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The Dhar Textile Mills Limited

Plot No. 188, Sector-1, Opp. Force Motor,
Pithampur Distt. Dhar 474775 (M.P.)

Phone : 91(7292) **252283**

Fax : 91(7292) **253093**

Jajoo Group

To,

Dated: 13th January, 2018

BSE Limited,
P.J. Towers, Rotunda Bldg,
Dalal Street, Mumbai- 400001

SUB: SUBMISSION OF "ANNUAL REPORT FOR THE FINANCIAL YEAR 2016-17."

REF: SCRIP CODE: 530949, SCRIP ID: DHARTEX, ISIN: INE044B01018

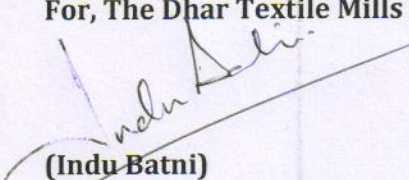
Dear Sir/ Ma'am,

In consonance with the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed h/w the Annual Report of the Company for the Financial Year 2016-17, which has been approved and adopted in the 33rd Annual General Meeting of the company held on 30th December, 2017.

This is for the intimation of Exchange and members thereof.

You are requested to take the same on record.

Thanking You
Yours Sincerely
For, The Dhar Textile Mills Limited


(Indu Batni)
Chief Financial Officer

Encl: a/a.

**33rd
ANNUAL REPORT
2016 – 2017**

The Dhar Textile Mills Limited

REGD. OFFICE: C-1/A, Low Land Area, Pologround Industrial Estate, Indore – 452015

BOARD OF DIRECTORS

Shri Pankaj Jajoo	-	Chairman and Managing Director
Shri Manish Jajoo	-	Non-Executive Director
Shri Pankaj Singhal*	-	Non-Executive Independent Director
Shri Sunil Choudhary	-	Non-Executive Independent Director
Shri Vijay Bakliwal	-	Non-Executive Independent Director

* Resigned from the board w.e.f. 05.11.2016

CHIEF FINANCIAL OFFICER

Smt. Indu Batni

Auditors:

M/s B. Bansal & Co.
Chartered Accountants
E-2, Ratlam Kothi,
Indore- 452001 (M.P.)

ARC's:

Asset Reconstruction Company (India) Ltd (ARCIL)
ASREC (India) Limited

Registrar and Share Transfer Agent:

M/s Link Intime India Private Limited
C – 13, Kantilal Maganlal Estate,
Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai (M.H.) - 400 078
Tel No: 25963838
Fax No: 022 - 25946969
Email: rnt.helpdesk@linkintime.co.in

Registered Office & Fabric Division:

C-1/A, Low Land Area,
Pologround Industrial Estate,
Indore-452015

Yarn Division:

188, Sector I, Pithampur Dist
Dhar, M.P.

Contact Details:

Phone: +91 731 2423456
Fax: +91 731 2421940
Email: sunil@dhartextile.com
Website: <http://www.dhartextile.com>
CIN: L17121MP1984PLC002484

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NOTICE

NOTICE is hereby given that 33rd Annual General Meeting of the Members of the Company will be held on Saturday, 30th December, 2017 at 10.30 A.M. at the registered office of the Company at C-1/A, Low Land Area, Pologround Industrial Estate, Indore-452015 (M.P.).

Also, as per Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, the company is pleased to provide its members the facility to cast their vote by electronic means, i.e. **E-voting**, on all resolutions set forth in the Notice. **E-Voting is optional.**

The Annual General Meeting of the Members of the Company will be held to transact the following business:

AS ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements for the financial year ended on 31st March, 2017 together with the Auditors and Board's Report thereon.
2. To appoint a director in place of Shri Manish Jajoo (DIN: 00153407), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution 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 Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Airen & Saluja., Chartered Accountants, (ICAI Firm Registration No.: 0004588C) be and is hereby appointed as Statutory Auditor of the Company in place of M/s. B. Bansal & Co., Chartered Accountants, (ICAI Firm Registration No.: 000450C), the retiring Statutory Auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 38th Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting, at such remuneration plus service tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf.”

