

To
The Secretary
The Bombay Stock exchange limited,
Phiroze Jee Jee Bhai Towers,
Dalal street,
Mumbai – 400001.

Date: 03rd October, 2017

Sir,

Sub:Submission of Annual Report for the financial year 2016-17 as required under SEBI (Listing Obligations and Disclosure Requirements) 2015

In respect to the above captioned subject, we would like to bring to your kind notice that the Annual General Meeting of the members of the Company was held on Friday the 29th day of September, 2017 and in that regard please find enclosed the Copy of Annual Report as required under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015.

This is for your kind information and record.

Thanking You,

Yours Faithfully
For **DHANALAXMI ROTO SPINNERS LIMITED**



Managing Director
Rajkumar Inani
00885466



**DHANALAXMI ROTO
SPINNERS LIMITED**



**ANNUAL REPORT
2016-2017**

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 cum compliance officer (DIN: 02253588)
Shyamsundar Jakhotia	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)

AUDIT COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Auditors

M/s. G.D Upadhyay & Co
Chartered Accountants,
15-1-53, 2nd Floor, Upstairs Andhra Bank,
Opp. Goshamahal High School,
Siddiamber Bazar, Hyderabad-500 012

Registered Office
Dhanalaxmi Roto Spinners Limited
Sy. No. 114 & 115, Station Road,
Thimmapur – 509 325
Mahabubnagar Dist. (Telangana)
E-mail: dhanlaxmiroto@yahoo.co.in
dhanroto@gmail.com
CIN: L18100TG1987PLC007769

Bankers:

Tamilnad Mercantile Bank Limited
15-2-696, 1st Floor, Kishangunj,
Siddiamber Bazar, Hyderabad – 500 012

CANBANK FACTORS LIMITED
(A SUBSIDIARY OF CANARA BANK)
Hyderabad Branch, Road No. 19,
Himayath Nagar, Hyderabad-500 029

Share Transfer Agents / Demat Registrars
CIL Securities Limited
214, Raghav Ratna Towers
Chirag Ali Lane, Abids, Hyderabad - 500 001
E-mail: rt@cilsecurities.com
CIN: L67120TG1989PLC010188
SEBI Registration No. INR000002276
Contact Mr. VSM Yadav Raju
Contact No. 040-23202465/9666375981

NOTICE

Notice is hereby given that the **Thirtieth** Annual General Meeting of the Members of **DHANALAXMI ROTO SPINNERS LIMITED** will be held on Friday, the 29th Day of September, 2017, at 9.30 A.M. at the Registered Office of the Company situated at Sy.No.114 & 115, Thimmapur – 509 325, Mahabubnagar District, Telangana to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Profit and Loss Account for the year ended on that date, together with the Cash Flow Statement and the reports of the Board of Directors and Auditor's thereof.
2. To Appoint a Director in place of Mr. Anirudh Inani, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following Resolutions as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, **M/s. Jeedigunta & Co., Chartered Accountants, Hyderabad (Firm Registration No. 001322S)** be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) at such remuneration plus GST, out-of-pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To consider and approve change in remuneration of Mr. Rajkumar Inani, Managing Director of the Company, and if thought fit to pass the above resolution as a **Special Resolution :**

"RESOLVED THAT subject to the provisions of Section 149, 196 of the Companies Act, 2013 and rules made there under read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 and in partial modification of resolution No. 8 passed at the Twenty Eighth Annual General Meeting of the Company held on 30th September, 2015 consent of the members is be and hereby given for change in terms of remuneration of Mr. Rajkumar Inani (DIN: 00885466), Managing Director of the Company w.e.f. 01/12/2016 for the remaining tenure of his office as set out in the explanatory statement annexed to the notice conveying this meeting and whose office shall be liable to determination by retirement of directors by rotation."

DHANALAXMI ROTO SPINNERS LIMITED

"RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013 as amended from time to time, the Board of Directors be and are hereby authorized to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc within such prescribed limits."

"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 approve change in terms of remuneration payable to Mr. Narayan Inani, Executive Director of the company and if thought fit to pass the above resolution as a **Special Resolution** :

"RESOLVED THAT subject to the provisions of Section 149, 196 of the Companies Act, 2013 and rules made there under read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 and in partial modification of resolution No. 6 passed at the Twenty Eighth Annual General Meeting of the Company held on 30th September, 2015 consent of the members is be and hereby given for change in terms of remuneration of Mr. Narayan Inani (DIN: 00525403), Executive Director of the Company w.e.f. 01/12/2016 for the remaining tenure of his office as set out in the explanatory statement annexed to the notice conveying this meeting and whose office shall be liable to determination by retirement of directors by rotation."

"RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013 as amended from time to time, the Board of Directors be and are hereby authorized to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc within such prescribed limits."

"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 approve change in terms of remuneration payable to Mr. Anirudh Inani, Whole Time Director of the company and if thought fit to pass the above resolution as a **Special Resolution** :

"RESOLVED THAT subject to the provisions of Section 149, 196 of the Companies Act, 2013 and rules made there under read with Section 197 and Schedule V of the Act and other applicable provisions, if any, of the Companies Act, 2013 and in partial modification of resolution No. 7 passed at the Twenty Eighth Annual General Meeting of the Company held on 30th September, 2015 consent of the members is be and hereby given for change in terms of remuneration of Mr. Anirudh Inani (DIN: 02253588), Whole Time Director of the Company w.e.f. 01/12/2016 for the remaining tenure of his office as set out in the explanatory statement annexed to the notice conveying this meeting and whose office shall be liable to determination by retirement of directors by rotation."

DHANALAXMI ROTO SPINNERS LIMITED

"RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013 as amended from time to time, the Board of Directors be and are hereby authorized to vary or increase the remuneration including the basic Salary, Commission, Perquisites, Allowances etc within such prescribed limits."

"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**

Sd/-

Place: Thimmapur
Date : 31/08/2017

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, RAGHAV RATNA TOWERS, CHIRAG ALI LANE, ABIDS, HYDERABAD-500 001.

Contact Mr. VSM Yadav Raju Contact No. 040-23202465/9666375981 E-mail : rta@cilsecurities.com

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be received by the company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. Members holding shares in Demat are requested to intimate their respective Depository Holders (participant) relating to their change of addresses.
4. Members/Proxies should bring their attendance slip duly filled in for attending the meeting. Members who hold their shares in dematerialized form are requested to bring their client ID and DP numbers for easy identification of attendance at the meeting.
5. 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.
6. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.
7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or CIL, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

9. **Voting for transaction of Business:**

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, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.

(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 26-09-2017 and ends at 5.00 P.M. on 28-09-2017. 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 22nd day of September, 2017, 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

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)

➤ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

➤ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg.If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

vii) Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

➤ Please enter the DOB or Dividend Bank Details in order to login. If 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

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

ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

DHANALAXMI ROTO SPINNERS LIMITED

xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii) 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.

xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DHANALAXMI ROTO SPINNERS LIMITED

- xx) 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. The Company is pleased to provide members facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by M/s. CIL Securities Limited.
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 22nd day of September 2017.
11. 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 AGM.
12. 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**

Sd/-

Place: Thimmapur
Date : 31/08/2017

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

STATEMENT OF MATERIAL FACTS
(Pursuant to Section 102 of the Companies Act, 2013)

SPECIAL BUSINESS

ITEM NO: 4

Mr Rajkumar Inani is holding office as Managing Director of the Company in terms of appointment approved by the members at the Annual General Meeting of the company held on 30th day of September 2015 for a term of three years w.e.f 01/07/2015.

Your company under the leadership of Mr. Rajkumar Inani has achieved extraordinary growth in a fiercely competitive environment, realized primarily through management interventions led by Mr. Rajkumar Inani.

Nomination and Remuneration committee recommended change in his remuneration from Rs. 90000 to Rs. 250000 per month w.e.f. 01/12/2016 and your Board of Directors at their meeting held on 01st day of December, 2016 approved his revised terms of remuneration for his remaining term as Managing Director subject to the approval of members on the terms and conditions as set out in this resolution.

In compliance with the provisions of section 149, 152, 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under change in remuneration of Mr. Rajkumar Inani as specified above is now being placed before the Members for their approval.

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 and Mr. Anirudh 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.

ITEM NO: 5

Mr. Narayan Inani is holding office as Executive Director of the Company in terms of appointment approved by the members at annual general meeting of the company held on 30th day of September, 2015 for a term of three years w.e.f 01/07/2015.

He has valuable contribution in financial planning, optimization utilization of resources and implementation of proper internal control in the Organization.

Nomination and Remuneration committee recommended change in his remuneration from Rs. 85000 to Rs. 250000 per month w.e.f. 01/12/2016 and your Board of Directors at their meeting held on 01st day of December, 2016 approved his revised terms of remuneration for his remaining term as Executive Director subject to the approval of members on the terms and conditions as set out in this resolution.

DHANALAXMI ROTO SPINNERS LIMITED

In compliance with the provisions of section 149, 152, 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under change in remuneration of Mr. Narayan Inani as specified above is now being placed before the Members for their approval.

