19	30,00,000	30,00,000	30,00,000	-
2017-18	30,00,000	30,00,000	30,00,000	-
2016-17	17,20,000	16,80,000	16,40,000	-

III. OTHER INFORMATION

- The remuneration payable to executive directors has been considered and recommended by the Nomination and Remuneration Committee by taking into consideration the industry, size of the Company and experience and expertise of the Directors. The Directors have no pecuniary relationship directly or indirectly with the Company or with the managerial personnel except to the extent of their remuneration and shareholdings in the Company.
- Reasons of loss or inadequate profits: The performance of the Company in the last two financial years has been impacted due to slowdown in global and Indian economies. The situation has aggravated further due to Covid-19 Pandemic.
- Steps taken or proposed to be taken for improvement: The Company will remain committed to generating superior returns for its stakeholders. Dhanalaxmi Roto Spinners Limited would continue to drive growth through asset light business models and release cash by existing capital intensive business models.
- Expected increase in Turnover and profits in measurable terms: The aforesaid steps are taken by the Company to improve the Company's performance and profitability in the future.

By Order of the Board
For **DHANALAXMI ROTO SPINNERS LIMITED**

Place: Thimmapur
Date : 30.08.2020

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

Dhanalaxmi Roto Spinners Limited

BOARD'S REPORT

To The Members,

Your Directors have pleasure to present their 33rd Annual Report on the business and operations of the Company together with the audited statements of accounts for the financial year ended 31st March, 2020.

1. FINANCIAL HIGHLIGHTS

The Company's financial results for the year under review along with previous year's figures are given hereunder:
(Rs. in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Operations	7145.41	9,775.22
Other Income	208.39	190.81
Total Income	7,353.80	9,966.03
Expenses	7,108.75	9,666.91
Profits before exceptional and extraordinary items and tax	245.05	299.12
Exceptional Items	14.04	62.68
Profit Before Tax	259.09	361.80
Less: Tax Expenses	65.42	98.76
Net Profit After Tax	193.67	263.04

2. REVIEW OF OPERATIONS:

During the year under review, your Company has earned a Net Profit of Rs. 193.67 Lakhs when compared to Net Profit of Rs.263.04 Lakhs in the previous year. Net profit before taxation earned during the year under review amounted to Rs. 259.09 Lakhs as against Rs.361.80 Lakhs in the previous year.

3. DIVIDEND

To conserve the reserves of the Company, the Company has not proposed any dividend during the year.

4. RESERVES:

The Company proposes to transfer Rs. 193.67 Lakhs to retained earnings for the Financial Year 2019-20. With this addition, the total Reserves & Surplus (including Capital Reserve, Central Subsidy, Investment Allowance Reserve, Revaluation surplus & Retained Earnings) as on March 31, 2020 is Rs.1482.52 Lakhs as against the Paid up Capital of Rs.3,90,03,000.

5. DIRECTORS

Mr. Narayan Inani, Director of the company retires at this Annual General Meeting and being eligible, seeks reappointment. The Board recommended his appointment.

Further there were no changes in the composition of the board during the year under review.

6. INDEPENDENT DIRECTORS (DECLARATION OF INDEPENDENT DIRECTOR)

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

7. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The names of the Directors on the Board, their attendance at Board Meetings held during the year is given below:

Name of the Director	Dates of Meeting						
	30/05/19	13/06/19	28/06/19	13/08/19	03/10/19	14/11/19	14/02/20
Rajkumar Inani	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Narayan Inani	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anirudh Inani	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shyamsundar Jakhotia	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kasturi Nagendra Prasad	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Simanth Roy Chowdhury	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Natasha Inani	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Dhanalaxmi Roto Spinners Limited

8. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the Directors had 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;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the Company 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.
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. STATUTORY AUDITORS

M/s. Jeedigunta & Co, Chartered Accountants, are appointed as Statutory Auditors of the Company at the Annual General Meeting held on 29/09/2017 to hold office for a period of 5 years until the conclusion of Annual General Meeting to be held for financial year ending 2022.

Further The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this annual report.

10. SECRETARIAL AUDITOR:

M/s. Baheti Gupta & Co., Company Secretaries, are appointed to conduct the secretarial audit of the Company for financial year 2019-20, as required under section 205 of the Companies Act, 2013 and rules thereunder. The Secretarial audit report for financial year 2019-20 forms part of the Annual Report as 'ANNEXURE-C' to the Boards Report.

11. INTERNAL AUDITORS:

M/s. Vinay Surana & Co., Chartered Accountants, performs the duties of Internal Auditors of the company and their report is reviewed by the Audit Committee from time to time.

12. COST AUDIT

The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the goods dealt in by the Company.

13. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

14. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

15. LOANS, GUARANTEES, INVESTMENTS MADE OR SECURITIES PROVIDED

The Company has complied with the provisions of Loans, guarantees, investments made or securities provided under Section 186 of the Companies Act, 2013.

16. RELATED PARTY TRANSACTIONS

All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Detailed information about the related party transactions is enclosed in from AOC-2 as ANNEXURE-B

Dhanalaxmi Roto Spinners Limited

17. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

18. LISTING ARRANGEMENTS:

Company's shares are presently listed on The Bombay Stock Exchange Limited & other details are listed below:

Stock Exchange Name	The BSE Limited
Scrip Code	521216
Scrip Name	DHANROTO
ISIN	INE220CO1012

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by the provisions of Companies Act, 2013, the relevant information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given under:

A. Conservation of Energy:

Adequate measures have been taken to reduce energy consumption, wherever possible. There were no additional investments made for the conservation of energy during the period under review.

B. I) Research and Development (R&D):

- | | |
|---|-----|
| a) Specific areas in which R&D has been carried out by the company: | NIL |
| b) Benefits derived as a result of the above R&D: | NIL |
| c) Future plans of action: | NIL |
| d) Expenditure on R&D: | NIL |

II) Technology Absorption, Adaptation and Innovation:

- | | |
|--|-----|
| a) Technology Imported: | NIL |
| b) Year of Import: | NIL |
| c) Has the technology been fully absorbed: | NIL |
| d) Technical collaborator: | NIL |

C. Foreign Exchange Earnings and Outgo:

Particulars	Amount (Rs. in Lakhs)	
	2019-20	2018-19
Earnings:	NIL	57.66
Outgo:	6,173.77	8,562.67

20. PARTICULARS OF EMPLOYEES

There is no employee who if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two Lakhs rupees or if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight lakh and Fifty thousand rupees per month or if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company and thus consequently no information is required to be provided in this regard in accordance with the provisions of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013 .

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has effective 'internal financial controls' that ensure an orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

There are adequate controls relating to strategic, operational, environmental and quality related aspects too.

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While these controls have been effective through-out the year, these are reviewed on a periodic basis for any changes/modifications to align to business needs.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

23. TRANSFER OF UNCLAIMED DIVIDEND FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

24. MATERIAL CHANGES AND COMMITMENT IF ANY

There were no material changes and commitments affecting financial position of the company during the year under review.

25. IMPACT OF COVID-19

Due to outbreak of COVID-19 pandemic, the Company had to temporarily suspend operations at its premises in the last week of March 2020 in compliance with the directives of the Central and respective State Governments. Operations had been resumed in the third week of May, 2020 at its premises. However, the operations continue to be impacted by difficulty in procurement and supply of goods, import and export policy & non-opening of markets. Due to prevailing uncertainty, the financial and operational impact of COVID-19 is being evaluated by the Company. The Company has put in place "Standard Operating Procedure" (SOP), as per the guidelines and directives of the Ministry of Home Affairs and the Ministry of Health, to safeguard against spread of COVID-19. The Company has organized campaigns to bring awareness amongst all employees and workers on safeguards against COVID-19. Thermal temperature measurements at the gates, mandatory use of face masks, hand washing and sanitizing facilities at entry and exit have been put in place along with strict ban on non-essential visitors. Safeguards for social distancing at work place are also being implemented. Meetings, gatherings, travelling etc. are being avoided with focus on video conferencing and other digital modes.

The outlook for FY 2020-21 is heavily influenced by the impact of COVID-19 and the uncertain time it might take the economy and paper markets to come back to normalcy. Much will depend upon the time by which the COVID-19 disease is tamed and the economy gets back on its feet.

However, Company believes that it can manage the extreme event with its existing financial position.

26. BUSINESS RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Plan for implementation of Enterprise Risk Management (ERM) framework. As per the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board shall establish a Risk Management Plan/ Policy and the Audit Committee shall evaluate the Risk Management systems periodically.

In line with this requirement, the Board is responsible for initiating and instituting the ERM framework and setting the requisite tone at the top for implementation of the ERM framework. Further, the Board shall be responsible for overseeing measures for managing risk. The Plan also envisages a key role for the Audit Committee which shall periodically (at least annually) review the adequacy of Risk Management Systems, recommend improvements if needed, discuss with external consultants, Internal Auditors to test the adequacy and effectiveness of the Risk Management System.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, Competition, Business risk, Technology obsolescence, Investments, Retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

27. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions under section 135 of the Companies Act, 2013 are not applicable.

28. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid up capital of the Company is less than Rs. 10 Crores and Networth of the Company is less than Rs. 25 Crores as specified in regulation 15 of SEBI (LODR) regulations, 2015 disclosure with respect to provisions relating to Corporate Governance is not applicable to the Company.

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29. BOARD EVALUATION:

Pursuant to the provisions of Companies Act, 2013 and according to SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee.

Policy:

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

2.1 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the Companies Act, 2013;
- shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- shall abide by the Code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013.

3. Criteria of independence

3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at the time of appointment/re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.3 The Independent Director shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4. Other directorships/ committee memberships

4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The Nomination and Remuneration Committee shall take into account the nature of and the time involved in a directory service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.2 None of the Director of the Company is holding Directorship in other company in excess of the limits prescribed under the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further the membership and chairmanship held by the Directors in different committees of the Board across all the companies is within the limits prescribed therein.

4.3 The details of the Directors, Committee members and chairmanships is given in clause 7 above of this report.

30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION , PROHIBITION AND REDRESSAL) ACT , 2013 :

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

31. AUDIT COMMITTEE: (Constituted in terms of section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR Regulations, 2015) & VIGIL MECHANISM.