For and on Behalf of the Board,
The Dhar Textile Mills Limited

Place: Indore
Date: 30.11.2017

Pankaj Jajoo
Chairperson & Managing Director
DIN: 00017748

NOTES:

1. Wherever applicable, the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the special business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.
3. All documents referred to in the Notice will be available for inspection at the Company’s registered office during normal business hours on working days up to the date of the AGM.
4. The register of members and transfer books of the Company shall remain closed from <<21st day of December, 2017>> to <<30th day of December, 2017>> (both days inclusive) for the purpose of Annual General Meeting.
5. Any query relating to accounts or any other items of business set out in the Agenda of the meeting must be sent to the Company’s Registered Office at least seven days before the date of the Meeting.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting authorizing such person to attend and vote on its behalf at the meeting.
7. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
8. Members may also note that Notice calling AGM will be available on Company’s website viz., <http://www.dhartextile.com>.
9. Members who are holding Company’s shares in dematerialized form are required to bring details of their Depository Account Number for identification.
10. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/ demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
11. In case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
12. Members / Proxies should bring their attendance slip duly filled in for attending the meeting. Members are also requested to inform company of any change in their address immediately so as to enable the company to dispatch any further communication at their correct address.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Link Intime India Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
14. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 , the Company is pleased to provide members the facility to exercise their right to vote through remote e-voting in respect of the resolution proposed to be passed at the Annual General Meeting (AGM) by using the electronic voting facility provided by Central Depository Services Limited (CDSL).
16. Mr. Sahive Alam Khan Partner of Alam Khan & Co., Practicing Company Secretaries shall act as Scrutinizer for conducting the E-voting process in a fair and transparent manner.
17. The voting rights of Members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on < **From 09.00 A.M. (IST) on 27th Day of December, 2017**> and ends on < **upto 05.00 P.M. (IST) on 29th Day of December, 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 <**23rd day of December, 2017**>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) **Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.**
- (iii) The shareholders should log on to the e-voting website **www.evotingindia.com**
- (iv) Click on **"Shareholders"**.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) 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 sequence number which is printed on Address Sticker.
Dividend Bank Details and Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ➤ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

NOTE: PLEASE KEEP THE SEQUENCE NO. IN SAFE CUSTODY FOR FUTURE E VOTING.

- (ix) After entering these details appropriately, click on **"SUBMIT"** tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the **EVS**N for the relevant <**The Dhar Textile Mills Limited**> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on **"Click here to print"** option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone users can download

the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Mr. Sahive Alam Khan Partner of Alam Khan & Co., Practicing Company Secretaries, having his office at Office 302, Man Heritage, Opposite High Court, South Tukoganj, Indore 452001 (M.P.), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) 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.

Other Instructions:

- (A) The facility to exercise the right of voting through ballot paper shall also be made available at the meeting for the members attending the meeting who have not already cast their vote by remote e-voting.
- (B) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (C) A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date (record date) of **<23rd Day of December, 2017>**, only shall be entitled to avail the facility of remote e-voting as well as voting in the meeting.
- (D) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as on the cut-off date i.e. **<23rd Day of December, 2017>** should follow the instructions for E-voting as mentioned for **FIRST TIME USER**. In case of any queries, the shareholder may also contact the Registrar & Transfer Agent viz. M/s. Link Intime India Private Limited.
- (E) The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall, within a period of not later than three (3) days from the conclusion of the AGM, prepare a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, and submit it to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of the voting.
- (F) The Results so declared, along with the Scrutinizer’s Report, shall be placed on the Company’s website viz. www.dhartextile.com and on the website of CDSL. The results shall also be forwarded to Stock Exchanges
- (G) Electronic copy of the Notice along with the Explanatory Statement is being sent to all the members whose email ID’s are registered with the Company/Depository Participants(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 copy of the Notice along with the Explanatory Statement is being sent in the permitted mode.
- (H) Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of their electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with the Company’s Registrar & Transfer Agents, M/s. Link Intime India Private Limited by sending an e-mail to rnt.helpdesk@linkintime.co.in along with details like Name, Folio No. etc.
- (I) In case you have any queries or issues regarding e-voting, you may contact on below mentioned details:

Registrar and Share Transfer Agent:

M/s Link Intime India Private Limited

C – 13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (West), Mumbai (M.H.) - 400 078

Tel No: 25963838, Fax No: 022 – 25946969

Email: rnt.helpdesk@linkintime.co.in

(J) A route guide map of the Annual General Meeting venue is given in the last page of this Annual Report.

For and on Behalf of the Board,
The Dhar Textile Mills Limited

Place: Indore
Date: 30.11.2017

Pankaj Jajoo
Chairperson & Managing Director
DIN: 00017748

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

For Item No. 2

Details of Directors seeking re-appointment pursuant to of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Mr. Manish Jajoo (Retire by Rotation)
Date of Birth	09/04/1968
Date of Appointment	31/08/1990
Qualification	B.E.
Expertise in specific functional areas	Mr. Manish Jajoo has nurtured the Dhar Textile Mills Ltd. (DTM) soon after its inception with pro-active and uncompromising approaches to business. He remains actively involved in all day-to-day business aspects of DTM that includes finance, production, marketing, purchase and human resources. He has excellent communication and rapport with everyone related to the company: from workers to managers, suppliers to customers and outside agencies to consultants. He is totally committed and motivated for rehabilitation and revival of the company.
No. of Shares held in the Company	24000
Directorships held in other companies (excluding private and foreign cos.)	Nil
Memberships / Chairmanships of committees to the Board of other Public Companies (includes only Audit Committee and Stakeholders' Relationship Committee.	Nil

For and on Behalf of the Board,
The Dhar Textile Mills Limited

Place: Indore
Date: 30.11.2017

Pankaj Jajoo
Chairperson and Managing Director
DIN: 00017748

BOARD'S REPORT

To,
The Members,
THE DHAR TEXTILE MILLS LIMITED
Indore

Your Board of Directors has immense pleasure in presenting the 33rd Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended on 31st March, 2017. Further, in compliance with the Companies Act, 2013 the Company has made requisite disclosures in this Board's Report with the objective of accountability and transparency in its operations to make you aware about its performance and future perspective of the Company.

1.1 FINANCIAL RESULTS (STANDALONE) AND STATE OF COMPANY'S AFFAIR AND CHANGE IN THE NATURE OF BUSINESS:

The Board's Report is prepared based on the stand alone financial statements of the company for the year ended March 31, 2017 is summarized below:

	Year ended 31/03/2017	(Rs. In Lacs) Year ended 31/03/2016
Income from operation	414.35	2496.84
Profit/loss before providing Depreciation and Interest	(2.79)	(335.42)
Less: Depreciation	3.43	3.43
Interest	0.00	157.48
Profit/loss Before Exceptional & Extraordinary Items	(6.22)	(496.33)
Less: Exceptional Items	0.00	0.00
Profit/loss Before Taxation	(6.22)	(496.33)
Less: Current Tax	0.00	0.00
Deferred Tax Liability	0.00	0.00
Profit /Loss after Taxation	(6.22)	(496.33)

The Company had started its journey as a Private Limited Company in the year 1984, subsequently converted in Public Company and further, infused capital through an IPO and got listed in capital market. The company is engaged in Textile Sector and currently having Yarn Spinning Unit (Yarn Division) and Fabric Weaving and Processing Unit (Fabric Division). Company's Yarn Division is located in Industrial Area, Pithampur (MP) and its Fabric Division is located in Industrial area, Indore (MP). Both the Divisions and all the products, including performance and business environment thereof have been covered in detail in the Management Discussion and Analysis Report separately, which is annexed as **ANNEXURE II** with this report and shall form part of the Board's report.