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. Anirudh Inani and Mr. Rajkumar 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.

ITEM NO: 6

Mr. Anirudh Inani is holding office as Whole time Director of the Company in terms of appointment approved by the members at annual general meeting of the company held on 30th day of September, 2015 for a term of three years w.e.f. 01/07/2015.

He has within a short span of time of association with the Company, played pivotal role in strategic planning of business promotional activities.

Nomination and Remuneration committee recommended change in his remuneration from Rs. 80000 to Rs. 250000 per month w.e.f. 01/12/2016 and your Board of Directors at their meeting held on 01st day of December, 2016 approved his revised terms of remuneration for his remaining term as Whole Time Director subject to the approval of members on the terms and conditions as set out in this resolution.

In compliance with the provisions of section 149, 152, 196 and 197 read with schedule V of the Companies Act, 2013 and rules made there under change in remuneration of Mr. Anirudh Inani as specified above is now being placed before the Members for their approval.

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 and Mr. Rajkumar 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.

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. 4, 5. & 6

The Nomination and Remuneration Committee reviewed the remuneration of Mr. Rajkumar Inani, Managing Director, Mr. Narayan Inani, Executive Director and Mr. Anirudh Inani, Whole Time Director and after considering the current position of the Company and prevailing market conditions and recommended that the remuneration payable to them.

DHANALAXMI ROTO SPINNERS LIMITED

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.

Mr. Raj Kumar Inani, Mr Narayan Inani, and Mr. Anirudh Inani are associated with the Company since long period and has 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 payment of the entire remuneration, as recommended by the Nomination and Remuneration Committee subject to the approval of members as follows:

Name of the Director	Mr. Raj Kumar Inani , Managing Director	Mr. Narayan Inani, Executive Director	Mr. Anirudh Inani, Whole Time Director
Remuneration	250000 per month	250000 per month	250000 per month

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

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	<p align="center">(Rs. in Lakhs)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 16-17</th> <th>FY 15-16</th> <th>FY 14-15</th> </tr> </thead> <tbody> <tr> <td>Total Revenue</td> <td>5425.35</td> <td>5115.33</td> <td>4629.68</td> </tr> <tr> <td>Profit After Tax</td> <td>197.35</td> <td>80.17</td> <td>144.96</td> </tr> </tbody> </table>	Particulars	FY 16-17	FY 15-16	FY 14-15	Total Revenue	5425.35	5115.33	4629.68	Profit After Tax	197.35	80.17	144.96
Particulars	FY 16-17	FY 15-16	FY 14-15											
Total Revenue	5425.35	5115.33	4629.68											
Profit After Tax	197.35	80.17	144.96											
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 an wide experience in the field of Marketing. Mr. Raj Kumar Inani has done his Diploma in Textile where as Mr. Narayan Inani is a Commerce Graduate and has wide experience in Finance and administration.

2. Past remuneration

Year	Mr. Raj Kumar Inani	Mr. Narayan Inani	Mr. Anirudh Inani
2016-17	17,20,000	16,80,000	16,40,000
2015-16	10,65,000	10,20,000	9,60,000
2014-15	10,20,000	10,20,000	7,35,000

3. Remuneration proposed

Mr. Raj Kumar Inani, Managing Director	Mr. Narayan Inani, Executive Director	Mr. Anirudh Inani, Whole Time Director
250000 per month	250000 per month	250000 per month

III. OTHER INFORMATION

1. 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.

2. **Reasons for 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 short-term downtrend in the Wood & Paper Industry.

3. **Steps taken or proposed to be taken for improvement :** The Company will remains 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.

4. **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**

Sd/-

Place: Thimmapur
Date : 31/08/2017

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

BOARD'S REPORT

Dear Shareholders

Your Directors take pleasure in presenting the **Thirtieth (30th) Annual Report** of your Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

Particulars	Year ended March 31, 2017 (Rs)	Year ended March 31, 2016 (Rs)
Revenue from Operations	53,02,56,786	49,73,04,312
Other Income	1,22,78,073	1,42,29,613
Total Income	54,25,34,859	51,15,33,925
Expenses	51,27,33,671	49,96,02,648
Profits before exceptional and extraordinary items and tax	2,98,01,188	1,19,31,277
Exceptional Items	3,62,500	(98,765)
Profit Before Tax	2,94,38,688	1,20,30,042
Less: Tax Expenses	97,03,559	40,12,758
Net Profit After Tax	1,97,35,129	80,17,284

2. REVIEW OF OPERATIONS:

During the year under review, your Company has made a Gross Income of Rs. 54,25,34,859/- when compared to Rs. 51,15,33,925/- in the previous year. Net profit before Taxation earned during the year under review amounted to Rs. 2,94,38,688/- as against Rs. 1,20,30,042/- in the previous year. Profit after Tax was at Rs. 1,97,35,129/- as against Rs. 80,17,284/- of earlier 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. 1,97,35,129/- to general reserves for the Financial Year 2016-17. With this addition, the total Reserves & Surplus (including Capital Reserve, Securities Premium Reserve, Central Subsidy, General Reserve and Surplus) as on March 31, 2017 is Rs.6,92,31,355/- as against the Paid up Capital of Rs.3,90,03,000/-

5. DIRECTORS :

Mr. Anirudh Inani , Whole Time Director of the company retires at this Annual General Meeting and being eligible, seeks reappointment. The Board recommend his appointment.

Based on recommendation of Nomination and Remuneration committee and subject to the approval of members of the company at the ensuing Annual General Meeting your Board of Directors at their meeting held on 01/12/2016 changed the remuneration of Mr. Rajkumar Inani from Rs.90000/- per month to Rs. 2,50,000/- per month w.e.f. 01/12/2016 for the remaining tenure of his appointment as Managing Director.

Board has also Changed the remuneration of Mr. Narayan Inani from Rs. 85000/- per month to Rs. 2,50,000/- per month w.e.f. 01/12/2016 for the remaining tenure of his appointment as Executive Director and of Mr. Anirudh Inani from Rs. 80000/- per month to Rs. 2,50,000/- per month w.e.f. 01/12/2016 for the remaining tenure of his appointment as Whole Time Director.

6. INDEPENDENT DIRECTORS (DECLARATION OF INDEPENDENT DIRECTOR):

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

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						Total Number of Meetings attended	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships	Whether Last AGM Attended or not
	30/05/16	31/07/16	13/09/16	10/11/16	01/12/16	10/02/17					
Rajkumar Inani	Yes	Yes	Yes	Yes	Yes	Yes	6	1	2	-	Yes
Narayan Inani	Yes	Yes	Yes	Yes	Yes	Yes	6	-	1	-	Yes
Anirudh Inani	Yes	Yes	Yes	Yes	Yes	Yes	6	-	-	-	Yes
Shyamsundar Jakhota	Yes	Yes	Yes	Yes	Yes	Yes	6	-	3	1	Yes
Kasturi Nagendra Prasad	Yes	Yes	Yes	Yes	Yes	Yes	6	-	3	1	Yes
Simanth Roy Chowdhury	Yes	Yes	Yes	Yes	Yes	Yes	6	-	1	1	Yes
Matasha Inani	Yes	Yes	Yes	Yes	Yes	Yes	6	-	-	-	Yes

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 G.D Upadhyay & Co, Chartered Accountants are the Statutory Auditors of the Company and shall hold office up to the conclusion of the ensuing Annual General Meeting. In terms of provisions of section 139(2) of the Companies Act, 2013 read with rules made there under no listed company shall appoint an audit firm as auditor for more than two terms of five consecutive years. It further provides that an audit firm which has completed its term as mentioned above shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term. It is also provided that every company, existing on or before the commencement of this section and which is required to comply with provisions of this section, shall comply with the requirements of this section within three years.

In the light of the aforesaid provisions your Board of Directors recommend the appointment of M/s Jeedigunta & Co., Chartered Accountants as Statutory Auditors of

DHANALAXMI ROTO SPINNERS LIMITED

the Company in place of M/s G.D Upadhyay & Co Chartered Accountants for a period of five years to hold office from the conclusion of this ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held in 2022 subject to the ratification of their appointment at every Annual General Meeting.

M/s. Vinay Surana & Co., Chartered Accountants are the internal Auditors of the Company and M/s. Baheti Gupta & Co., Company Secretaries are the Secretarial Auditors of the Company.

10. AUDITORS REPORT (EXPLANATION OR COMMENTS ON REMARKS, DISCLAIMERS MADE BY THE AUDITOR AND THE COMPANY SECRETARY IN THEIR REPORTS) :

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark.

Further the Secretarial Audit report is self explanatory and your Board in response to the observations of Secretarial Auditors submits that the Company registered office is at remote place and thus the company is unable to find a candidate for the post of Company Secretary Further the promoters are in the process of getting their holding dematerialized.

11. 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.

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :

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

13. 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.