Dhanalaxmi Roto Spinners Limited

A. AUDIT COMMITTEE

The Company has constituted a qualified and Independent Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The primary objective of the Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting. The Committee adheres to the Companies Act, 2013 in terms of quorum for its meetings, functioning, role and powers as also those set out in the Companies Act, 2013. The functions of the committee include:

- overseeing the company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- recommendation of appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services;
- review of adequacy of internal audit function, including the reporting structure, coverage and frequency of internal audit;
- review of the company's financial and risk management policies;
- review of the financial reporting system and internal control systems;
- approve quarterly, half yearly and annual financial results including major accounting entries involving exercise of judgment by the management;
- representation by the Statutory Auditors to the management in regard to any internal control weaknesses observed by them during the course of their audit and the action taken by the management thereon;
- Discussions with Statutory and Internal Auditors on matters related to their area of audit;
- Management Discussion & Analysis of the company's operations;
- review of significant related party transactions;
- review of implementation of the Fraud Risk Management Policy and the Fraud Risk Assessment Reports;
- recommendation for appointment of Statutory Auditors and their remuneration;

The Committee consists of qualified and Independent Non-Executive Directors. All the Members on the Committee have the requisite qualification for appointment in the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Committee members met four times during the financial year 2019-20:

The Managing Director and Executive Directors of the company as well as the Internal and Statutory Auditors of the company, attend Committee meetings to brief the Members. The Committee also invites Business and Departmental Heads, to discuss matters concerning their business / departments, as and when it deems necessary.

The composition of the Audit Committee and the details of meetings attended by its members are given below:

The Audit Committee met Four times during the year on 29.05.2019, 12.08.2019, 13.11.2019 and 13.02.2020.

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
K. N. Prasad	Chairman	Non-Executive Director (Independent)	4	4
Shyamsundar Jakhotia	Member	Non-Executive Director (Independent)	4	4
Narayan Inani	Member	Executive Director cum CFO	4	4

B. VIGIL MECHANISM

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

32. NOMINATION AND REMUNERATION COMMITTEE: (Constituted in terms of section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI LODR Regulations, 2015).

The "Nomination and Remuneration Committee" is governed by a Charter duly approved by the Board of Directors of the company and is in compliance with Section 178 of Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organisation. The Directors as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

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The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

The Nomination and Remuneration Committee met two times during the year on 12.06.2019 and 01.10.2019.

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Simanth Roy Chowdhury	Chairman	Non-Executive Director(Independent)	2	2
Shyamsundar Jakhota	Member	Non-Executive Director(Independent)	2	2
K.N. Prasad	Member	Non-Executive Director(Independent)	2	2

33. STAKEHOLDERS RELATIONSHIP COMMITTEE: (Constituted in terms of section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations, 2015).

The Company has constituted a Stakeholders Relationship Committee in compliance with Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 to deal with various matters relating to:

- approve / refuse / reject registration of transfer / transmission / transposition of shares.
- authorise:
 - Issue of Duplicate Share Certificates and issue of share certificates after split / consolidation / rematerialization of shareholding.
 - Printing of Share Certificates.
 - Affixation of Common Seal of the Company on Share Certificates.
 - Directors / Managers / Officers / Signatories for signing / endorsing Share Certificates.
 - Necessary applications / Corporate Actions to Stock Exchanges and Depositories arising out of and incidental to the exercise of options by the employees.
- monitoring expeditious redressal of investors grievances.
- non-receipt of Annual Report and declared dividend.
- all other matters related to shares.

ii. Composition:

The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below:

The Stakeholders' Relationship Committee met four times during the year on 09.05.2019, 10.06.2019, 25.10.2019 and 20.11.2019.

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Shyamsundar Jakhota	Chairman	Non-Executive Director(Independent)	4	4
K.N. Prasad	Member	Non-Executive Director(Independent)	4	4
Rajkumar Inani	Member	Managing Director	4	4

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34. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2019-20

NUMBER OF COMPLAINTS	NUMBER
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission.	NIL
Complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange/ SCORE and so on	NIL
Number of complaints resolved	NA
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2020	NA
Complaints pending as on March 31, 2020	NIL
Number of Share transfers pending for approval, as on March 31, 2020	NIL

35. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

a) Industry Structure and Developments:

The Company is mainly engaged in Trading activity in the line of Textiles, Paper and Wood Pulp. The Company has established itself in Paper and Wood Pulp market. The Company is trying to improve on small beginning made in last couple of years in commodity trading and exports.

b) Opportunities and threats:

The Company feels happy to inform that it has established itself in the Indian Wood Pulp Market. Giving timely and excellent services Company has established dedicated customers whose base is steadily improving. However, the Wood Pulp market fluctuates according to international rates which effect margins and being a trader the company is very much dependent on buyers and sellers for its growth.

During the year under review, the international market for wood pulp was stable. However, during the month of March due to impact of the Covid-19 Pandemic there was severe slowdown in the economy and international market and this may affect the business of the Company in the Coming financial year. Further Company is trying to revive its operations .

C) Outlook:

In the Business support services your company is participating in the Tenders called by the Government, Semi-government and private companies. In the Business support Service sector the company is receiving regular work, not only from its existing clients but is also exploring opportunities from new clients. In the Financial Sector the share market was very volatile and hence your company taking adequate measures to ensure proper investment decision.

c) Segment wise or product wise reporting

The Company is engaged in only one segment and trades in the wood pulp. Performance of the Company is only satisfactory due to the down turn in international markets largely affected by the Covid-19 pandemic and sluggish economic growth. Further it is envisaged that there will be improvement in the coming years and international markets will revive.

e) Risk and Concerns:

Wood Pulp rates fluctuate according to international market and being a trader Company is dependent on its buyers and suppliers. The Company is exposed to stiff competition and foreign currency fluctuations in its operation. Commodity export market has good scope however, Company has to compete and supply goods at international prices. Government policies on commodity export keep on changing based on local production/consumption pattern.

f) Internal Control system and their adequacy:

The Company has a proper and adequate system of internal control proportionate to its size and volume of business. The internal control system of the Company is designed to ensure that the financial and other records are reliable for preparing financial statements and other data for maintaining accountability of assets.

g) Discussion of Financial Performance with respect to Operational Performance:

The Financial Statements are prepared under the historical cost convention in accordance with Indian generally accepted accounting principles and the provisions of Indian Companies Act. All Income and Expenditure having a material bearing on the Financial Statements are recognized on accrual basis. The Management has taken utmost care for the integrity and the objectivity of these Financial Statements, as well as for various estimates and judgments used therein.

h) Material developments in Human Resources/Industrial Relations front, including number of people involved:

The Company continues to maintain excellent relationship with its buyers and sellers. Relationship with the staff is quite cordial and supportive for continuous human resource development. During the year under review Company performance has improved due to efforts put in by the existing and additional staff recruited.

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i) Details of significant changes in following key financial ratios as compared to the immediately previous financial year:

S.No	Particulars	2018-19	2019-20	% Change	Remarks for variation
i)	Inventory Turnover	0.18	0.67	-272.2	Working Capital Management Deteriorated
ii)	Interest Coverage Ratio	7.45	1.20	83.9	Better performance of the Company lower finance Cost
iii)	Current Ratio	1.44	1.95	35.4	Decrease in debt of the Company has resulted in improved liquidity.
iv)	Debt Equity Ratio	1.03	0.73	29.12	Decrease in debt of the Company has resulted in improved liquidity.

j) Changes in return on Net Worth as compared to the immediately previous financial year is 1.77% .

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factor.

36. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The company has Nomination and Remuneration committee consisting of Mr. Simanth Roy Chowdhury, as Chairman and Mr. Shyam Sunder Jakhotia and Mr. K.N.Prasad as members. The remuneration and sitting fees paid to the Board members are based on the recommendation of Nomination and Remuneration Committee.

Policy:

1. Remuneration to Executive Director and key managerial personnel

1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.

1.2 The Board on the recommendation of the Nomination and Remuneration committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

1.3 The remuneration structure to the Executive Director and key managerial personnel shall include Basic pay and Perquisites and Allowances.

1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the Nomination and Remuneration committee and Annual performance Bonus may be approved by the committee based on the achievement against the Annual plan and Objectives.

2. Remuneration to Non – Executive Directors

2.1 Presently the Company's policy on remuneration does not provide for remuneration to non-executive Directors except for payment of sitting fees for attending the meetings of the Board.

2.2. Further the executive Directors are not paid any sitting fees for attending meetings of the Board.

3. Remuneration to other employees

3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Remuneration to Directors:

The remuneration and perks paid during the year to Mr. Anirudh Inani, whole time Directors is Rs. 30,00,000, Mr. Rajkumar Inani, Managing Director is Rs. 30,00,000 and Mr. Narayan Inani Executive Director is Rs. 30,00,000.

Sitting Fees:

Details of Sitting Fees paid to Non- Executive Directors are as under:

Non- Executive Directors	Sitting Fees (Rs)
Mr. K.N.Prasad	28,000
Mr. Simanth Roy Chowdhury	28,000
Mr. Shyam Sundar Jakhotia	28,000
Mrs. Natasha Inani	28,000

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37. SECRETARIAL STANDARDS

The company is in compliance with Secretarial Standards 1 (Board Meeting), Secretarial Standards 2 (General Meeting), Secretarial Standards 3 (Dividends) & Secretarial Standards 4 (Board's Report) as issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

38. INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 13.02.2020 to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. 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 of the Company were present at the meeting. As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

The meeting also reviewed and evaluated the performance of non-independent directors. The Company has 4 non-independent directors namely:

- i.) Mr. Rajkumar Inani – Managing Director
- ii.) Mr. Narayan Inani – Executive Director cum CFO
- iii.) Mr. Anirudh Inani – Whole Time Director
- iv.) Mrs. Natasha Inani – Director

The meeting recognized the significant contribution made by Mr. Rajkumar Inani in directing the Company towards the success path. The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

39. SHARE CAPITAL

A. RIGHTS ISSUE OF SHARES

No shares were issued on rights basis during the year under review.

B. PREFERENTIAL ALLOTMENT OF SHARES ON PRIVATE PLACEMENT BASIS

No Preferential allotment of shares on private placement basis was made during the year under review.

C. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

D. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

E. BONUS SHARES

No Bonus Shares were issued during the year under review.

F. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

G. SHARES WITH DIFFERENTIAL VOTING RIGHTS

The Company has not issued any Equity Shares with differential voting rights during the financial year under review.

40. REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information given pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given below:

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Name of the Director	Remuneration of the F.Y. 2019-20	Remuneration of the F.Y. 2018-19	% increase in the Remuneration	Ratio of Remuneration to MRE	Comparison of the Remuneration of the KMP against the performance of the Company.
Rajkumar Inani, Managing Director	30,00,000	30,00,000	0	1.15	Remuneration increased by 0% whereas profit before tax decreased by 28.39%
Anirudh Inani, Whole Time Director	30,00,000	30,00,000	0	1.15	Remuneration increased by 0% whereas profit before tax decreased by 28.39%
Narayan Inani, Executive Director cum CFO	30,00,000	30,00,000	0	1.15	Remuneration increased by 0% whereas profit before tax decreased by 28.39%

OTHER DISCLOSURES:

The total numbers of permanent employees of the company are Six (6)

The total remuneration paid to Directors was Rs. 90 Lakhs against the net profits of the company after tax amounting to Rs.193.67 Lakhs. There was no increase in the remuneration paid to the Directors during the financial year 2019-20 as compared to the remuneration paid during the year 2018-19.

The percentage increase in the median remuneration of employees in the current financial year is 10.

Average percentage increase made in the salaries of employees other than managerial personnel in the financial year i.e., 2019-20 was 2.69 whereas increase in managerial remuneration for the Financial Year 2019-20 was Nil (0).

Change in remuneration of the Managing Director, Whole Time Director and Executive Director is decided based on the individual performance, inflation, prevailing industry trends and benchmarks.

Non-Executive Directors and Independent Directors are paid sitting fees only for the meetings of the Board attended by them. Further no sitting fees are paid for attending the meetings of the committees of the Board.

There is no employee receiving any remuneration in excess of remuneration paid to any Director. Further the remuneration payable to Directors is as per the remuneration policy of the Board of Directors as recommended by Nomination and Remuneration Committee.

Further as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names of the top ten employees in terms of remuneration drawn is as under:

Name	Designation	Remuneration	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age	Last Employment	% of equity shares held
Keshav Inani	M. Executive/ Chief Operating Officer (COO)	26,00,000	Permanent unless otherwise agreed	MBA	1-4-2013	26	—	3.66
Sangita Inani	Sales Executive	26,00,000	Permanent unless otherwise agreed	Graduate	1-4-2009	46	Anirudh Marketing	2.00
Divya Inani	Purchase Executive	26,00,000	Permanent unless otherwise agreed	Graduate	1-4-2009	53	Karmanghat Securities (P) Ltd	2.34
Sri Gopal Inani	Finance Manager	26,00,000	Permanent unless otherwise agreed	Graduate	1-4-2009	77	Inani Real Estate & Developers (P) Ltd	2.00

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Name	Designation	Remuneration	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age	Last Employment	% of equity shares held
Priyanka Inani	HR Head	26,00,000	Permanent unless otherwise agreed	Graduate	1-4-2015	24	Lakepriya Enterprises (P) Ltd	2.05
Anamika Khare	Company Secretary Cum Compliance Officer	2,78,415	Permanent unless otherwise agreed	Company Secretary	3-10-2019	32	HKM Charitable Foundations	0

41. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	NIL
No. of shareholders who approached the Company for transfer of shares from suspense account during the year.	NIL
No. of shareholders to whom shares were transferred from suspense account during the year.	NIL
Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.	NIL

42. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

By Order of the Board
For **DHANALAXMI ROTO SPINNERS LIMITED**

Place: Thimmapur
Date: 30/08/2020

NARAYAN INANI
Executive Director cum CFO
(DIN: 00525403)

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

Dhanalaxmi Roto Spinners Limited

ANNEXURE-A

Form No. MGT 9 EXTRACT OF ANNUAL RETURN

As on the Financial Year 31.03.2020

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L18100TG1987PLC007769
ii.	Registration Date	11-09-1987
iii.	Name of the Company	Dhanalaxmi Roto Spinners Limited
iv.	Category / Sub-Category of the Company	Company limited by shares
v.	Address of the Registered office and contact details	Survey No.114 & 115, Station Road, Thimmapur, Ranga Reddy Dist., Telangana- 509325 Email:dhanroto@gmail.com / dhanlaxmiroto@yahoo.co.in info@dhanroto.com / investor.relations@dhanroto.com Telephone No: (M)9533060707
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	M/s. CIL Securities Limited 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad-500001 Contact Mr. VSM Yadav Raju Contact No. 040-23202465 / 9666375981 Email : rta@cilsecurities.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 and Description of main products /services	NIC Code of the Product / service	% to total turnover of the Company
1.	Wood Pulp	16	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:- NIL

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

i) Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1-4-2019)				No. of Shares held at the end of the year (As on 31-3-2020)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF	1616101	0	1616101	41.44	1686101	0	1686101	43.24	1.8
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	171842	0	171842	4.40	171842	0	171842	4.40	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1) :-	1787943	0	1787943	45.84	1857943	0	1857943	47.64	1.8
(2) Foreign									
a) Individuals (NRIs)/Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) BodiesCorp.	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1787943	0	1787943	45.84	1857943	0	1857943	47.64	1.8
B. Public Shareholding									
1.Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	200	200	0.01	0	200	200	0.01	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub Total (B)(1) :	0	200	200	0.01	0	200	200	0.01	0
2. Non Institutions									
a) Bodies Corp.									
i) Indian	206835	15300	222135	5.70	209035	15300	224335	5.75	0.05
ii) Overseas	0	0	0	0	0	0	0	0	0

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Category of Shareholders	No. of Shares held at the beginning of the year (As on 1-4-2019)				No. of Shares held at the end of the year (As on 31-3-2020)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	603432	435880	1039312	26.64	616077	423780	1039857	26.66	0.02
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	744596	71900	816496	20.93	732291	10400	742691	19.04	(1.89)
C) Others (specify)									
Non Resident Indians	33913	0	33913	0.87	35191	0	35191	0.9	0.03
Overseas Corp. Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	301	0	301	0.01	83	0	83	0	(0.01)
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):-	1589077	523080	2112157	54.15	1592677	449480	2042157	52.35	(1.8)
Total Public Shareholding (B) = (B)(1)+(B)(2)	1589077	523280	2112357	54.16	1592677	449680	2042357	52.36	(1.8)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3377020	523280	3900300	100	3450620	449680	3900300	100	0

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(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year 1st April 2019			Shareholding at the end of the year 31st March 2020			% 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	Ranganath Enterprises Pvt Ltd	171842	4.41	Nil	171842	4.41	Nil	0
2	Anirudh Inani	167945	4.30	Nil	167945	4.30	Nil	0
3	Rajkumar Inani	136400	3.50	Nil	136400	3.50	Nil	0
4	Narayan Sri Gopal Inani HUF	110500	2.83	Nil	110500	2.83	Nil	0
5	Anirudh Inani HUF	131359	3.37	Nil	131359	3.37	Nil	0
6	Lakshmikanta Narayan Inani HUF	81100	2.08	Nil	81100	2.08	Nil	0
7	Sri Gopal Laxmikanta Narayan HUF	75691	1.94	Nil	75691	1.94	Nil	0
8	Laxmikanta Rajkumar Inani HUF	74800	1.92	Nil	78000	2	Nil	0.08
9	Sri Gopal Inani	78893	2.02	Nil	78893	2.02	Nil	0
10	Sri Gopal Laxmikanta Rajkumar HUF	69000	1.77	Nil	69000	1.77	Nil	0
11	Sri Gopal Inani HUF	64081	1.64	Nil	77981	2	Nil	0.36
12	Laxmikanta Rajkumar Narayan HUF	60492	1.55	Nil	77992	2	Nil	0.45
13	Divya Inani	91165	2.34	Nil	91165	2.34	Nil	0
14	Rajkumar Inani HUF	82914	2.13	Nil	82914	2.13	Nil	0
15	Sangeeta Inani	67350	1.73	Nil	78000	2	Nil	0.27
16	Inani Keshav	142775	3.66	Nil	142775	3.66	Nil	0
17	Narayan Inani	128400	3.29	Nil	128400	3.29	Nil	0
18	Sri Gopal Inani (HUF)	53236	1.36	Nil	77986	2	Nil	0.64

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(iii) Change in Promoters Shareholding

S. No	Name of the Promoter	Shareholding at the beginning of the year 01/04/2019		Date of increase/decrease	Increase/Decrease in Shareholding	Reason of increase / decrease such as allotment/ transfer/ bonus/ sweat equity etc	Cumulative Share holding during the year (01-04-19 to 31-03-20)		At the end of the year 31/03/2020	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Rangnath Enterprises (P) Ltd.	171842	4.41	26/07/2019	42975	Purchase	214817	5.51	171842	4.41
					42975	Sale	171842	4.41		
2.	Laxmikanta Rajkumar Narayan HUF	60492	1.55	27/09/2019	17500	Purchase	77992	2	77992	2
3.	Sri Gopal Inani (HUF)	53236	1.36	27/09/2019	24750	Purchase	77986	2	77986	2
4.	Sri Gopal Inani	64081	1.64	27/09/2019	13900	Purchase	77981	2	77981	2
5.	Sangeeta Inani	67350	1.73	27/09/2019	10650	Purchase	78000	2	78000	2
6.	Laxmikanta Rajkumar Inani HUF	74800	1.92	27/09/2019	3200	Purchase	78000	2	78000	2