1.2 WORKING PERFORMANCE REVIEW:

During the financial year incomes of the company is decreased from Rs. 2496.84 Lacs to Rs. 414.35 Lacs and resulting in loss of Rs. 6.22 Lacs against the loss of Rs. 496.33 Lacs in the previous year.

Being a Sick Company, your Directors are continuously trying hard to revive it by increase the profitability during the current financial year with dedicated efforts of the management and with improving ability to source raw materials required from multiple sources in a timely and cost effective manner, with reduced dependence on third parties.

During the year all the revenues were generated by Yarn Division only. The Fabric Division of the Company was not in operation throughout the year. Further, the detailed performance covered in the Management Discussion and Analysis Report separately which is annexed as **ANNEXURE II** with this report and shall form part of the Board's report.

1.3 CHANGES IN NATURE OF BUSINESS:

There is no change in the nature of business of the Company during the financial year 2016-17.

1.4 SHARE CAPITAL:

The paid up equity capital as on March 31, 2017 was Rs. 630.8753 Lacs. During the year under review, the Company has not issued shares to its shareholders. Further that none of the directors were holding convertible instruments as on date. Apart from that Company is also having Preference Share Capital of Rs. 350.00 Lacs, which are due for redemption.

1.5 REVISION IN FINANCIAL STATEMENTS:

In terms of section 131 of the Companies Act, 2013, the Financial Statements and Board's Report are in compliance with the provisions of section 129 or section 134 of the act and that no revision has been made during any of the three preceding financial years.

1.6 SICK INDUSTRIAL COMPANY:

The Company is a Sick Company, as its net worth was completely eroded due to heavy accumulated losses. BIFR has restored the reference of the Company in earlier year to its original number. BIFR has also directed to the Company to prepare a Draft Rehabilitation Scheme and submit the same to Operating Agency and the same is under process. Debt of the Company has been taken over by the Asset Reconstruction Company (India) Limited (ARCIL) from the Bankers.

2. RESERVES:

There is no transfer of any amount to reserves.

3. DIVIDEND:

Due to loss in the year under review, the Board is unable to recommend any dividend for the year.

4. DEPOSITS:

The Company has neither accepted nor invited any deposit from the public and hence directives issued by Reserve Bank of India and the provisions of Chapter V (Acceptance of deposits by Companies) of the Companies Act, 2013 and rules framed there under are not applicable for the year.

5. MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF FINANCIAL YEAR UPTO THE DATE OF THIS REPORT:

No material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

6. PERFORMANCE AND FINANCIAL POSITION OF ASSOCIATE COMPANIES:

As per the Companies Act, 2013 and as on date the company is neither having any Subsidiary Company u/s 2(87) nor any Associate Company u/s 2(6) and hence, do not call for any disclosure under this head.

7. EXTRACT OF THE ANNUAL RETURN:

In compliance with section 92(3), section 134 (3) (a) and rule 11 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return in Form No. MGT-9 which is annexed as **ANNEXURE I** with this report and shall form part of the Board's report.

8. COMPOSITION AND NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES THEREOF:

During the year under review various meetings of the Board of Directors and their Committees were held for various purposes which were in compliance with the provisions of The Companies Act, 2013, rules made there under and all applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, below are the Compositions of the Board and its Committees alongwith the details of their meetings held during the year and attendance thereon:

Board Composition:

Sr. No.	Name	Category	Designation
1	Mr. Pankaj Jajoo	Executive/ Non Independent	Managing Director
2	Mr. Manish Jajoo	Non Executive/ Non Independent	Director
3	Mr. Pankaj Singhal*	Non Executive/ Independent	Director
4	Mr. Sunil Choudhary	Non Executive/ Independent	Director
5	Mr. Vijay Bakliwal	Non Executive/ Independent	Director

**Resigned w.e.f. 05/11/2016.*

Board Meetings and Attendance:

Particulars	30.05.2016	13.08.2016	07.09.2016	11.11.2016	21.11.2016	02.12.2016	14.02.2017
Mr. Pankaj Jajoo	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Manish Jajoo	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Pankaj Singhal*	Attended	Attended	Attended	NA	NA	NA	NA
Mr. Sunil Choudhary	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Vijay Bakliwal	Attended	Attended	Attended	Attended	Attended	Attended	Attended