14. RELATED PARTY TRANSACTIONS :

The particulars of Contracts or Arrangements made with related parties, pursuant to Section 188, is furnished in Annexure B and is attached to this report

15. DEPOSITS :

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

16. LISTING :

Your Company's shares are presently listed on The Bombay Stock Exchange Limited. Your Company is regular in payment of listing fees to The Bombay Stock Exchange Limited; Scrip Code is 521216 & Scrip ID: DHANROTO

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

As required by the provisions of Companies Act, 2013, the relevant information

DHANALAXMI ROTO SPINNERS LIMITED

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.)	
	FY 2016 -17	FY 2015 -16
Earnings :	Nil	Nil
Outgo :	44,68,86,829	38,94,67,612

18. 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 .

19. 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.

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.

20. GOODS AND SERVICES TAX (GST) :

The introduction of Goods and Services Tax (GST) is a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax, it would mitigate cascading or double taxation in a major way and pave the way for a common national market. The transition to GST scenario is a major change process and the Company has established a dedicated team to evaluate the impact analysis and carry out changes to the business process & IT systems as per the GST framework.

21. 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.

22. MATERIAL CHANGES AND COMMITMENT IF ANY :

There were no material changes and commitments affecting financial position of the company.

23. RISK MANAGEMENT POLICY :

The Board of Directors of the Company formulates, implements and monitors the risk management framework for the Company.

The Board evaluates risk management systems and internal financial controls. The Board reviews the internal audit findings, provides guidance on internal controls and ensures that the internal audit recommendations are implemented.

The responsibility for management of risks vests with the Managers responsible for the day-to-day conduct of affairs of the Company. The Managers are required to ensure that Standard Operating Procedures (SOPs) for major areas of operations are in place, clearly delineating the accountabilities in the systems/ process chains. Such SOPs are also required to be regularly reviewed for ensuring superior quality thereof.

24. CORPORATE SOCIAL RESPONSIBILITY :

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

25. 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, Corporate Governance is not applicable.

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

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE :

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 Committee is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits. The brief description of the terms of reference of the Committee is given below:

- ♦ Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- ♦ Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ♦ Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- ♦ Reviewing the financial statements and draft audit report including quarterly/ half yearly financial information.
- ♦ Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a) Any changes in accounting policies and practices;
 - b) Qualification in draft audit report;
 - c) Significant adjustments arising out of audit;
 - d) The going concern concept;
 - e) Compliance with accounting standards;
 - f) Compliance with stock exchange and legal requirements concerning financial statements and
 - g) Any related party transactions
- ♦ Reviewing the company's financial and risk management's policies.
- ♦ Disclosure of contingent liabilities.
- ♦ Reviewing with management, external and internal auditors, the adequacy of internal control systems.

DHANALAXMI ROTO SPINNERS LIMITED

♦Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

♦Discussion with internal auditors of any significant findings and follow-up thereon.

♦Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

♦Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

♦Reviewing compliances as regards the Company's Whistle Blower Policy

B. COMPOSITION, MEETINGS & ATTENDANCE :

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 29.05.2016, 12.09.2016, 10.11.2016 and 09.02.2017.:

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

C. 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 victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

27. 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 Committee comprises of three Non-Executive independent Directors.

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE :

- ◆ To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a) to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b) to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- ◆ To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- ◆ To carry out evaluation of every Director's performance.
- ◆ To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- ◆ To formulate the criteria for evaluation of Independent Directors and the Board.
- ◆ To recommend/review remuneration of the Managing Director and Executive Director based on their performance and defined assessment criteria.

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

The Nomination and Remuneration Committee met two times during the year on 29.05.2016 and 20.11.2016.

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

28. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS :

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

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 fulfil the following requirements:

- ◆ shall possess a Director Identification Number;
- ◆ shall not be disqualified under the companies Act, 2013;
- ◆ shall endeavour to attend all Board Meeting and wherever he is appointed as a Committee Member, the Committee Meeting;
- ◆ 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 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 director 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.

29. STAKEHOLDER'S 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 pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act.

i. Terms of Reference :

The Committee considers and resolves the grievances of the security holders. The Committee also reviews the manner and time-lines of dealing with complaint letters received from Stock Exchanges/SEBI/Ministry of Corporate Affairs etc., and the responses thereto. Based on the delegated powers of the Board of Directors, the Managing Director approves the share transfers/transmissions on a regular basis and the same is reported at the next meeting of the Committee, normally held every quarter.

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 11.04.2016, 12.07.2016, 10.10.2016 and 11.01.2017.

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

30. DETAILS OF COMPLAINTS / REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2016-17 :

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, 2017	NA
Complaints pending as on March 31, 2017	NIL
Number of Share transfers pending for approval, as on March 31, 2017	NIL

31. 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. If the same trend continues company can further improve its presence in wood pulp market. The Company is still trying to stabilize its export market (export of commodities as merchant exporter).

c) 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.

d) 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.

e) 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.

f) 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.

g) 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.

32. 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.

CRITERIA FOR MAKING PAYMENTS TO DIRECTORS :

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. 16,40,000/-, Mr. Rajkumar Inani, Managing Director is Rs. 17,20,000/- and Mr. Narayan Inani Executive Director is Rs. 16,80,000/- .

Sitting Fees :

Sitting Fees to Non- Executive Directors is paid at Rs. 4000 /- per meeting details of which are as under :

Non- Executive Directors	Sitting Fees (Rs)
Mr. K.N.Prasad	24,000
Mr. Simanth Roy Chowdhury	24,000
Mr. Shyam Sundar Jakhotia	24,000
Mrs. Natasha Inani	24,000

33. SECRETARIAL STANDARDS :

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

34. 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 12.02.2017, 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 cum Compliance Officer
- 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 the Board as whole in terms of the following aspects:

- ♦Preparedness for Board/Committee meetings

DHANALAXMI ROTO SPINNERS LIMITED

- ◆ Attendance at the Board/Committee meetings
- ◆ Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestment.
- ◆ 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.

35. BOARDSEVALUATION :

The Board of Directors of your company has devised a Policy for annual evaluation of its own performance, performance of its Independent Directors, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

36. DETAILS ON GENERAL BODY MEETINGS:

Location, date and time of last three AGM's and special resolutions there at as under:

Financial Year	Date	Time	Location	Special Resolution
2015-16	30.09.2016	9:30AM	Sy.No.114 & 115, Station Road, Thimmapur-509325, Mahabubnagar District, Telangana	NIL
2014-15	30.09.2015	9:30AM	Sy.No.114 & 115, Station Road, Thimmapur-509325, Mahabubnagar District, Telangana	1. Approval for Enhancement of borrowing power of the company upto Rs. 100 crores pursuant to Section 180(1)(c) of the Companies Act, 2013 and the Rules made there under 2. Appointment of Mr. Narayan Inani as Executive Director for the term of three years and fixing of remuneration. 3. Change in Tenure of Mr. Anirudh Inani, Whole Time Director. 4. Change in terms of remuneration of Mr. Rajkumar Inani, Managing Director
2013-14	30.09.2014	9:30AM	Sy.No.114 & 115, Station Road, Thimmapur-509325, Mahabubnagar District, Telangana	1. Amendment of Articles of Association of the Company.

37. 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.

38. POLICY ON SEXUAL HARASSMENT :

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

During the year under review, the Company has not received any complaints pertaining to Sexual Harassment.

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

There are no significant and material orders that were passed by the regulators or courts or tribunals against your Company.

DHANALAXMI ROTO SPINNERS LIMITED

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 :

Name of the Director	Remuneration of the F.Y 2016-17	Remuneration of the F.Y 2015-16	% increase in the Remuneration in 2017 as compared to 2016	Ratio of Remuneration to MRE	Comparison of the Remuneration of the KMP against the performance of the Company.
Rajkumar Inani, Managing Director	17,20,000	10,65,000	61.50	8.95	Remuneration increased by 61.50% whereas profit before tax increased by 144.71%
Anirudh Inani, Whole Time Director	16,40,000	9,60,000	70.83	8.55	Remuneration increased by 70.83% whereas profit before tax increased by 144.71%
Narayan Inani, Executive Director cum CFO	16,80,000	10,20,000	64.70	8.75	Remuneration increased by 64.70% whereas profit before tax increased by 144.71%

OTHER DISCLOSURES:

The total number of permanent employees of the company, during the Financial Year 2016-17, were Seventeen.

The total remuneration paid to Directors was Rs. 50,40,000/- against the net profits of the company after tax amounting to Rs. 1,97,35,129/-. There was an increase in the remuneration paid to the Directors during the financial year 2016-17 as compared to the remuneration paid during the year 2015-16.

The percentage increase in the median remuneration of employees in the current financial year is 28.

Average percentage increase made in the salaries of employees other than managerial personnel in the Financial year i.e., 2016-17 was 44.54% whereas increase in managerial remuneration for the Financial Year 2016-17 was 65.52%.

Increase in remuneration of the Managing Director and 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 is 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.