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(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	Name of Shareholder	Shareholding at the beginning of the year 01/04/2019		Date of increase/decrease	Increase/Decrease in Shareholding	Reason of increase / decrease such as allotment/ transfer/ bonus/ sweat equity etc	Cumulative Share holding during the year (01-04-19 to 31-03-20)		At the end of the year 31/03/2020	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Nandan Inani	118071	3.03%	NIL	NIL	NIL	NIL	NIL	118071	3.03%
2	Inani Ambarish	117100	3.00%	NIL	NIL	NIL	NIL	NIL	117100	3.00%
3	Shrimannarayan Enterprises Private Limited	76273	1.96%	NIL	NIL	NIL	NIL	NIL	76273	1.96%
4	Priyanka Inani	64275	1.65%	27/09/2019	15750	Purchase	80025	2.05	80025	2.05%
5	Vasundhara Inani	64150	1.64%	27/09/2019	13850	Purchase	78000	2	78000	2.00%
6	Pratyush Mittal	60470	1.55%	NIL	NIL	NIL	NIL	NIL	60470	1.55%
7	Anita Arora	43889	1.13	NIL	NIL	NIL	NIL	NIL	43889	1.13%
8	Karmanghat Securities Private Limited	42500	1.09%	NIL	NIL	NIL	NIL	NIL	42500	1.09%
9	Lakepriya Enterprises Private Limited	42200	1.08%	NIL	NIL	NIL	NIL	NIL	42200	1.08%
10.	Romyo Thekkinedath Mercily	26904	0.69%	NIL	NIL	NIL	NIL	NIL	26904	0.69%

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(v) Shareholding of Directors and Key Managerial Personnel

S. No	Name of Director/KMP	Shareholding at the beginning of the year 01/04/2019		Date of increase/decrease	Increase/Decrease in Shareholding	Reason of increase / decrease such as allotment/ transfer/ bonus/ sweat equity etc	Cumulative Share holding during the year (01-04-19 to 31-03-20)		At the end of the year 31/03/2020	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Anirudh Inani	167945	4.31	NIL	NIL	NIL	NIL	NIL	167945	4.31%
2	Rajkumar Inani	136400	3.50	NIL	NIL	NIL	NIL	NIL	136400	3.50%
3	Narayan Inani	128400	3.29%	NIL	NIL	NIL	NIL	NIL	128400	3.29%
4	Simanth Roy Chowdhury	22000	0.56	NIL	NIL	NIL	NIL	NIL	22000	0.56%
5	KN Prasad	100	0.002	NIL	NIL	NIL	NIL	NIL	100	0.002%
6	Shyamsundar Jakhotia	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7	Natasha Inani	135829	3.48%	NIL	NIL	NIL	NIL	NIL	135829	3.48%

Dhanalaxmi Roto Spinners Limited

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans Excluding Deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,40,03,588	2,59,35,872	NIL	3,99,39,460
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1,40,03,588	2,59,35,872	NIL	3,99,39,460
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	75,06,099	51,63,289	NIL	1,26,69,388
Net Change	75,06,099	51,63,289	NIL	1,26,69,388
Indebtedness at the end of the financial year				
i) Principal Amount	64,97,489	2,07,72,583	NIL	2,72,70,072
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	64,97,489	2,07,72,583	NIL	2,72,70,072

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:					
Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount in (Rs.)
		Narayan Inani Executive Director cum CFO	Rajkumar Inani Managing Director	Anirudh Inani Whole Time Director	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000	30,00,000	90,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission (a) as % of profit (b) Others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
6.	Total (A)	30,00,000	30,00,000	30,00,000	90,00,000

Dhanalaxmi Roto Spinners Limited

B. Remuneration to other Directors:						
Sl. No.	Particulars of Remuneration	Name of Director				Total Amount Rs.
		Mr. K.N. Prasad	Mr. Simanth Roy Chowdhury	Mr. Shyam Sundar Jakhotia	Mrs. Natasha Inani	
1.	Independent Directors					
	Fee for attending Board Meetings	28,000	28,000	28,000	—	84,000
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (1)	28,000	28,000	28,000		84,000
2.	Other Non-Executive Directors					
	Fee for attending Board Meetings	—	—	—	28,000	28,000
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	28,000	28,000
	Total (B)=(1+2)	28,000	28,000	28,000	28,000	1,12,000

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/WTD –

Sl. No	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat Equity	Total Amt
1	*Anamika Khare	Company Secretary Cum Compliance Officer	2,78,415	-	-	2,78,415

*The remuneration is paid for the half year starting from the 3rd October, 2019.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:- NIL

By Order of the Board
For **DHANALAXMI ROTO SPINNERS LIMITED**

Place: Thimmapur
Date: 30/08/2020

NARAYAN INANI
Executive Director cum CFO
(DIN: 00525403)

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

Dhanalaxmi Roto Spinners Limited

FORM NO. AOC -2

ANNEXURE-B

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

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

1. **Details of contracts or arrangements or transactions not at Arm's length basis - NIL**
2. **Details of contracts or arrangements or transactions at Arm's length basis.**

Sl. No.	Particulars					
1.	Name (s) of the related party & nature of relationship	Ms.Priyanka Inani Daughter of Mr. Narayan Inani, Director of the Company	Divya Inani, Spouse of Mr. Rajkumar Inani, Director of the Company	Sangita Inani, Spouse of Mr. Narayan Inani, Director of the Company	Sri Gopal Inani, Father of Mr. Rajkumar Inani, Mr.Narayan Inani and Mr. Anirudh Inani, Directors of the Company	Keshav Inani, Son of Mr. Rajkumar Inani, Director of the Company.
2.	Nature of contracts/ arrangements/ transaction	Payment of remuneration	Payment of remuneration	Payment of remuneration	Payment of remuneration	Payment of remuneration
3.	Duration of the contracts/ arrangements/ transaction	Appointment is made for such term as mutually decided and agreed between the company and related party from time to time.	Appointment is made for such term as mutually decided and agreed between the company and related party from time to time.	Appointment is made for such term as mutually decided and agreed between the company and related party from time to time.	Appointment is made for such term as mutually decided and agreed between the company and related party from time to time.	Appointment is made for such term as mutually decided and agreed between the company and related party from time to time.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Monthly remuneration of Rs. 2,00,000 per month plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 2,00,000 per month plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 2,00,000 per month plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 2,00,000 per month plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 2,00,000 per month plus bonus for one month reviewed by the Board of Directors from time to time.
5.	Date of approval by the Board	30/03/2019	30/03/2019	30/03/2019	30/03/2019	30/03/2019
6.	Amount paid as advances, if any	NIL	NIL	NIL	NIL	NIL

Dhanalaxmi Roto Spinners Limited

Sl. No.	Particulars		
1.	Name (s) of the related party & nature of relationship	Ms. Vasundhara Inani, Daughter of Director of the Company	Mrs. Natasha Inani, Director of the Company
2.	Nature of contracts/ arrangements/transaction	Payment of remuneration	Payment of Rent
3.	Duration of the contracts/ arrangements/transaction	Appointment is made for such term as mutually decided and agreed between the company and related party from time to time.	All proposed transactions would be carried out as part of the business requirements of the Company in ordinary course of business and on arm's length basis.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Monthly remuneration of Rs. 1,25,000 per month from April to June, 2019	Rent paid for the year is Rs. 1,80,000/-
5.	Date of approval by the Board	30/03/2019	30/03/2019
6.	Amount paid as advances, if any	NIL	NIL

By Order of the Board
For **DHANALAXMI ROTO SPINNERS LIMITED**

Place: Thimmapur
Date: 30/08/2020

NARAYAN INANI
Executive Director cum CFO
(DIN: 00525403)

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2020

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

To,
The Members,
M/s. **DHANALAXMI ROTO SPINNERS LIMITED**
Sy.No.114 & 115, Station Road, Thimmapur-509325,
Ranga Reddy District, Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DHANALAXMI ROTO SPINNERS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the DHANALAXMI ROTO SPINNERS 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31/03/2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by DHANALAXMI ROTO SPINNERS LIMITED for the financial year ended on 31/03/2020 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; **(Not applicable to the Company during the Audit Period);**
- (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) SEBI (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**

Dhanalaxmi Roto Spinners Limited

We further report that, having regard to the compliance system prevailing in the Company and based on the representations made by the Company and our examination of the relevant documents and records in pursuance thereof, there were no other laws applicable specifically to the Company.

We 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 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

All decisions at Board Meetings as represented by the Management are carried out unanimously and are recorded in the minutes of the meetings of the Board of Directors.

We 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.

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

**For Baheti Gupta & Co.
Company Secretaries**

**Place: Hyderabad
Date: 30/08/2020**

**(Shailesh Baheti)
(M. No:8159)
(CP No.9017)
UDIN : F008159B000655454**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Dhanalaxmi Roto Spinners Limited

Annexure A

To,
The Members,
M/s. **DHANALAXMI ROTO SPINNERS LIMITED**
Sy.No.114 & 115, Station Road, Thimmapur-509325,
Ranga Reddy District, Telangana

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Baheti Gupta & Co.,
Company Secretaries**

**Place: Hyderabad
Date: 30/08/2020**

**(Shailesh Baheti)
(M. No: 8159)
(CP No. 9017)
UDIN : F008159B000655454**

Dhanalaxmi Roto Spinners Limited

INDEPENDENT AUDITORS' REPORT

To
The Members of
Dhanalaxmi Roto Spinners Limited

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Dhanalaxmi Roto Spinners Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("IND-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report, Business Responsibility report, Corporate Governance and Share Holder's information, but does not include the Standalone Financial statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the IND-AS and the other accounting principles generally accepted in India,. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating

Dhanalaxmi Roto Spinners Limited

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

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

Dhanalaxmi Roto Spinners Limited

Report on Other Legal and Regulatory Requirements

- 1 As required by Section 143 (3) of the Act, based on our audit we report that:
- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for **Jeedigunta & Co.**,
Chartered Accountants
Firm Regn. No.001322S

Place : Hyderabad
Date : 30/06/2020.

J.Prabhakar
Proprietor
Membership No.026006
UDIN : 20026006AAAABW8829

Dhanalaxmi Roto Spinners Limited

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **DHANALAXMI ROTO SPINNERS LIMITED** ("the Company") as of 31 March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

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

Dhanalaxmi Roto Spinners Limited

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, to the best of our information and according to the explanations given to us, 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, 2020, 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 **Jeedigunta & Co.**,
Chartered Accountants
Firm Regn. No.001322S

J. Prabhakar
Proprietor

Place : Hyderabad
Date : 30/06/2020

Membership No.026006
UDIN : 20026006AAAABW8829

Annexure B to the Independent Auditors' Report (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans to body corporate covered in the registered maintained under Sec 189 of the Companies Act 2013 ("The Act"). Hence this clause of the report is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the goods dealt in by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

Dhanalaxmi Roto Spinners Limited

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no material dues relating to income tax/ Goods and Service tax /duty of customs / cess, which have not been deposited on account of disputes with the related authorities.

(viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institutions or banks.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its director or directors of its holding, subsidiary, or associate Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(xvii) In our opinion and according to the information and explanations given to us, during the year the Company did not incur any cash losses during the financial or preceding financial year.

(xviii) There is no resignation of Statutory Auditor during the year hence this clause is not applicable.

(xix) In our opinion and according to the information and explanations given to us, during the year the Company does not have any material uncertainty and is capable of meeting its liabilities existing on the balance sheet date as and when they fall due within a period of time.

(xx) In our opinion and according to the information and explanations given to us, during the year the Company is not liable for CSR.

(xxi) The Company do not have any branches. So consolidation of financial statements is not applicable.

For **Jeedigunta & Co.**,
Chartered Accountants
Firm Regn. No.001322S

Place : Hyderabad
Date : 30/06/2020.

J. Prabhakar
Proprietor
Membership No.026006
UDIN : 20026006AAAABW8829

Dhanalaxmi Roto Spinners Limited

BALANCE SHEET AS AT 31ST MARCH, 2020

(Value in INR)

PARTICULARS	Note No.	As at 31-03-2020	As at 31-03-2019
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3.1	4,49,95,869	4,72,81,362
(b) Other Intangible Assets	3.2	28,371	28,766
(c) Financial Assets:			
(i) Investments	4	2,53,55,346	5,08,44,304
(ii) Loans	5.1	35,13,295	51,33,295
(iii) Other Financial Assets	6	19,89,045	18,92,166
(d) Other Non-current Assets		-	-
Total Non-Current Assets		7,58,81,926	10,51,79,893
(2) Current Assets			
(a) Inventories	7	48,10,541	17,43,880
(b) Financial Assets			
i) Trade Receivables	8	11,15,40,917	13,97,87,103
ii) Cash and Cash Equivalents	9	10,55,844	83,84,513
iii) Bank Balances Other than Cash and Cash Equivalents	10	12,26,90,114	8,37,64,167
iv) Loans	5.2	66,07,732	20,13,327
(c) Other Current Assets	11	5,37,356	7,50,188
Total Current Assets		24,72,42,504	23,64,43,178
Total Assets		32,31,24,430	34,16,23,073
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	12	39,003,000	39,003,000
(b) Other Equity			
(i) Reserves & Surplus	13	14,82,51,973	12,88,84,505
Total Equity		18,72,54,973	16,78,87,505
LIABILITIES			
(2) Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	14.1	60,00,000	68,62,976
(b) Deferred Tax Liabilities (Net)	15.1	27,26,311	25,42,184
(c) Other Non-current Liabilities	16.1	----	----
Total Non-Current Liabilities		87,26,311	94,05,160
(3) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	14.2	2,65,65,593	3,73,55,134
ii) Trade Payables	17	8,07,13,050	11,49,95,601
(b) Current Tax Liabilities (Net)	15.2	6,70,792	24,89,716
(c) Other Current Liabilities	16.2	1,91,93,711	94,89,957
Total Current Liabilities		12,71,43,146	16,43,30,408
Total Liabilities		13,58,69,456	17,37,35,568
Total Equity & Liabilities		32,31,24,430	34,16,23,073

Accompanying notes forming part of the Financial Statements

1 to 37

As per our report of even date attached
for **Jeedigunta & Co.**, Chartered Accountants,
Firm Regn No.001322S

Sd/-
(J.Prabhakar) Proprietor
M.No. 026006, UDIN : 20026006AAAAABW8829
Place : Hyderabad
Date : 30/06/2020

Sd/-
Rajkumar Inani
Managing Director
(DIN: 00885466)
Sd/-
Anirudh Inani
Whole Time Director
(DIN: 02253588)

For and on behalf of the Board

Sd/-
Narayan Inani
Executive Director cum CFO
(DIN: 00525403)
Sd/-
Anamika Khare
Company Secretary
(M.No. A32499)

Dhanalaxmi Roto Spinners Limited

(Value in INR)

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31ST MARCH, 2020

PARTICULARS	Note No.	For the period ended 31-03-2020	For the period ended 31-03-2019
I Income			
Revenue from Operations	18	71,45,40,799	97,75,22,336
Other Income	19	2,08,38,758	1,90,80,410
Total Income		73,53,79,558	99,66,02,746
II Expenses			
Purchases of Stock in Trade		65,64,47,140	90,04,19,442
Changes in inventories of Stock in Trade	20	(30,66,661)	13,02,033
Employee Benefit Expenses	21	2,27,85,230	2,21,61,542
Depreciation and Amortization Expenses	22	23,75,388	26,96,295
Other Administrative Expenses	23	2,70,32,234	3,44,99,070
Finance Costs	24	53,01,321	56,12,509
Total Expenses		71,08,74,652	96,66,90,891
III Profit before exceptional items and tax(I - II)		2,45,04,906	2,99,11,856
IV Exceptional Items (Net)		NIL	NIL
V Prior Period Items		14,04,355	62,67,764
VI Profit before tax	(III+V)	2,59,09,261	3,61,79,620
Tax Expense:			
(1) Current tax		63,57,666	96,71,846
(2) Deferred tax		1,84,127	2,03,791
VII Total Tax Expense		65,41,793	98,75,637
VIII Profit for the Year	(VI-VII)	1,93,67,468	2,63,03,983
Total Comprehensive Income for the year		1,93,67,468	2,63,03,983
A. Continuing Operations attributable to			
Basic		4.97	6.74
Diluted		4.97	6.74
Accompanying notes forming part of the Financial Statements	1 to 37		

As per our report of even date attached
for Jeedigunta & Co., Chartered Accountants,
Firm Regn No.001322S

Sd/-
(J.Prabhakar)
Proprietor M.No. 026006
UDIN : 20026006AAAAABW8829

Place : Hyderabad
Date : 30/06/2020

For and on behalf of the Board

Sd/-
Rajkumar Inani
Managing Director
(DIN: 00885466)
Sd/-
Anirudh Inani
Whole Time Director
(DIN: 02253588)

Sd/-
Narayan Inani
Executive Director cum CFO
(DIN: 00525403)
Sd/-
Anamika Khare
Company Secretary
(M.No. A32499)

Dhanalaxmi Roto Spinners Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Value in INR)

S.No.	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
A.	Cash Flow From Operating Activities		
	Profit/(loss) before tax	2,45,04,906	2,99,11,856
	Adjusted for :		
	Depreciation and amortisation expense	23,75,388	26,96,295
	Dividend & Interest income Classified as Investing Cash Flows	(90,16,778)	(72,17,685)
	Finance cost	53,01,321	56,12,510
	(Profit)/Loss on Investments and Transactions of Shares		
	Securities and Commodities	32,199	87,407
	Balances Written Off	25,290	---
	Prior Period Item	14,04,355	62,67,764
	Operating profit/(loss) before working capital changes	2,46,26,680	3,73,58,146
	Adjusted for :		
	(Increase)/Decrease in trade receivables	2,82,46,186	(41,16,785)
	(Increase)/Decrease in inventories	(30,66,661)	13,02,031
	(Increase)/Decrease in other assets	2,12,832	67,12,610
	Increase/(Decrease) in trade payables	(3,42,82,551)	1,51,99,120
	Increase/(Decrease) in other liabilities	97,03,754	(1,02,14,467)
	Increase/(Decrease) in other Non-Current Liabilities	---	(88,770)
	(Increase)/Decrease in other Financial Assets	(96,879)	(3,97,669)
	Cash generated from operations	2,53,43,361	4,57,54,216
	Net Income taxes (paid) / refunds	(81,76,588)	(1,40,68,687)
	Net cash from operating activities	1,71,66,773	3,16,85,529
B.	Cash flow from investing activities		
	Purchase of Property, Plant & Equipment	(89,500)	(68,784)
	Movement in Loans & Advances	(29,74,405)	1,68,82,601
	Movement in Non-Current Investments	2,54,88,958	(3,57,99,395)
	(Profit)/Loss on Investments and Transaction of Shares	(32,199)	(87,407)
	Dividend & Interest income Classified as Investing Cash Flows	90,16,778	72,17,685
	Balances written off	(25,290)	---
	Net cash used in investing activities	3,13,84,343	(1,18,55,300)
C.	Cash flow from financing activities		
	Proceeds from Long-term/Short term borrowings	(1,16,52,517)	2,27,94,750
	Interest and finance charges paid	(53,01,321)	(56,12,510)
	Net cash used in financing activities	(1,69,53,838)	1,71,82,240
	Net (decrease) / increase in cash and cash equivalents	3,15,97,279	3,70,12,470
	Cash and cash equivalents as at the beginning of the year	9,21,48,680	5,51,36,210
	Cash and cash equivalents as at the end of the year	12,37,45,959	9,21,48,680
	Bank Overdrafts	(57,93,010)	(1,14,19,262)
	Balances as per Statement of Cash Flows	11,79,52,949	8,07,29,418

Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

Accompanying notes forming part of the Financial Statements

As per our report of even date attached
for Jeedigunta & Co., Chartered Accountants,
 Firm Regn No.001322S
 Sd/-
(J.Prabhakar) Proprietor
 M.No. 026006, UDIN : 20026006AAAABW8829
 Place : Hyderabad
 Date : 30/06/2020

For and on behalf of the Board

Sd/-
Rajkumar Inani
 Managing Director
 (DIN: 00885466)
 Sd/-
Anirudh Inani
 Whole Time Director
 (DIN: 02253588)

Sd/-
Narayan Inani
 Executive Director cum CFO
 (DIN: 00525403)
 Sd/-
Anamika Khare
 Company Secretary
 (M.No. A32499)

Dhanalaxmi Roto Spinners Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(A) Equity Share Capital

(Amt in INR)

Particulars	Number of Shares	Amount
As at April 1, 2018	39,00,300	3,90,03,000
Changes in Equity Share Capital	-	-
As at March 31, 2019	39,00,300	3,90,03,000
Changes in Equity Share Capital	-	-
As at March 31, 2020	39,00,300	3,90,03,000