**Resigned w.e.f. 05/11/2016.*

Audit Committee Composition:

The Audit Committee was reconstituted by the Board. The Audit Committee comprises of 3 members of which two, including the Chairman of the Committee, are Independent Directors. Member Directors of the Audit Committee presently are as under:-

Sr. No.	Name	Designation
1	Mr. Sunil Choudhary	Chairman
2	Mr. Pankaj Singhal*	Member
3	Mr. Vijay Bakliwal	Member
4	Mr. Manish Jajoo	Member

**Resigned w.e.f. 05/11/2016.*

Audit Committee Meetings and Attendance:

Particulars	30.05.2016	13.08.2016	11.11.2016	14.02.2017
Mr. Sunil Choudhary	Attended	Attended	Attended	Attended
Mr. Pankaj Singhal*	Attended	Attended	NA	NA
Mr. Vijay Bakliwal	Attended	Attended	Attended	Attended
Mr. Manish Jajoo	Attended	Attended	Attended	Attended

**Resigned w.e.f. 05/11/2016.*

The Board has considered all recommendations of the Audit Committee as and when provided during the year under review and hence, do not call for any disclosure under Section 177(8) of the Companies Act, 2013.

Nomination and Remuneration Committee Composition:

The Nomination and Remuneration Committee was reconstituted by the Board. The Nomination and Remuneration Committee comprises of 4 members of which two, including the Chairman of the Committee, are Independent Directors. Member Directors of the Nomination and Remuneration Committee presently are as under :-

Sr. No.	Name	Designation
1	Mr. Sunil Choudhary	Chairman
2	Mr. Pankaj Singhal*	Member
3	Mr. Vijay Bakliwal	Member
4	Mr. Manish Jajoo	Member

**Resigned w.e.f. 05/11/2016.*

Nomination and Remuneration Committee Meetings and Attendance:

Particulars	30.05.2016	13.08.2016	11.11.2016	14.02.2017
Mr. Sunil Choudhary	Attended	Attended	Attended	Attended
Mr. Pankaj Singhal*	Attended	Attended	NA	NA
Mr. Vijay Bakliwal	Attended	Attended	Attended	Attended
Mr. Manish Jajoo	Attended	Attended	Attended	Attended

**Resigned w.e.f. 05/11/2016.*

Stakeholders Relationship Committee Composition:

The Stakeholders Relationship Committee was reconstituted by the Board. The Stakeholders Relationship Committee comprises of 4 members of which two, including the Chairman of the Committee, are Independent Directors. Member Directors of the Stakeholders Relationship Committee presently are as under :-

Sr. No.	Name	Designation
1	Mr. Sunil Choudhary	Chairman
2	Mr. Pankaj Singhal*	Member
3	Mr. Vijay Bakliwal	Member
4	Mr. Manish Jajoo	Member

**Resigned w.e.f. 05/11/2016.*

Stakeholders Relationship Committee Meetings and Attendance:

Particulars	30.05.2016	13.08.2016	11.11.2016	14.02.2017
Mr. Sunil Choudhary	Attended	Attended	Attended	Attended
Mr. Pankaj Singhal*	Attended	Attended	NA	NA
Mr. Vijay Bakliwal	Attended	Attended	Attended	Attended
Mr. Manish Jajoo	Attended	Attended	Attended	Attended

**Resigned w.e.f. 05/11/2016.*

9. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors, based on representation received from the operating management and after due enquiry, confirm in respect of the audited financial accounts for the year ended March 31st, 2017:

- a) That in preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
- b) That the Directors had, in consultation with the Statutory Auditors, 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 for the year ended March 31st, 2017 and the profit and loss Account of the Company for that period;
- c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors had prepared the annual accounts on a going concern basis;
- e) That the directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively; and
- f) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

10.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under report Mr. Manish Jajoo, the Director of the Company would be retiring by rotation at the forthcoming Annual General Meeting of the Company. Proposals for their re-appointment have been included in the Notice of Annual General Meeting for your approval.