41. ACKNOWLEDGMENTS

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

Sd/-

Sd/-

Place: Thimmapur
Date : 31/08/2017

NARAYAN INANI
Executive Director cum CFO
(DIN: 00525403)

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

ANNEXURE-A

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017

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

I. REGISTRATION & OTHER DETAILS :

i.	CIN	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 & contact details	Survey No.114 & 115, Station Road, Thimmapur, Mahabubnagar Dist, Telangana – 509325 Email:dhanroto@gmail.com / dhanlaxmiroto@yahoo.co.in Telephone No: (M)9533060707
vi.	Whether listed company	Yes
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	CIL Securities Limited, 214, Raghav Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001 Contact Mr. VSM Yadav Raju Contact No. 040-23202465/9666375981 E-mail : 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)

S. 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 -

DHANALAXMI ROTO SPINNERS LIMITED

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 01-April-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/HUF	1278001	230850	1508851	38.69	1453451	55400	1508851	38.69	0
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.	42975	160850	203825	5.22	42975	160850	203825	5.22	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)	1320976	391700	1712676	43.91	1496426	216250	1712676	43.91	0
(2) Foreign									
(a)Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b) Bodies Corporate	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)	1320976	391700	1712676	43.91	1496426	216250	1712676	43.91	0

DHANALAXMI ROTO SPINNERS LIMITED

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	137234	15300	152534	3.91	154688	15300	169988	4.36	0.45
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	658920	555180	1214100	31.13	684622	544480	1229102	31.51	0.38

DHANALAXMI ROTO SPINNERS LIMITED

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	672721	140700	813421	20.86	653747	130300	784047	20.10	(0.76)
c) Others (specify)									
Non Resident Indians	3224	0	3224	0.08	3113	0	3113	0.079	(0.018)
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	4145	0	4145	0.11	1174	0	1174	0.030	(0.08)
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):-	1476244	711180	2187424	56.08	1497344	690080	2187424	56.08	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	1476244	711380	2187624	56.09	1497344	690280	2187624	56.09	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2797220	1103080	3900300	100	2993770	906530	3900300	100	0

ii) Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year 01 st April 2016			Shareholding at the end of the year 31 st March 2017			% change in share holding 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	Rangnath Enterprises Pvt Ltd	165275	4.24	NIL	165275	4.24	Nil	0
2	Inani Construction & Theaters Pvt Ltd	38550	0.99	NIL	38550	0.99	NIL	0
3	Anirudh Inani	167945	4.30	NIL	167945	4.30	Nil	0
4	Rajkumar Inani	136400	3.50	Nil	136400	3.50	Nil	0
5	Narayan Srigopal Inani HUF	110500	2.83	Nil	110500	2.83	Nil	0
6	Anirudh Inani HUF	92809	2.38	NIL	92809	2.38	NIL	0
7	Lakshmikanta Narayan Inani HUF	81100	2.08	NIL	81100	2.08	NIL	0
8	Srigopal Laxmikanta Narayan HUF	75691	1.94	NIL	75691	1.94	NIL	0

DHANALAXMI ROTO SPINNERS LIMITED

9	Laxmikanta Rajkumar Inani HUF	74800	1.92	NIL	74800	1.92	NIL	0
10	Srigopal Inani	78893	2.02	NIL	78893	2.02	NIL	0
11	Srigopal Laxmikanta Rajkumar HUF	69000	1.77	NIL	69000	1.77	NIL	0
12	Srigopal Inani HUF	64081	1.64	NIL	64081	1.64	NIL	0
13	Laxmikanta Rajkumar Narayan HUF	60492	1.55	NIL	60492	1.55	NIL	0
14	Divya Inani	79165	2.03	NIL	79165	2.03	NIL	0
15	Rajkumar Inani HUF	82914	2.12	NIL	82914	2.12	NIL	0
16	Sangeeta Inani	67350	1.73	NIL	67350	1.73	NIL	0
17	Inani Keshav	86575	2.22	NIL	86575	2.22	NIL	0
18	Narayan Inani	72500	1.86	NIL	72500	1.86	NIL	0
19	Sri Gopal Inani HUF	53236	1.36	Nil	53236	1.36	NIL	0
20	Champadevi Inani	23200	0.59	Nil	23200	0.59	NIL	0
21	Jayashree Inani	4500	0.12	Nil	4500	0.12	NIL	0
22	I Lakshmikant	14000	0.35	NIL	14000	0.35	NIL	0

DHANALAXMI ROTO SPINNERS LIMITED

23	I Lakshmikanta	5600	0.14	NIL	5600	0.14	NIL	0
24	I Anita	4800	0.12	NIL	4800	0.12	NIL	0
25	I Srikumar	3300	0.08	NIL	3300	0.08	NIL	0

iii) Change in Promoters' Shareholding:

S. No	Name of the Promoter	Shareholding at the beginning of the year 01/04/2016		Date of increase/decrease	Increase / Decrease in Shareholding	Reason of increase / decrease such as allotment / transfer/ bonus/ sweat equity etc	Cumulative Shareholding during the year (01-04-16 to 31-03-17)		At the end of the year 31/03/2017	
		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 HUF	92809	2.38	06/05/2016 06/05/2016	72400 72400	Sale Purchase	20409 92809	0.52 2.38	92809	2.38%
2.	Srigopal Inani	78893	2.02	02/05/2016 06/05/2016	40000 40000	Sale Purchase	38893 78893	1.00 2.02	78893	2.02%
3.	Rajkumar Inani HUF	82914	2.13	02/05/2016 06/05/2016	43050 43050	Sale Purchase	39864 82914	1.02 2.13	82914	2.13%
4.	Keshav Inani	86575	2.22	02/05/2016 06/05/2016	20000 20000	Sale Purchase	66575 86575	1.71 2.22	86575	2.22%

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 01/04/2016		Date of increase/decrease	Increase/Decrease in Shareholding	Reason of increase/decrease such as allotment /transfer/ bonus/ sweat equity etc	Cumulative Shareholding during the year (01-04-16 to 31-03-17)		At the end of the year 31/03/2017	
		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	Vikram Kumar Jain	66871	1.71	18/11/2016 09/12/2016 06/01/2017	500 2000 12500	Purchase Purchase Purchase	67371 69371 81871	1.73 1.78 2.10	81871	2.10%
2	Srikanta Bai Chandak	68650	1.76	09/12/2016	2000	Purchase	70650	1.81	70650	1.81%
3	Manish Jain	63500	1.63	08/04/2016 15/07/2016 22/07/2016 02/09/2016 30/09/2016 07/10/2016 14/10/2016 21/10/2016 04/11/2016 18/11/2016 06/01/2017 03/02/2017 31/03/2017	1000 100 2500 250 150 1355 1000 1475 1726 1100 17500 1950 10000	Purchase Sale Purchase Purchase Sale Sale Sale Purchase Purchase Purchase Sale Purchase Sale	64500 64400 66900 67150 67000 65645 64645 66120 67846 68946 51446 53396 43396	1.65 1.65 1.72 1.72 1.72 1.68 1.66 1.70 1.74 1.77 1.32 1.37 1.11	43396	1.11%
4	Pushpa Jain	68317	1.75	27/01/2017	17	Sale	68300	1.75	68300	1.75%
5	Jaynarayan Sharma	67900	1.74	22/07/2016 21/10/2016	1700 66200	Sale Sale	66200 Nil	1.70 0	NIL	NIL

DHANALAXMI ROTO SPINNERS LIMITED

6	A V D A Narayan appa	54800	1.41	NIL	NIL	NIL	NIL	NIL	54800	1.41%
7	Rekha Kumari Jain	53100	1.36	14/10/2016 31/03/2017	200 20000	Sale Sale	52900 32900	1.36 0.84	32900	0.84%
8	Shanta Chandak	45500	1.17	NIL	NIL	NIL	NIL	NIL	45500	1.17%
9	Karmang hat Securities Private Limited	40100	1.03	NIL	NIL	NIL	NIL	NIL	40100	1.03%
10	Nagendra Prasad Kasturi	36500	0.94	NIL	NIL	NIL	NIL	NIL	36500	0.94%
11	Nandan Inani	NIL	NIL	21/10/2016	36200	Purchase	36200	0.93	36200	0.93%
12.	Inani Ambarish	25000	0.64	06/01/2017	10000	Purchase	35000	0.90	35000	0.90%

v) Shareholding of Directors and Key Managerial Personnel

S. No	Name of Director/K MP	Shareholding at the beginning of the year 01/04/2016		Date of increase/decrease	Increase/Decrease in Shareholding	Reason of increase/decrease such as allotment/transfer/bonus/sweat equity etc	Cumulative Shareholding during the year (01-04-16 to 31-03-17)		At the end of the year 31/03/2017	
		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

DHANALAXMI ROTO SPINNERS LIMITED

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	72500	1.86	NIL	NIL	NIL	NIL	NIL	72500	1.86%
4	Simanth Roy Chowdhury	47000	1.21	NIL	NIL	NIL	NIL	NIL	47000	1.21%
5	KN Prasad	36500	0.94	NIL	NIL	NIL	NIL	NIL	36500	0.94%
6	Shyamsu ndar Jakhotia	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7	Natasha Inani	42304	1.09	02/05/2016 06/05/2016 31/03/2017	10400 10400 18000	Sale Purchase Purchase	31904 42304 60304	0.82 1.09 1.55	60304	1.55%

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	93,40,713	86,91,395	--	1,80,32,108
ii) Interest due but not paid	--	=	--	--

DHANALAXMI ROTO SPINNERS LIMITED

iii) Interest accrued but not due	--	--	--	--
Total (+ii+iii)	93,40,713	86,91,395	--	1,80,32,108
Change in Indebtedness during the financial year	--	--	--	--
* Addition	11,38,93,436	1,31,89,489	--	12,70,82,925
* Reduction	(12,14,49,764)	(2,18,80,883)	--	(14,33,30,647)
Net Change	(75,56,328)	(86,91,395)	--	(1,62,47,722)
Indebtedness at the end of the financial year				
i) Principal Amount	17,84,384	-	-	17,84,384
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (+ii+iii)	17,84,384	-	-	17,84,384

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

Amount in Rs.