(B) Other Equity

Particulars	Reserves and Surplus (refer note no. 13)						Items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Central Subsidy	Investment Allowance utilised reserve	Retained Earnings	Revaluation Surplus	
Balance at April 1, 2018	20,000	-	-	15,00,000	18,88,866	11,51,77,079	1,02,98,562	12,88,84,507
Profit for the year (net of earlier year Taxes paid)	-	-	-	-	-	2,78,87,859	-	2,78,87,859
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total comprehensive Income for the year	-	-	-	-	-	2,78,87,859	1,02,98,562	2,78,87,859
Recognition of Share based Payments options								
Payment of Dividends		-	-				-	-
Amount Transferred within the reserves		-	-				-	-
Balance at 31 March 2019	20,000	-	-	15,00,000	18,88,866	14,30,64,938	1,02,98,562	15,67,72,366
Profit for the year (net of earlier year Taxes paid)	-	-	-	-	-	1,93,67,468	-	1,93,67,468
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total comprehensive Income for the year	-	-	-	-	-	1,93,67,468	1,02,98,562	1,93,67,468
Balance at 31 March 2020	20,000	-	-	15,00,000	18,88,866	16,24,32,406	1,02,98,562	17,61,39,834

Accompanying notes forming part of the Financial Statements

Land : Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. The company has elected to measure land at fair value and use these fair values as deemed cost on the date of transition. As a result, the value of land has increased Rs. 1,02,98,562.00

As per our report of even date attached
for Jeedigunta & Co., Chartered Accountants,
 Firm Regn No.001322S
 Sd/-
(J.Prabhakar)
 Proprietor M.No. 026006
 UDIN : 20026006AAAAABW8829
 Place : Hyderabad
 Date : 30/06/2020

For and on behalf of the Board

Sd/-
Rajkumar Inani
 Managing Director
 (DIN: 00885466)
 Sd/-
Anirudh Inani
 Whole Time Director
 (DIN: 02253588)

Sd/-
Narayan Inani
 Executive Director cum CFO
 (DIN: 00525403)
 Sd/-
Anamika Khare
 Company Secretary
 (M.No. A32499)

Dhanalaxmi Roto Spinners Limited

Notes to the Financial Statements

1. Company Overview and Significant Accounting Policies

General Information

1.1. Company Overview

Dhanalaxmi Roto Spinners limited is mainly engaged in trading activity in the line of wood pulp, paper and waste paper market. The company is trying to improve on small beginning made in last couple of years in commodity trading and exports. The company is a public listed company listed on the Bombay Stock Exchange.

Significant Accounting Policies

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

Upto the year ended 31 March 2017, the Company prepared its financial statements in accordance with the requirements of previous generally accepted accounting principles ("Previous GAAP"), which includes Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under Section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013 / Companies Act, 1956, as applicable.

2.2. Basis for preparation of Financial Statements

These financial statements have been prepared and presented on the accrual basis of accounting under historical cost convention or fair values as per the requirements of Ind AS prescribed under section 133 of the Companies Act, 2013.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows: - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; - Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and - Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and 12 months or other criteria as set out in the Schedule III to the Companies Act, 2013. Based on the nature of its business, the company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

a) Sale of goods is recognised net of returns and trade discounts, when the risk and rewards of ownership are transferred to the customers. Sales include amounts recovered towards excise duty and exclude Goods and Service Tax . Revenue is also recognised on sale of goods in case where the delivery is kept pending at the instance of the customer, the risk and rewards are transferred and customer takes title and accepts billing as per usual payment terms.

b) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered.

2.4 Other Income

a) Dividend income from investments is recognised in the year in which the right to receive the payment is established.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is at the rate that exactly discounts

Dhanalaxmi Roto Spinners Limited

estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other income is recognised on accrual basis provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.5 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

2.6 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Employee benefits

a) Short term employee benefits :

Employee Benefits such as salaries, allowances, and non-monetary benefits which fall due for payment within a period of twelve months after rendering of services, are charged as expense to the profit and loss account in the period in which the service is rendered.

b) Post-employment benefits :

No provision has been made towards retirement benefits as in the opinion of the board; none of the employees are eligible for the same.

2.9 Earnings per share:

In determining Earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra ordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

2.10. Taxation :

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in

Dhanalaxmi Roto Spinners Limited

a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each annual reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in the statement of profit and loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

2.11. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss ('FVTPL')) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

a) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Statement of Profit or Loss ('FVTPL')) are added to the fair value of the financial assets, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other

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receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met: • The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and • The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is chosen only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(iv) Investment in Subsidiaries:

The Company's investment in equity instruments of Subsidiaries are accounted for at cost as per Ind AS 27.

b) Financial liabilities and equity instruments

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value plus transaction cost (if any) that is attributable to the acquisition of the financial liabilities which is also adjusted.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortised cost unless designated as fair value through profit and loss at the inception.

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other

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financial institutions make payments to supplier's banks for purchase of raw materials. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 90 days. These arrangements for raw materials are recognized as Acceptances (under trade payables).

Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading or designated as at FVTPL are recognized in the profit or loss.

Derecognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Impairment of Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

e) Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability which are accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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2.12. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning, net of any trade discounts and rebates. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred unless such expenditure results in a significant increase in the future benefits of the concerned asset.

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

The Company reviews the residual value, useful lives and depreciation method annually and, if current estimates differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Asset	Useful lives (in years)
Land	---
Building (RCC Frame Structure)	60
Building (Other than RCC Frame Structure)	30
Borewell	15
Furnitures & Fixtures	10
Vehicles (Cars)	08
Motor Cycle	10
Office Equipments	05
Computers & Printers	03
Honda Generator	15
Old Steel Containers	15

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing Rs.5,000 and below are depreciated over a period of one year.

Land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Land : Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. The company has elected to measure land at fair value and use these fair values as deemed cost on the date of transition. As a result, the value of land has increased Rs. 1,02,98,562.00

2.13. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the income statement on a straight-line basis over their estimated useful lives of the intangible asset. Intangible assets that are not available for use are amortised from the date they are available for use.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

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2.14 Impairment of Property, plant and equipment and intangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.15 Inventories:

Inventories are stated at lower of cost and net realizable value. Cost comprises of purchase price, freight, other attributable cost, applicable taxes not eligible for credit, less rebates and discounts, which is determined on First in First out ('FIFO') basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Stores and spares which does not meet the definition of Property, plant and equipment are accounted as inventories

All items of inventories which are considered to be damaged, unmarketable or unserviceable and have become otherwise obsolete are valued at the estimated net realizable value.

2.16 Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are determined by the best estimate of the outflow of economic benefits to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made for a contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.17 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.17.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

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Revenue recognition:

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and, in particular, whether the Company had transferred to the buyer the significant risks and rewards of ownership of the goods.

2.17.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year.

2.18. Cash & Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Revenue recognition	The Company provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Value in INR)

3.1. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars		As at 31st March, 2020	As at 31st March, 2019
Carrying Amounts of :			
1	Land	1,25,26,000	1,25,26,000
2	Building (RCC Frame Structure)	1,80,18,358	1,83,35,289
3	Building (Other than RCC Frame Structure)	72,10,919	76,66,171
4	Borewell	9,244	10,376
5	Furnitures & Fixtures	3,02,610	3,43,582
6	Vehicles (Cars)	62,17,529	76,23,633
7	Motor Cycle	78,286	89,446
8	Office Equipments	3,09,534	3,51,026
9	Computers & Printers	1,73,953	1,68,695
10	Honda Generator	43,882	49,514
11	Old Steel Containers	1,05,553	1,17,629
Total in Rs.		4,49,95,869	4,72,81,362

3.1 (a) Details of Property, plant and equipment Cost or deemed cost

Particulars	Balance as at 01/04/18	Additions	Deletions	Balance as at 31/03/19	Balance as at 01/04/19	Additions	Deletions	Balance as at 31/03/20
1 Land	1,25,26,000	-	-	1,25,26,000	1,25,26,000	-	-	1,25,26,000
2 Building (RCC Frame Structure)	2,02,95,607	-	-	2,02,95,607	2,02,95,607	-	-	2,02,95,607
3 Building (Other than RCC Frame Structure)	1,52,65,615	-	-	1,52,65,615	1,52,65,615	-	-	1,52,65,615
4 Borewell	88,174	-	-	88,174	88,174	-	-	88,174
5 Furnitures & Fixtures	19,29,519	33,898	-	19,63,417	19,63,417	-	-	19,63,417
6 Vehicles (Cars)	1,34,54,018	-	-	1,34,54,018	1,34,54,018	-	-	1,34,54,018
7 Motor Cycle	1,64,212	-	-	1,64,212	1,64,212	-	-	1,64,212
8 Office Equipments	19,10,896	-	-	19,10,896	19,10,896	30,500	-	19,41,396
9 Computers & Printers	16,16,213	34,886	-	16,51,099	16,51,099	59,000	-	17,10,099
10 Honda Generator	85,500	-	-	85,500	85,500	-	-	85,500
11 Old Steel Containers	1,86,800	-	-	1,86,800	1,86,800	-	-	1,86,800
Total in Rs.	6,75,22,554	68,784	-	6,75,91,338	6,75,91,338	89,500	-	6,76,80,838

Notes: Refer note no. 14.4 for assets pledged

3.1 (b) Accumulated depreciation and impairment

Particulars	Balance as at 01/04/18	Additions	Deletions	Balance as at 31/03/19	Balance as at 01/04/19	Additions	Deletions	Balance as at 31/03/20
1 Land	-	-	-	-	-	-	-	-
2 Building (RCC Frame Structure)	16,44,254	3,16,065	-	19,60,318	19,60,318	3,16,931	-	22,77,249
3 Building (Other than RCC Frame Structure)	71,45,437	4,54,007	-	75,99,444	75,99,444	4,55,252	-	80,54,696
4 Borewell	76,669	1,129	-	77,798	77,798	1,132	-	78,930
5 Furnitures & Fixtures	15,74,672	45,164	-	16,19,835	16,19,835	40,972	-	16,60,807
6 Vehicles (Cars)	42,73,048	15,57,337	-	58,30,385	58,30,385	14,06,104	-	72,36,489
7 Motor Cycle	59,886	14,880	-	74,766	74,766	11,160	-	85,926
8 Office Equipments	13,53,309	2,06,561	-	15,59,870	15,59,870	71,992	-	16,31,862
9 Computers & Printers	13,99,311	83,093	-	14,82,404	14,82,404	53,742	-	15,36,146
10 Honda Generator	30,368	5,618	-	35,986	35,986	5,632	-	41,618
11 Old Steel Containers	57,123	12,047	-	69,171	69,171	12,076	-	81,247
Total in Rs.	1,76,14,075	26,95,901	-	2,03,09,976	2,03,09,976	23,74,993	-	2,26,84,969

On transition to Ind AS, the company has elected to continue with the carrying value of all its Property, Plant and Equipment, recognised as at April 01, 2016 measured as per the previous GAAP except for Land located at Thimmapur which has been revalued from 01/04/2016 and use that carrying value as the deemed cost of the Property, Plant and Equipment.