Shri Pankaj Singhal, Independent Director of the company has resigned w.e.f. 05/11/2016.

All the intimations pertaining to the appointments and resignations, if any, made during the year has been given to Stock Exchange where the shares of the Company are listed and also the relevant records are duly updated with the Registrar of Companies, Gwalior (M.P.), wherever required.

10.2 DECLARATION OF DIRECTORS:

As per the declaration received in Form 'DIR-8' pursuant to section 164(2) of the Companies Act, 2013 and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, none of the Directors of the Company is disqualified from being appointment as Directors.

11.1 APPOINTMENT/RE-APPOINTMENT OF INDEPENDENT DIRECTORS:

All the Independent Directors are well appointed in the Board of the Company in compliance with the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange. Further that all independent directors shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

11.2 DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence under sub-section (6) of section 149 of the Act and of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges.

11.3 FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The directors will be introduced to all the Board members and the senior management personnel such as Chief Financial Officer and Various Department heads individually to know their roles in the organization and to understand the information which they may seek from them while performing their duties as a Director. And meeting may be arranged for Independent Directors with aforesaid officials to better understand the business and operation of the Company. As part of continuous updating and familiarization with the Company, every Independent Director will be taken for visits to the factory or manufacturing units and other branch of the company where officials of various departments apprise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality etc. The Company may also circulate news and articles related to the industry from time to time and may provide specific regulatory updates. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at [http:// www.dhartextile.com/](http://www.dhartextile.com/). The detail of Familiarization Programme held on 02.01.2017 is given below.

Director	No. of Programme			No. of Hours	
	Held	Attended		Duration of Time Spent	
		During the Year	Cumulative Basis	During the Year	Cumulative Basis
Shri Sunil Choudhary	01	01	01	01	01
Shri Vijay Bakliwal	01	01	01	01	01

11.4 SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As mandated by Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors was held on **02.01.2017**.

11.5 EVALUATION BY INDEPENDENT DIRECTORS:

The Independent Directors in their meeting has reviewed the performance of Non-Independent directors and Board as a whole including reviewing the performance of the Chairperson of the company taken into account the views of Executive Directors and Non-Executive Directors. The policy on evaluation including above said criteria for the evaluation of the Board, individual directors including independent directors and the committee of the board has been laid down under point no. 12 below.

12. DISCLOSURE IN TERMS OF NOMINATION AND REMUNERATION POLICY:

NOMINATION, REMUNERATION AND EVALUATION POLICY

PREFACE

The Remuneration Committee of THE DHAR TEXTILE MILLS LIMITED (“the Company”) has been formed to review and make recommendations on annual salaries, performance commission, perquisites and other employment conditions of the Executive Directors, Key Managerial Personnel and other employees. In order to align with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board changed the nomenclature of “Remuneration Committee” as “Nomination and Remuneration Committee”.

OBJECTIVE

The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

Terms not defined in the policy shall have the meaning as per the Companies Act, 2013.

“Key Managerial Personnel” means –
Chief Executive Officer or the Managing Director or the Manager;
Company Secretary,
Whole-time Director;
Chief Financial Officer; and
Such other officer as may be prescribed.

“Senior Management” means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

ROLE OF COMMITTEE:

The role of the Committee inter alia will be the following:

To formulate a criteria for determining qualifications, positive attributes and independence of a Director;

To recommend to the Board the appointment and removal of Senior Management;

To carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his / her performance;

To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive;

- a) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- b) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) To devise a policy on Board diversity;
- d) To develop a succession plan for the Board and to regularly review the plan.

MEMBERSHIP:

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN:

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders’ queries.

FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS’ INTERESTS:

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

VOTING:

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

NOMINATION DUTIES:

The duties of the Committee in relation to nomination matters include:

Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;

Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;

Identifying and recommending Directors who are to be put forward for retirement by rotation.