S No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Narayan Inani Executive Director cum CFO	Raj Kumar 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	1680000	1720000	1640000	5040000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--

DHANALAXMI ROTO SPINNERS LIMITED

	(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	--	--	--	--
	Total (A)	1680000	1720000	1640000	5040000

B. Remuneration to other directors

S No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. K.N.Prasad	Mr. Simanth Roy	Mr. ShyamSund arJakhotia	Mrs. Natasha Inani	
1	Independent Directors					
	Fee for attending Board and committee meetings	24000	24000	24000	--	72000
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	Total (1)	24000	24000	24000	--	72000
2	Other Non-Executive Directors	--	--	--	--	--
	Fee for attending Board and committee	--	--	--		24000

DHANALAXMI ROTO SPINNERS LIMITED

meetings				24000	
Commission	--	--	--	--	--
Others, please specify	--	--	--	--	--
Total (2)	--	--	--	24000	24000
Total (B)=(1+2)	24000	24000	24000	24000	96000

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

By Order of the Board
For DHANALAXMI ROTO SPINNERS LIMITED

Sd/-

Sd/-

Place: Thimmapur
Date : 31/08/2017

NARAYAN INANI
Executive Director cum CFO
(DIN: 00525403)

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

DHANALAXMI ROTO SPINNERS LIMITED

ANNEXURE-B

FORM NO. AOC -2

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

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

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

SL. No.	Particular					
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. 35,000 per month increased to Rs. 75000 per month from December plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 35,000 per month increased to Rs. 100000 per month from December plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 35,000 per month increased to Rs. 100000 per month from December plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 35,000 per month increased to Rs. 75000 per month from December plus bonus for one month reviewed by the Board of Directors from time to time.	Monthly remuneration of Rs. 35,000 per month increased to Rs. 100000 per month from December plus bonus for one month reviewed by the Board of Directors from time to time.
5.	Date of approval by the Board	01/12/2017	01/12/2017	01/12/2017	01/12/2017	01/12/2017
6.	Amount incurred during the year	5,25,000	7,15,000	6,35,000	6,15,000	7,15,000

By Order of the Board
For DHANALAXMI ROTO SPINNERS LIMITED

Sd/-

Sd/-

Place: Thimmapur
Date : 31/08/2017

NARAYAN INANI
Executive Director cum CFO
(DIN: 00525403)

RAJKUMAR INANI
Managing Director
(DIN: 00885466)

DHANALAXMI ROTO SPINNERS LIMITED

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2017

[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, Thimmapur-509325,
Mahabubnagar 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 31/03/2017, 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 31/03/2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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 there under 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);

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 subject to the following observations:

1. The entire Promoter shareholding is not held in dematerialized mode as required under SEBI Regulations.
2. The company has not appointed Company Secretary as Key Managerial Personnel as required under section 203 of the Companies Act, 2013 and as compliance officer as required under Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

DHANALAXMI ROTO SPINNERS LIMITED

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**

Sd/-

Place: Thimmapur
Date : 31/08/2017

(Shailesh Baheti)
(M. No:8159)
(CP No.9017)

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, Thimmapur-509325,
Mahabubnagar 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

Sd/-

(Shailesh Baheti)
(M. No:8159)
(CP No.9017)

Place: Thimmapur
Date : 31/08/2017

INDEPENDENT AUDITORS' REPORT

To
The Members of
Dhanalaxmi Roto Spinners Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Dhanalaxmi Roto Spinners Limited which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of

the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in Annexure B and
 - (g) With respect to the other matters to be included in the Auditor's Report in

DHANALAXMI ROTO SPINNERS LIMITED

accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer to Note No.14.1.
- ii. The Company did not have any long-term contracts including derivative contracts in respect of which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. Based on the information and explanations provided to us, the company has provided the requisite disclosures in its financial statements as to the holdings as well as dealings in Specified Bank Notes as defined in Notification S.O. 3407 (E) dated 8th November,2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016 and such disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management.

for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn. No.05834S

Place: Thimmapur
Date: 30/05/2017.

G.D.Upadhyay
Partner
Membership No.027187

Annexure A to the Independent Auditors' Report

The Annexure referred in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner. All the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of the immovable properties are held in the name of the Company.
- (ii) The Company has conducted physical verification of inventories at reasonable intervals and no material discrepancies were noticed on such verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered under Sec 189 of the Companies Act, 2013. Accordingly, clauses (a) & (b) of paragraph 3(iii) are not applicable to the Company.
- (iv) The Company has neither given any loans to directors nor has invested or given guarantees. Hence, provisions of section 185 & 186 of the Act and rules framed there under are not pertinent. Accordingly, paragraph 3(iv) is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) is not applicable to the Company.
- (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) (a) According to the information and explanations given to us and the records of the Company examined by us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March 2017 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 /sales tax / wealth tax /service tax/ duty of customs /duty of excise / value added tax / 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 did not raise any money by way of initial public offer (including debt instruments) and term loans raised during the year have been applied for the purpose which they are raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) is not applicable to the Company.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, transactions with the related parties are in compliance with section 177 & 188 of the Act where applicable and the details have been disclosed of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Accordingly, paragraph 3(xv) is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn. No.058345

Place: Thimmapur
Date: 30/05/2017.

G.D.Upadhyay
Partner
Membership No.027187

Annexure B to the Independent Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the Guidance Note) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial misstatement of the financial statements, whether due to fraud and error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (ii) 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 the management and directors of the Company and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn. No.05834S

G.D.Upadhyay
Partner

Place: Thimmapur
Date: 30/05/2017.

Membership No.027187

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	39,003,000	39,003,000
(b) Reserves and Surplus	4	69,231,355	49,916,166
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	5	7,126,707	9,043,670
(b) Deferred Tax Liability (Net)	6	1,898,275	1,498,205
(c) Other Long Term Liabilities	7	88,770	88,770
(3) Current Liabilities			
(a) Short-Term Borrowings	8	-	15,894,524
(b) Trade Payables	9	81,932,806	45,138,354
(c) Other Current Liabilities	10	18,352,947	7,388,089
(d) Short-Term Provisions	11	5,375,584	528,610
Total Equity & Liabilities		223,009,444	168,499,388
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	12		
A		36,416,068	31,375,099
B		29,554	29,948
(ii) Intangible Assets			
(b) Non-Current Investments	13	31,866,603	896,811
(c) Long-Term Loans and Advances	14	4,048,958	3,720,488
(2) Current Assets			
(a) Inventories	15	1,129,243	3,142,742
(b) Trade Receivables	16	109,010,920	78,028,179
(c) Cash and Cash Equivalents	17	39,009,769	47,110,225
(d) Short-Term Loans and Advances	18	1,243,624	3,638,697
(e) Other Current Assets	19	254,705	557,199
Total Assets		223,009,444	168,499,388

Corporate Information & Significant Accounting Policies

Notes referred to above attached there to form an integral part of the financial statements. 1 to 27

As per our Report of even date attached

for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn No.05834S

For and on behalf of the Board

Sd/-

Sd/-

Sd/-

G.D. Upadhyay
Partner
Membership No.027187

Rajkumar Inani
Managing Director
(DIN: 00885466)

Narayan Inani
Executive Director cum CFO
(DIN: 00525403)

Place: Thimmapur

Date: 30/05/2017

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31ST MARCH, 2017

Sr. No	Particulars	Note No	For the year ended 31st March, 2017 (Rs.)	For the year ended 31st March, 2016 (Rs.)
	<u>Income:</u>			
I	Revenue from Operations	20	530,256,786	497,304,312
II	Other Income	21	12,278,073	14,229,613
III	Total Revenue (I+II)		542,534,859	511,533,925
	<u>Expenses:</u>			
IV	Purchases & its related expenses	-	470,624,088	454,780,438
	Changes in Inventories of Finished Goods and Stock-in-Trade	22	2,013,500	2,299,676
	Employee Benefits Expense	23	10,717,140	7,218,497
	Financial Costs	24	3,570,301	4,112,600
	Depreciation and Amortised Cost	25	2,188,796	2,055,641
	Other Administrative Expenses	26	23,619,846	29,135,796
	Total Expenses (IV)		512,733,671	499,602,648
V	Profit before exceptional and extraordinary items and tax	(III - IV)	29,801,188	11,931,277
VI	Exceptional Items			
	(Profit)/Loss on Sale of Assets		(87,549)	(70,433)
	Prior Period (Income)/Expenses		450,049	(28,332)
VII	Profit before tax	(V - VI)	29,438,688	12,030,042
VIII	Tax expenses:			
	(1) Current tax		9,303,489	3,734,968
	(2) Deferred tax		400,070	277,790
IX	Profit for the year	(VII-VIII)	19,735,129	8,017,284
X	Earning per equity share of face value of Rs 10 each :			
	(1) Basic		5.06	2.06
	(2) Diluted		5.06	2.06