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(Value in INR)

3.2. Intangible Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Carrying Amounts of: Sterling Holiday Resorts	28,371	28,766
Total in Rs.	28,371	28,766

3.2(a) Gross Carrying amount of Intangible

Gross Carrying amount of Intangible Assets	Balance as at 01/04/18	Additions	Deletions	Balance as at 31/03/19	Balance as at 01/04/19	Additions	Deletions	Balance as at 31/03/20
Sterling Holiday Resorts	39,000	-	-	39,000	39,000	-	-	39,000
Total in Rs.	39,000	-	-	39,000	39,000	-	-	39,000

3.2(b) Accumulated Amortization

Accumulated Amortization	Balance as at 01/04/18	Additions	Deletions	Balance as at 31/03/19	Balance as at 01/04/19	Additions	Deletions	Balance as at 31/03/20
Sterling Holiday Resorts	9,840	394	-	10,234	10,234	395	-	10,629
Total in Rs.	9,840	394	-	10,234	10,234	395	-	10,629

4: Investments

Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
(A)	Investment in Unquoted Equity Shares:		
	Ketki Finance Limited (75000 Shares of Rs. 10/- each fully paid up)	7,53,750	7,53,750
	Rajyalaxmi Petro Chemicals Pvt. Ltd. (100 Shares of Rs. 10/- each fully paid up)	1,000	1,000
	Karmangaht Securities (P) Ltd (500 Shares of Rs 10 /- each fully paid up)	5,000	5,000
	Total of Unquoted Equity Shares	7,59,750	7,59,750
	Investment in Quoted Equity Shares:		
	Bajaj Finance Ltd	2,50,405	-
	Bajaj Finserv Ltd	4,75,679	-
	Balrampur Chinimills Ltd	3,08,193	-
	Bang Overseas Ltd	1,33,760	-
	Cigniti Technologies Ltd	3,11,908	-
	Dcb Bank Ltd	4,60,951	-
	Embassy Office Parks Reit	4,39,801	-
	Glaxo Smothkline Pharma Ltd	2,95,159	-
	Gokaldas Exports Ltd	1,05,000	-
	Indus Ind Bank	1,76,725	-
	Irb Infra Dev.Ltd	3,36,442	-
	Lakshmi Vilas Bank Ltd	61,35,406	-
	Polyplex Corporation Ltd	3,04,057	-
	Punjab National Bank	3,53,516	-
Shilpa Medicare Ltd	4,65,467	-	
Shree Cements Ltd	1,27,198	-	

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Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Simplex Infrastructures Ltd	6,36,337	-
	Sterling And Wilson Solar Ltd	3,03,870	-
	Visaka Industries Ltd	7,27,085	-
	West Coast Paper Mills Ltd	8,37,208	-
	NMDC Ltd	-	70,02,483
	Alchemy Capital Management Pvt Ltd	18,47,628	25,91,045
	Kotak Securities Ltd (Balance for further investments)	94,26,740	-
(B)	Total of Quoted Investments	2,44,58,535	95,93,528
(C)	Investment in Gold	1,37,061	1,37,061
(D)	Investment in UTI Money Market Fund (Market Value 2018-1003.3854) (Market Value 2019-1003.3854)	-	4,03,53,965
	Total in Rs	2,53,55,346	5,08,44,304
4.1	Non Current Investments	2,53,55,346	5,08,44,304
	Total in Rs.	2,53,55,346	5,08,44,304
5: Loans			
(A)	(Unsecured, Considered Good): Advances to Others	35,00,000	51,00,000
(B)	Security Deposits - Deposits (Advance Recoverable in cash or in kind or for value to be considered good)	13,295	33,295
(C)	Advance to Suppliers	66,07,732	20,13,327
	Total in Rs	1,01,21,027	71,46,622

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Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
5.1	Non Current Loans	35,13,295	51,33,295
5.2	Current Loans	66,07,732	20,13,327
	Total in Rs.	1,01,21,027	71,46,622
5.3	Deposits includes deposits paid towards amenities i.e. Electricity, Telephone, Rent etc.		
6: Other Financial Assets			
(A)	Balance With Revenue Authorities	9,34,897	8,44,916
(B)	Inani Securities Ltd.	10,54,148	10,47,250
	Total in Rs.	19,89,045	18,92,166
6.1	Other non current Financial Assets	19,89,045	18,92,166
	Total in Rs.	19,89,045	18,92,166
7: Inventories			
(A)	Wood Pulp	48,10,541	17,43,880
	Total in Rs.	48,10,541	17,43,880
Notes: Refer note no. 14.4 for inventories pledged & refer note no.2.14 for basis of Valuation			
8: Trade Receivables			
(A)	<u>Unsecured and Considered Good :</u>		
	Over six Months	1,84,82,584	-
	Others	9,30,58,333	13,97,87,103
	Total in Rs.	11,15,40,917	13,97,87,103
Notes: The credit period on sales of goods varies with seasons and business segments/ markets and generally ranges between 30 to 180 days. No interest is recovered on trade receivables for payments received after the due date. Before accepting any new customer, the Company has a credit evaluation system to assess the potential customer's credit quality and define credit limits for the customer. Credit limits attributed to customers are reviewed on an annual basis.			
9: Cash and cash equivalents			
(A)	Balance with Banks:		
	In Current Accounts	10,12,414	83,65,999
	Deposits with Maturity of Less than 3 Months	-	-
(B)	Cash Balance	43,430	18,513
	Sub Total (A)	10,55,844	83,84,513
10: Bank Balances Other than Cash and Cash Equivalents			
(A)	Bank Deposits with maturity of More than 3 months	12,26,90,114	8,37,64,167
	Sub Total (B)	12,26,90,114	8,37,64,167
	Total [A + B]	12,37,45,958	9,21,48,680
11: Other Current Assets			
(A)	Others	5,37,356	7,50,188
	Total in Rs.	5,37,356	7,50,188

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12: Share Capital

Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
(A)	Authorized Share Capital 50,00,000 Equity Shares of Rs. 10/- each.	5,00,00,000	5,00,00,000
		5,00,00,000	5,00,00,000
(B)	Issued,Subscribed & Paid Up Capital 39,00,300 Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment	3,90,03,000	3,90,03,000
	Total in Rs	3,90,03,000	3,90,03,000

12.1 During the year there was no fresh issue of equity shares, hence number of shares outstanding at the beginning of the year and end of the year are same. i.e. 39,00,300 equity shares of Rs. 10/- each.

12.2 The Company has one class of equity shares having a face value of Rs10 each . Each shareholder is eligible for one vote per share held.

12.3 None of the Shareholders are holding more than 5% of the aggregate shares in the Company.

13: Other Equity

(A)	Capital Reserve	20,000	20,000
(B)	Central Subsidy	15,00,000	15,00,000
(C)	Investment Allowance utilised reserve	18,88,866	18,88,866
(D)	Revaluation Surplus	1,02,98,562	1,02,98,562
(E)	Retained Earnings:		
	Balance brought forward from previous year	11,51,77,077	8,92,35,404
	Add: Profit for the period	1,93,67,468	2,63,03,983
		13,45,44,545	11,55,39,387
	Less: Earlier Year Taxes paid (Tax on regular assessment)	-	3,62,309
	Surplus in Statement of Profit & Loss Account	13,45,44,545	11,51,77,077
	Total in Rs.	14,82,51,973	12,88,84,505

Note: Retained earnings represents the Company's undistributed earnings after taxes.

14: Borrowings

(A)	Secured:		
	Term Loans:		
	Bank	-	8,62,976
	Others	60,00,000	60,00,000
	Loans repayable on Demand from Banks	57,93,010	1,14,19,262
(B)	Unsecured:		
	Loans & Advances from Related Parties		
	- From Directors	94,34,881	2,59,35,872
	- From Others	1,13,37,702	-
	Total of Loans	3,25,65,593	4,42,18,110
14.1	Non Current Borrowings	60,00,000	68,62,976
14.2	Current Borrowings	2,65,65,593	3,73,55,134
	Total of Loans	3,25,65,593	4,42,18,110

14.3 Term Loans from Banks have been obtained for purchase of vehicles for use of company and the same vehicles have been mortgaged.

Dhanalaxmi Roto Spinners Limited

Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Axis Bank (against Honda JAzz)	8,50,000	8,50,000
	Axis Bank (against Jaquar Car)	44,90,000	44,90,000
14.4	Working capital limits sanctioned by Tamilnad Mercantile Bank Ltd, are repayble on demand from bank and are secured against hypothecation of inventories, book debts/receivables, bills negotiation drawn under ILC/FLC, against collateral security of open land and premises in the name of the company and in the name of Directors & Relatives and personal gurantee of Directors and the saction limits are Rs. 1.50 Crores for CC, Rs.650 Lakhs for FBN/IBN, Rs 18 Crores for FLC/ILC, Rs.18 Crores for Forward Sales Contract.		
14.5	There is no breach of loan agreement.		
15: Income Tax			
(A)	Deffered Tax Liability(Net)		
	Opening Balance	25,42,184	23,38,393
	In Relation to Property, Plant & Equipment	1,84,127	2,03,791
(B)	Provision for Income Tax	6,70,792	24,89,716
	Total in Rs.	33,97,103	50,31,900
15.1	Deffered Tax Liability (Net)	27,26,311	25,42,184
15.2	Current Tax Liability	6,70,792	24,89,716
	Total in Rs.	33,97,103	50,31,900
15.3	Reconciliation of Tax Expense to the Accounting Profit is as follows:		
	Accounting Profit before Tax	2,59,09,261	3,61,79,620
(A)	Tax Expense at Statutory Tax rate of 27.82%	72,07,956	1,00,65,170
	Adjustments:		
(B)	Effect of expenses that are not deductible in determining taxable profit:		
	Donations	94,922	23,508
	Rental property Depreciation	(3,17,901)	(1,17,458)
	Interest on TDS & other taxes	4,621	1,690
	Depreciation as per IT & Companies Act	(1,84,127)	-
		(4,02,484)	(92,260)
(C)	Total of expenses that are not deductible in determining taxable profit:		
	Effect of income that is exempt from tax:		
	Dividend from UTI Mutual Funds	2,50,330	2,57,048
		2,50,330	2,57,048
(D)	Others	(13,349)	1,59,776
	Tax expense reported in Profit and Loss statement (A+B-C+D)	65,41,793	98,75,638
16: Other Liabilities			
(A)	Others	-	-
(B)	Advance From Customers	52,27,277	23,57,743
(C)	Other Payables	1,32,61,955	54,10,864
(D)	Current Maturities of Long Term Loans	7,04,479	17,21,350
	Total in Rs.	1,91,93,711	94,89,957

Dhanalaxmi Roto Spinners Limited

Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
16.1	Non Current Liabilities	-	-
16.2	Current Liabilities	1,91,93,711	94,89,957
	Total in Rs.	1,91,93,711	94,89,957
16.3	Other Payables includes rental advance and statutory dues such as TDS Payable, Goods & Services Tax Payable & other outstanding liabilities.		
17: Trade Payables			
(A)	Sundry Creditors	8,07,13,050	11,49,95,601
	Total in Rs.	8,07,13,050	11,49,95,601
17.1	As confirmed by the management, there are no dues above Rs.1.00 Lakh outstanding for more than 45 days to Micro and Small Scale Undertakings.		
18 : Revenue from Operations			
1	Sales	71,45,40,799	97,75,22,336
	Total in Rs.	71,45,40,799	97,75,22,336
19 : Other Income			
1	Interest Income	55,96,980	48,71,319
2	Rental Income	62,25,000	60,00,000
3	Commission Income	-	67,436
4	Dividend Income	18,99,822	9,23,970
5	Other Receipts	71,16,956	72,17,685
	Total in Rs.	2,08,38,758	1,90,80,410
20: Changes in Inventories of Stock-in-Trade			
1	Stock in Trade as at 1st April	17,43,880	30,45,913
2	Stock in Trade as at 31st March	48,10,541	17,43,880
	Total in Rs.	(30,66,661)	13,02,033
21: Employee Benefit Expenses			
1	Salaries & Bonus	1,37,41,415	1,31,30,000
2	Directors Remuneration	90,00,000	90,00,000
3	Staff Welfare & Other Benefits	43,815	31,542
	Total in Rs.	2,27,85,230	2,21,61,542
22: Depreciation & Amortization Expenses			
1	Depreciation of Property,Plant & Equipment (Refer note no.3.1)	23,74,993	26,95,901
2	Amortization of Intangible Asset (Refer note no.3.2)	395	394
	Total in Rs	23,75,388	26,96,295

Dhanalaxmi Roto Spinners Limited

23: Other Administrative Expenses

Sr.No	Particulars	As at 31st March, 2020	As at 31st March, 2019
1	Rent, Rates, Taxes and Renewals	15,07,541	10,30,403
2	Telephone Expenses	1,21,616	1,30,797
3	Bad Debts Written Off	25,290	-
4	Conveyance	17,974	20,297
5	Repairs & Maintenance	12,71,626	13,45,688
6	Electricity Expenses	5,01,499	4,70,585
7	Insurance	2,16,599	2,01,601
8	Hamali Charges	14,079	93,500
9	Travelling Expenses	23,43,353	19,14,723
10	Directors' Sitting Fees	1,12,000	1,44,000
11	Auditors' Remuneration	1,00,000	1,00,000
12	Business Promotion Expenses	1,23,787	4,12,444
13	Advertisement	42,209	94,334
14	Freight Outwards	16,44,150	3,58,400
15	Commission and Brokerage	63,52,573	1,47,07,380
16	Conference Expenses	7,75,000	1,13,727
17	Other Miscellaneous Expenses	28,21,051	46,27,328
18	Consultancy and Service Charges	2,54,894	4,48,000
19	Charities & Donations	3,41,200	1,62,500
20	Loss on Derivative Transactions	88,765	87,407
21	(Profit)/Loss on Shares Trading	(56,566)	-
22	Loss from Portfolio management	6,36,625	-
23	Share Transfer & Demat Expenses	1,94,320	1,57,494
24	Foreign Exchange Fluctuation	75,82,650	78,78,463
	Total in Rs	2,70,32,234	3,44,99,070

24: Finance Costs

1	Interest Expenses	19,38,431	21,71,212
2	Other Borrowing Cost	33,62,890	34,41,297
	Total in Rs.	53,01,321	56,12,509

S. No	Particulars	31/3/2020	31/3/2019
25	Estimated amount of contracts remaining to be executed on Capital account not provided for (Net of advances)	Nil	Nil
26	Contingent Liabilities not provided for FLC issued by the Bank	4,12,36,889	5,79,00,254
27	Auditors Remuneration :		
	Audit Fees	75,000	75,000
	Tax Representation Fees	25,000	25,000
	Service Tax/GST	-	-

28 The company operates in only one segment i.e. 'India'. Hence separate information on geographical segment is not required. The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information of the Company.

29 Quantitative particulars (in Kilograms) :

Product	Opening Stock	Purchases	Sales	Closing Stock
Pulp	33394.00	15085708.54	15005287.50	113815.04
Micro Crystalline Cellulose Powder	0.00	13500.00	13500.00	0.00
Waste Paper Imported	0.00	534414.00	534414.00	0.00
Waste Paper	0.00	165500.00	165500.00	0.00
Axello Gloss Mf B/Kraft Paper	0.00	6431.00	6431.00	0.00
Bleached Pulp Board Waste	0.00	8110.00	8110.00	0.00
Maplitho Paper	0.00	42685.40	42685.40	0.00
Untreated Bleached Sack Kraft Paper	0.00	76031.00	76031.00	0.00
Xpression Swan Mf B/Kraft Paper	0.00	9284.00	9284.00	0.00

Dhanalaxmi Roto Spinners Limited

Sr.No	Particulars	31.03.2020	31.03.2019
30	Value of Imports on CIF Basis Raw Materials Spare Parts and Consumables Capital Goods	Nil Nil Nil	Nil Nil Nil
31	Expenditure in Foreign Currency Towards Purchases Towards Travelling Towards Fixed Assets	61,57,25,437 16,51,860 -	85,59,22,305 3,45,109 -
32	Earnings in Foreign Currency	Nil	57,65,623

33 **Related Party Disclosure:**
During the year, the Company entered into transactions with the related parties. Those transactions along with related balances as at 31st March, 2020 and for the year ended are presented in the following table.
(The information is given as compiled and certified by the management).

Associate Concerns

1	Anirudh Marketing
2	Inani Distributors
3	Lake Priya Enterprises Pvt Limited.

Directors/Key Management Personnels:

1	Rajkumar Inani
2	Narayan Inani
3	Anirudh Inani
4	K.N.Prasad
5	Shyamsundar Jakhotia
6	Simanth Roy Chowdhury
7	Anamika Khare
8	Natasha Inani

Relatives of Directors/Key Management Personnels

1	Keshav Inani
2	Sangita Inani
3	Divya Inani
4	Sri Gopal Inani
5	Priyanka Inani

Related Party Transactions

(Amt. in INR)

Particulars	Key Person/ Relatives	Associates
Directors' Remuneration	90,00,000	-
Directors' Sitting Fees	1,12,000	-
Interest to Directors	15,87,860	-
Rent to Relatives	1,80,000	-
Salaries & Bonus to Relatives	1,33,75,000	-

Dhanalaxmi Roto Spinners Limited

34 Basic and Diluted Earnings per Share {"EPS"} computed in accordance with Ind AS 33 'Earnings per Share'

Particulars		2019-20	2018-19
Basic			
Profit after tax as per Statement of Profit and Loss	A	1,93,67,468	2,63,03,983
Number of Shares subscribed	B	39,00,300	39,00,300
Basic EPS (Rupees)	A/B	4.97	6.74
Diluted			
Profit after tax as per Statement of Profit and Loss	A	1,93,67,468	2,63,03,983
Number of Shares subscribed	B	39,00,300	39,00,300
Diluted EPS (Rupees)	A/B	4.97	6.74

35 **Transition to Ind-AS**

The effect of the Company's transition to Ind AS is summarized as follows:

- Transition election
- Reconciliation of equity as previously reported under Indian GAAP to Ind-AS
- Reconciliation of profit or loss as previously reported under Indian GAAP to Ind-AS
- Reconciliation of other comprehensive income as previously reported under Indian GAAP to Ind-AS
- Adjustments to the statement of cash flows

(a) Transition election

The Company has prepared the opening Balance Sheet as per Ind AS as of 1 April 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

(b) Reconciliation of equity as previously reported under IGAAP to Ind AS

Particulars	Notes	As at March 31, 2020	As at April 1, 2019
As reported as per Previous GAAP		14,19,45,833	11,85,32,919
Adjustments			
Revaluation of Land	1	-	-
Equity as per Ind AS		14,19,45,833	11,85,32,919

*** Land**

Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. The company has elected to measure land at fair value and use these fair values as deemed cost on the date of transition. As a result, the value of land has increased Rs. 1,02,98,562.00

36 **Approval of financial statements:**

The financial statements were approved for issue by the Board of Directors on 30.06.2020.

37 Figures in brackets in these notes are in respect of previous year.

As per our report of even date attached
for **Jeedigunta & Co.**, Chartered Accountants,
Firm Regn No.001322S
Sd/-

(J.Prabhakar)
Proprietor M.No. 026006
UDIN : 20026006AAAABW8829
Place : Hyderabad
Date : 30/06/2020

For and on behalf of the Board

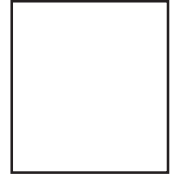
Sd/-
Rajkumar Inani
Managing Director
(DIN: 00885466)

Sd/-
Anirudh Inani
Whole Time Director
(DIN: 02253588)

Sd/-
Narayan Inani
Executive Director cum CFO
(DIN: 00525403)

Sd/-
Anamika Khare
Company Secretary
(M.No. A32499)

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