Corporate Information & Significant Accounting Policies

Notes referred to above attached there to form an integral part of the financial statements. 1 to 27

As per our Report of even date attached

for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn No.05834S

For and on behalf of the Board

Sd/-

G.D. Upadhyay
Partner
Membership No.027187

Sd/-

Rajkumar Inani
Managing Director
(DIN: 00885466)

Sd/-

Narayan Inani
Executive Director cum CFO
(DIN: 00525403)

Place: Thimmapur

Date: 30/05/2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

S.No	Particulars	For the year ended 31st March, 2017 (Rs.)	For the year ended 31st March, 2016 (Rs.)
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
a	Net Profit/(Loss) before Tax as per Statement of Profit & Loss	29,438,688	12,030,042
	Adjustments for :		
	Depreciation	2,188,796	2,055,641
	(Profit)/Loss on Investments and Transaction of Shares, Securities and Commodities	1,053,270	245,349
	Dividend Income	(1,467,376)	(141,000)
	Other Income and Rent	(7,473,419)	(7,245,287)
	Interest Expenses	3,570,301	4,112,600
	Prior Period Adjustments	450,049	(28,332)
	Bad debts Written Off	126,651	-
b	Operating Profit/(Loss) before working capital changes	27,886,960	11,029,013
	Adjustments for :		
	Trade Receivables	(30,982,740)	(7,067,280)
	Inventories	2,013,499	2,299,676
	Other Current Assets	302,494	(388,041)
	Trade and Other Payables	36,794,452	(32,454,118)
	Other Current Liabilities	10,964,858	990,291
	Cash Generated from Operations	46,979,523	(25,590,459)
	Taxes paid (Net)	(4,876,455)	(10,034,601)
c	Cash Flow before extraordinary items	42,103,068	(35,625,060)
	Profit/ (Loss) on Sale of Fixed Assets	(87,549)	(70,433)
	Prior Year Adjustments	(450,049)	28,332
	Net Cash Flow from Operating Activities (A) :	41,565,470	(35,667,161)
B	<u>CASH FLOW FROM INVESTING ACTIVITIES :</u>		
	Purchase of Fixed Assets	(7,251,820)	(2,307,742)
	Salc of Fixed Assets	110,000	600,246
	Movement in Loans & Advances	2,066,600	9,944,812
	Movement in Non-Current Investments	(30,969,792)	1,600,715
	(Profit)/Loss on Investments and Transaction of Shares	(1,053,270)	(245,349)
	Other Income and Rent	7,473,419	7,245,287
	Dividend Received	1,467,376	141,000
	Bad debts Written Off	(126,651)	-
	Net Cash Flow/(used) in Investing Activities (B) :	(28,284,138)	16,978,968
C	<u>CASH FLOW FROM FINANCING ACTIVITIES :</u>		
	Borrowings/(Repayment of loan)	(1,916,963)	(1,215,989)
	Short Term Borrowings	(15,894,524)	13,625,197
	Interest Paid	(3,570,301)	(4,112,600)
	Net Cash Flow from Financing Activities (C) :	(21,381,788)	8,296,607

DHANALAXMI ROTO SPINNERS LIMITED

D	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(8,100,456)	(10,391,583)
	Cash and Cash Equivalents at they beginning of the year	47,110,225	57,501,808
	Cash and Cash Equivalents at the end of the year	39,009,769	47,110,225

We have verified the above Cash Flow Statement of M/s. **Dhanalaxmi Roto Spinners Limited** derived from the Audited Financial Statements for the year ended 31st March, 2017 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with the Stock Exchanges.

As per our Report of even date attached

for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn No.058345

For and on behalf of the Board

Sd/-
G.D. Upadhyay
Partner
Membership No.027187

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

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

Place: Thimmapur
Date: 30/05/2017

Notes to the Financial Statements:**1. GENERAL INFORMATION :**

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.

2. SIGNIFICANT ACCOUNTING POLICIES :**i. Basis of preparation of financial statements:**

These financial statements of the Company have been prepared as a going concern in accordance with the generally accepted accounting principles in India (Indian GAAP) and comply in all material respects with the applicable accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements have been consistently applied.

ii. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reporting period like useful lives of fixed assets, provision for doubtful receivables / advances, provision for diminution in value of investments, provision for employee benefits, provision for taxation, provision for contingencies etc. Accounting estimates could change from period to period. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

iii. Fixed Assets :

All Fixed Assets are stated at cost of acquisition, less accumulated depreciation and impairment if any. Cost is inclusive of freight, installation cost, duties, taxes and other direct incidental expenses.

Subsequent expenditure relating to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance

Intangible assets are stated at cost of acquisition, net of accumulated amortization and impairment loss if any. Intangible assets are amortised on straight line basis over their estimated useful lives.

iv. Capital Work-in-progress

Capital work-in-progress if any comprises the cost of fixed assets that are not yet ready for their intended use at reporting date. Capital work-in-progress is carried at cost, comprising direct cost and related incidental expenses.

v. Depreciation & Amortisation:

Depreciation has been provided on straight line method as per the useful lives and manner as specified in Schedule II of the Companies Act, 2013. Depreciation for assets purchased or sold during the period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.

Depreciation on fixed assets is provided on the straight line method over the useful lives of assets as prescribed under Schedule III of Companies Act, 2013.

vi. Impairment:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

vii. Foreign Currency Transactions:

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transaction are recognized as income or expense in the Statement of Profit and Loss.

viii. Investments:

Trade investments are the investments made to enhance the Company's business interests. Interests are either classified as current or long term based on the management's intention. Current investments are carried at lower of the cost or fair market value. Long term investments are carried at cost less provision, if any recorded to recognize any decline, other than temporary, in the carrying value of each investment.

ix. Inventories:

Inventories are valued at lower of cost and net realizable value whichever is lower.

x. Revenue Recognition :

Revenue from sale of goods and services rendered is recognized upon passage of title and

rendering of services. The Company presents revenues net of indirect taxes the Statement of Profit and Loss.

Lease rentals are recognized ratably on a straight line basis over the lease term. Interest is recognized using the time: proportion method, based on rates implicit in the transaction.

xi. Dividend:

Income from Dividend is recognized when the Company's right to receive is established.

xii. Financial Derivatives and Commodity Hedging Transactions:

In respect of derivative contracts, premium paid gain/losses on settlement and losses on restatement are recognized in the Statement of Profit and Loss.

xiii. 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.

xiv. Taxation :

Tax expense comprises of current and deferred. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Provision for current tax is made on the basis of Taxable Income of the Current Accounting Year in accordance with Income Tax Act, 1961.

Deferred Tax is recognized for all the timing differences. The Company is providing and recognizing deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liability are offset when there is legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

xv. 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.

xvi. 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.

xvii. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby Net Profit/(Loss) before tax is adjusted for the effects of transactions of a non-cash nature, and any deferrals or accruals of past or future cash receipts or payments an item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents for the purpose of cash flow comprises of cash at bank and in hand.

xviii. Operating Cycle:

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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3: Share Capital		(Amount in Rupees)	(Amount in Rupees)
Sr. No	Particulars	Current Year	Previous Year
1	Authorized Share Capital 50,00,000 Equity Shares of Rs. 10/- each.	50,000,000	50,000,000
		50,000,000	50,000,000
2	Issued,Subscribed & Paid Up Capital 39,00,300 Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment	39,003,000	39,003,000
	Total in Rs	39,003,000	39,003,000

3.1 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

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

4: Reserves & Surplus		Current Year	Previous Year
Sr. No	Particulars	Current Year	Previous Year
1	Capital Reserve As per Last Balance Sheet	20,000	20,000
2	Central Subsidy	1,500,000	1,500,000
3	Investment Allowance utilised reserve	1,888,866	1,888,866
	Balance brought forward from previous year	46,507,300	38,895,470
	Add: Profit for the period	19,735,129	8,017,284
		66,242,429	46,912,754
	Less: Earlier Year Taxes paid (Tax on regular assessment)	419,940	405,454
	Surplus in Statement of Profit & Loss Account	65,822,489	46,507,300
	Total in Rs	69,231,355	49,916,166

5: Long Term Borrowings		Current Year	Previous Year
Sr. No	Particulars	Current Year	Previous Year
1	Secured Long Term Maturities of Term Loans from Bank	1,068,385	1,377,012
2	Others	6,058,322	7,666,658
	Total in Rs	7,126,707	9,043,670

DHANALAXMI ROTO SPINNERS LIMITED

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

Sr. No	Particulars	Current Year	Previous Year
	Axis Bank (against Hyundai Active-i20 Car)	850,000	850,000
	Axis Bank (against Honda JAzz)	850,000	-
	ICICI Bank (against New Hyundai Active-i20 Car)	838,000	838,000
	ICICI Bank (against Baleno Car)	727,000	727,000

6: Deferred Tax Liability (Net)

Sr. No	Particulars	Current Year	Previous Year
	Opening Balance	1,498,205	1,220,415
	Timing Difference on account of Depreciation	400,070	277,790
	Total in Rs	1,898,275	1,498,205

7: Other Long Term Liabilities

Sr. No	Particulars	Current Year	Previous Year
1	Others	88,770	88,770
	Total in Rs	88,770	88,770

8: Short Term Borrowings

Sr. No	Particulars	Current Year	Previous Year
1	Loan Repayable on Demand		
	- From Banks	-	7,203,129
2	Loans & Advances from Related Parties		
	- From Directors	-	8,487,085
	- From Others	-	204,310
	Total in Rs	-	15,894,524

8.1 Working capital limits sanctioned by Tamilnad Mercantile Bank Ltd, are repayable 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 personal guarantee of directors and the sanction limits are Rs. 1.50 crores for CC, Rs.50 Lakhs for FBN/IBN, Rs 15 crores for FLC/ILC, Rs.15 crores for forward contract.

DHANALAXMI ROTO SPINNERS LIMITED

9: Trade Payables

Sr. No	Particulars	Current Year	Previous Year
	Sundry Creditors	81,932,806	45,138,354
	Total in Rs	81,932,806	45,138,354

9.1 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.

10: Other Current Liabilities

Sr. No	Particulars	Current Year	Previous Year
1	Advance From Customers	1,567,952	513,735
2	Other Payables	15,626,367	6,113,782
3	Current Maturities of Long Term Loans	1,158,628	760,572
	Total in Rs	18,352,947	7,388,089

10.1 Other Payables includes rental advance and statutory dues such as TDS Payable, Service Tax Payable & other outstanding liabilities.

11 : Short Term Provisions

Sr. No	Particulars	Current Year	Previous Year
1	Provision for Taxation	5,375,584	528,610
	Total in Rs	5,375,584	528,610

DHANALAXMI ROTO SPINNERS LIMITED

12: Fixed Assets

Sr. No	Particulars	Useful Life	Gross Block			Depreciation			Net Block	
			Value at the beginning	Addition during the year	Deletions during the year	Value at the end	Value at the beginning	Addition during the year	Deletions during the year	WDV as on 31/03/2017
A	Tangible Assets									
1	Industrial Plot/Land	NA	2,227,438	-	-	2,227,438	-	-	2,227,438	2,227,438
2	Building (RCC Frame Structure)	60.00	20,295,607	-	-	20,295,607	316,948	-	18,967,418	19,284,366
3	Building (Other than RCC Frame Structure)	30.00	9,135,752	6,129,863	-	15,265,615	356,159	-	8,574,186	2,800,482
4	Borewell	15.00	88,174	-	-	88,174	1,135	-	12,635	13,770
5	Furniture & Fixtures	10.00	1,784,919	144,600	-	1,929,519	107,163	-	1,463,846	428,236
6	Vehicles (Cars)	8.00	7,694,748	962,957	449,030	8,208,675	972,062	426,581	2,899,239	5,340,990
7	Motor Cycle	10.00	114,809	-	-	114,809	36,990	-	47,974	77,819
8	Office Equipments	5.00	1,573,769	-	-	1,573,769	256,095	-	1,177,625	652,239
9	Computers & Printers	3.00	1,507,693	14,400	-	1,522,093	1,178,134	-	1,328,253	329,559
10	Honda Generator	15.00	85,500	-	-	85,500	19,120	-	24,753	66,380
11	Old Steel Containers	15.00	186,800	-	-	186,800	32,980	-	45,084	153,820
	SUB TOTAL (A)		44,695,209	7,251,820	449,030	51,497,999	2,188,402	426,581	15,081,931	31,375,099
B	Intangible Assets									
1	Sterling Holiday Resorts	99.00	39,000	-	-	39,000	394	-	9,446	29,554
	SUB TOTAL (B)		39,000	-	-	39,000	394	-	9,446	29,554
	Total [A + B] (Current Year)		44,734,209	7,251,820	449,030	51,536,999	2,188,796	426,581	15,091,377	31,405,047
	(Previous Year)		43,974,930	2,207,742	1,548,463	44,734,209	2,055,641	1,018,650	13,329,163	31,682,758

DHANALAXMI ROTO SPINNERS LIMITED

13: Non Current Investments

Sr. No	Particulars	Current Year	Previous Year
1	<u>Investment in Equity Shares:</u>		
	Unquoted Investments	759,750	759,750
	Investment in Gold	137,061	137,061
	Investment in UTI Money Market Fund	29,967,326	-
	Inani Securities Ltd - Margin for Currency Hedging	1,002,466	
	Total in Rs	31,866,603	896,811

14: Long Term Loans and Advances

Sr. No	Particulars	Current Year	Previous Year
(A)	Advances		
	a) Unsecured, Considered Good :		
	Advances to Others	2,665,400	2,447,161
(B)	Security Deposit		
	a) Unsecured, Considered Good :		
	Deposits	385,360	342,860
(C)	Others		
	a) Advance Recoverable in cash or in kind or for value to be considered good		
	Balance With Revenue Authorities	998,198	930,467
	Total in Rs	4,048,958	3,720,488

14.1 Advance to Others includes an amount of Rs 11,00,000/- paid to Anand Solvex Limited which is overdue and the case is pending in the court for the recovery of the same.

14.2 Deposits includes deposits paid towards amenities i.e. Electricity, Telephone, Rent etc.

15: Inventories

Sr. No	Particulars	Current Year	Previous Year
1	Wood Pulp	1,096,715	3,079,547
2	Waste Paper	-	30,667
3	Carboxy Methyl Cellulose DVP Spl	32,528	32,528
	Total in Rs	1,129,243	3,142,742

DHANALAXMI ROTO SPINNERS LIMITED

16: Trade Receivables

Sr. No	Particulars	Current Year	Previous Year
	<u>Unsecured and Considered Good :</u>		
1	Over six Months	4,710,382	33,560
2	Others	104,300,538	7,79,94,619
	Total in Rs	109,010,920	78,028,179

17: Cash and Cash Equivalents

Sr. No	Particulars	Current Year	Previous Year
1	Cash-in-Hand Cash Balance	52,832	332,613
	Sub Total (A)	52,832	332,613
2	Bank Balances In Current Accounts	10,625,629	7,002,391
	Fixed Deposits with Banks	28,331,308	39,775,221
	Sub Total (B)	38,956,937	46,777,612
	Total [A + B]	39,009,769	47,110,225

17.1 Fixed Deposits with Bank Includes deposits of Rs.131.96 Lakhs (Previous year Rs. 282.04 Lakhs) with maturity of more than 12 Months.

18: Short Term Loans and Advances

Sr. No	Particulars	Current Year	Previous Year
1	Others Advance Recoverable in cash or in kind or for value to be considered good		
	Advance to Suppliers	561,030	2,514,259
	Balance With Revenue Authorities (Indirect Taxes)	682,594	1,124,438
	Total in Rs	1,243,624	3,638,697

19: Other Current Assets

Sr. No	Particulars	Current Year	Previous Year
1	Others	254,705	557,199
	Total in Rs	254,705	557,199

DHANALAXMI ROTO SPINNERS LIMITED

20: Revenue from Operations

Sr. No	Particulars	Current Year	Previous Year
1	Sales	530,256,786	497,304,312
	Total in Rs	530,256,786	497,304,312

21: Other Income

Sr. No	Particulars	Current Year	Previous Year
1	Interest Income	3,337,278	6,843,326
2	Other Receipts	8,940,795	7,386,287
	Total in Rs	12,278,073	14,229,613

21.1 Other Receipts include Commission, Rent, Dividend Income etc

22: Changes in Inventories of Finished Goods and Stock-in-Trade

Sr. No	Particulars	Current Year	Previous Year
1	Opening Stock	3,142,742	5,442,418
2	Closing Stock	1,129,242	3,142,742
	Total in Rs	2,013,500	2,299,676

23: Employee Benefit Expenses

Sr. No	Particulars	Current Year	Previous Year
1	Salaries & Bonus	5,636,000	4,031,000
2	Directors Remuneration	5,040,000	3,045,000
3	Staff Welfare & Other Benefits	41,140	142,497
	Total in Rs	10,717,140	7,218,497

24: Financial Costs

Sr. No	Particulars	Current Year	Previous Year
1	Interest Expenses	1,093,170	1,197,475
2	Other Borrowing Cost	2,477,131	2,915,125
	Total in Rs	3,570,301	4,112,600

DHANALAXMI ROTO SPINNERS LIMITED

25: Depreciation & Amortised Cost

Sr. No	Particulars	Current Year	Previous Year
1	Depreciation & Amortization	2,188,796	2,055,641
	Total in Rs	2,188,796	2,055,641

26: Other Administrative Expenses

Sr. No	Particulars	Current Year	Previous Year
1	Rent, Rates, Taxes and Renewals	843,567	829,081
2	Telephone Expenses	195,460	177,217
3	Bad Debts Written Off	126,651	200,000
4	Conveyance	239,902	398,402
5	Repairs & Maintenance	1,442,089	1,583,754
6	Electricity Expenses	358,407	368,392
7	Insurance	155,116	127,848
8	Hamali Charges	411,662	1,031,219
9	Travelling Expenses	2,292,733	2,159,602
10	Directors' Sitting Fees	96,000	112,000
11	Auditors' Remuneration	83,375	83,013
12	Business Promotion Expenses	292,466	650,028
13	Advertisement	90,733	78,097
14	Freight Outwards	2,156,545	1,003,618
15	Commission and Brokerage	11,903,137	11,182,546
16	Conference Expenses	1,020,408	1,223,198
17	Other Miscellaneous Expenses	519,676	1,119,121
18	Consultancy and Service Charges	216,750	140,000
19	Charities & Donations	78,000	24,450
20	Foreign Fluctuations	-	6,355,140
21	Loss on Derivative Transactions	1,053,270	245,349
22	Share Transfer & Demat Expenses	43,899	43,721
	Total in Rs	23,619,846	29,135,796

27. NOTES TO ACCOUNTS:

S. No	Particulars	31/03/2017	31/03/2016
i.	Estimated amount of contracts remaining to be executed on Capital account not provided for (Net of advances)	Nil	Nil
ii.	Contingent Liabilities not provided for Bank Guarantee and FLC issued by the Bank	4,93,15,928	2,34,76,641
iii.	Auditors Remuneration :		
	Audit Fees	50,000	50,000
	Tax Representation Fees	22,500	22,500
	Service Tax	10,875	10,513

DHANALAXMI ROTO SPINNERS LIMITED

iv. 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

v. Quantitative Particulars (in Kilograms) :

Product	Opening Stock	Purchases	Sales	Closing Stock
Wood Pulp	112196.70 (135114.50)	12709676.00 (10679779.90)	12785375.70 (10702697.70)	36497.00 (112196.70)
Paper	0.00 (0.00)	56083.20 (78492.00)	56083.20 (78492.00)	0.00 (0.00)
Waste Paper	1163.38 (5119.38)	385336.00 (506546.00)	386499.38 (510502.00)	0.00 (1163.38)
Carboxy Methyl Cellulose	1365.00 (1365.00)	0 0	0 0	1365.00 (1365.00)
Micro Crystalline Cellulose Powder	0.00 (0.00)	45895.00 (46975.00)	45895.00 (46975.00)	0.00 (0.00)

S.No	Particulars	31.03.2017	31.03.2016
vi.	Value of Imports on CIF Basis		
	Raw Materials	Nil	Nil
	Spare Parts and Consumables	Nil	Nil
	Capital Goods	Nil	Nil
vii.	Expenditure in Foreign Currency		
	Towards Purchases	445,945,368	388,067,550
	Towards Travelling	9,41,461	1,308,741
	Towards Fixed Assets	-	91,321
viii.	Earnings in Foreign Currency	Nil	Nil

ix. Related Party Disclosure as per Accounting Standard -18:

During the year, the Company entered into transactions with the related parties. Those transactions along with related balances as at 31st March, 2017 and for the year ended are presented in the following table.

(The information is given as compiled and certified by the management).

S.No.	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	Shyam Sunder Jakhota
6	Simanth Roy Chowdhry
7	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 (Amount in Rs)

Particulars	Key Person/Relatives	Associates
Directors' Remuneration	50,40,000	-
Directors' Sitting Fees	96,000	-
Interest to Directors	830,109	-
Salaries & Bonus to Relatives	32,85,000	-

(x) Basic and Diluted Earnings per Share {"EPS"} computed in accordance with Accounting Standard (AS) 20 'Earnings per Share'

Particulars		2016-17	2015-16
Basic			
Profit after tax as per Statement of Profit and Loss	A	1,97,35,129	80,17,284
Number of Shares subscribed	B	3,900,300	3,900,300
Basic EPS (Rupees)	A/B	5.06	2.06
Diluted			
Profit after tax as per Statement of Profit and Loss	A	1,97,35,129	80,17,284
Number of Shares subscribed	B	3,900,300	3,900,300
Diluted EPS (Rupees)	A/B	5.06	2.06

DHANALAXMI ROTO SPINNERS LIMITED

xi Disclosure pursuant to Ministry of Corporate Affairs Notification No. 17/62/2015-CL-V (Vol. I)
dated March 30, 2017

Particulars	Specified Bank Notes	Other Denomination Notes	Totals
Closing Cash in Hand as on 08/11/2016	Rs.19,10,000	Rs.1,62,117	Rs.20,72,117
(+) Permitted Receipts/Cash Withdrawn	-	Rs.(130000)	-
(-) Permitted Payments	-	Rs.162459	-
(-) Amount Deposited in Banks	Rs.19,10,000		
Closing Cash in Hand as on 30/12/2016	-	Rs.1,29,658	Rs.1,29,658

*includes amount directly deposited by borrowers into company's bank accounts.

(xii) Figures in brackets in these notes are in respect of previous year.

As per our Report of even date attached. **For and on behalf of the Board**
for G.D.Upadhyay & Co.,
Chartered Accountants
Firm Regn No.05834S

Sd/-
G.D. Upadhyay
Partner
Membership No.027187

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

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

Place: Thimmapur
Date: 30/05/2017

DHANALAXMI ROTO SPINNERS LIMITED

DHANALAXMI ROTO SPINNERS LIMITED

(CIN: L18100TG1987PLC007769)

**Regd. Office: Survey No.114 & 115, Station Road, Thimmapur, Mahabubnagar Dist,
Telangana, PIN : 509 325**

**Email: dhanroto@gmail.com / dhanlaxmiroto@yahoo.co.in
Tel (M) 95330 60707**

ATTENDANCE SLIP

(30th Annual General Meeting- 29th September, 2017)

Regd. Folio No.: _____

No. of shares held _____

*Demat A/c No DPID. No. _____

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of **DHANALAXMI ROTO SPINNERS LIMITED**.

I hereby record my presence at the Annual General Meeting of the Company at Survey No.114 & 115, Station Road, Thimmapur, Mahabubnagar Dist, Telangana, 509 325 on 29th day of September, 2017 at 9.30 AM.

Member's/Proxy's/Representative's name

Signature of
Member/Proxy/Representative

*Applicable if shares are held in electronic form.

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of Notice to the meeting.

DHANALAXMI ROTO SPINNERS LIMITED

DHANALAXMI ROTO SPINNERS LIMITED

(CIN: L18100TG1987PLC007769)

**Regd. Office: Survey No.114 & 115, Station Road, Thimmapur, Mahabubnagar Dist,
Telangana, PIN: 509 325**

**Email: dhanroto@gmail.com / dhanlaxmiroto@yahoo.co.in
Tel (M) 95330 60707**

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN:	L18100TG1987PLC007769		
Name of the company	DHANALAXMI ROTO SPINNERS LIMITED		
Registered office	Survey No.114 & 115, Station Road, Thimmapur, Mahabubnagar Dist, Telangana		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client Id		DP ID	

I/We, being the holder (s) of shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail id		Signature	
	or failing him			
2.	Name			
	Address			

DHANALAXMI ROTO SPINNERS LIMITED

	E-mail id		Signature	
	or failing him			
3.	Name			
	Address			
	E-mail id		Signature	

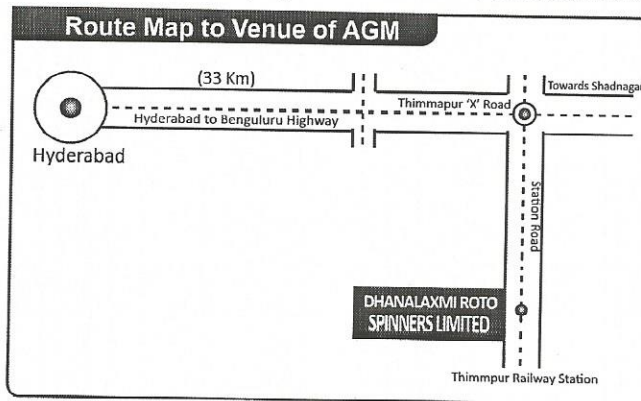
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Friday the 29th day of September 2017 at 9.30 AM at the registered office of the Company situated at Sy.No.114 & 115, Thimmapur -509325, Mahabubnagar District, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No	Resolutions	For	Against
1.			
2.			
3.			
4.			
5.			
6.			

Signed this day of..... 2017.

Signature of shareholder _____ Signature of Proxy holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement.



DHANALAXMI ROTO SPINNERS LIMITED

PRINTED MATTER
BOOK - POST



To,

If undelivered please return to :

DHANALAXMI ROTO SPINNERS LIMITED

Sy.No.114&115, Station Road, THIMMAPUR - 509 325.

Mahabubnagar District. (Telangana)