Determining the appropriate size, diversity and composition of the Board;

Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

Delegating any of its powers to one or more of its members or the Secretary of the Committee;

Recommend any necessary changes to the Board.

Considering any other matters as may be requested by the Board; and

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:

1. Appointment Criteria and Qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

2. Term / Tenure

Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal

of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

REMUNERATION DUTIES:

The duties of the Committee in relation to remuneration matters include:

To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

To delegate any of its powers to one or more of its members or the Secretary of the Committee.

To consider any other matters as may be requested by the Board;

Professional indemnity and liability insurance for Directors and senior management.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc., if any to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. However no remuneration has been paid for the FY 2016-17 to any director.

2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. However no remuneration has been paid for the FY 2016-17 to any director.

EVALUATION POLICY:

The following parameters for the purpose of evaluating the performance of the Board and that of Committees and Individual Directors:

Rating Scale

RATING	DESCRIPTION
1	Does not meet evaluation parameter
2	Meets evaluation parameter
3	Exceeds evaluation parameter
N/A	Not Applicable

Evaluation of Board

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by the Independent Directors are set out below:

S. No.	Assessment Criteria
1	Is the composition of the board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy?
2	Members of the board meet all applicable independence requirements.
3	The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
4	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.

5	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law and The Board is provided with sufficient information about material risks and problems that affects the Company's business and prospects.
6	The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in carrying out the stated mission on a regular basis.
7	Are sufficient numbers of board meetings, of appropriate length, being held to enable proper consideration of issues?
8	The information provided to directors prior to Board meetings meets expectations in terms of length and level of detail and Board members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest.
9	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.
10	The Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
11	Nomination and appointment of Board members and their Remuneration follow clearly established procedures using known criteria as laid down by the Nomination and Remuneration Committee.
12	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance (through its Audit Committee).
13	Company has a system for Corporate Social Responsibility, Stakeholder Relationships and for prohibition of insider trading
14	Company has necessary Committees which are required and these Committees are working effectively
15	Adherence to Internal Policies and Procedures.

Based on the above criteria Board has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done by Independent Directors only. Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

Evaluation of Committees

Some of the specific issues and questions that should be considered in a performance evaluation of the Committees of the Board are set out below:

S. No.	Assessment Criteria
1	Compliance with Articles of Association, Companies Act and Other applicable laws.
2	Compliance with Code of Conduct of the Company.
3	Committee's accomplishments w.r.t. performance objectives.
4	Adherence to Articles of Association, Companies Act and Other applicable laws.
5	Redressal of Complaints and Grievances.
6	Coordination with other committees and with Board of Directors.
7	Fulfillment of Roles and Responsibilities in accordance to Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8	Adherence to Internal Policies and Procedures.

Based on the above criteria Committees has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done all the Directors of the Company. Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

Evaluation of Individual Directors (Independent Directors)

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director, (the exercise in which the concerned director being evaluated shall not be included) are set out below:

S. No.	Assessment Criteria
1	Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
2	Adherence to code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
3	Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
4	Interpersonal relations with other directors and management

5	Objective evaluation of Board's performance, rendering independent, unbiased opinion
6	Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
7	Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information
8	Adherence to Internal Policies and Procedures.

Based on the above criteria each of the Independent Directors has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done by the other directors (including other Independent Directors). Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

Evaluation of Individual Directors (NON – INDEPENDENT DIRECTORS / CMD / WTD)

Some of the specific issues and questions that should be considered in the performance evaluation of a Non-Independent Director /WTD/ CMD, (the exercise in which the concerned director being evaluated shall not be included) are set out below:

S. No.	Assessment Criteria
1	Attendance, participations in the Meetings and timely inputs on the minutes of the meetings
2	Contribution towards growth of the Company including actual vis-a-vis budgeted performance.
3	Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards Branding of the Company
4	Adherence to code of conduct of Company
5	Team work attributes and supervising & training of staff members
6	Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest
7	Safeguarding of interest of whistle blowers under vigil mechanism and Safeguard of confidential information
8	Adherence to Internal Policies and Procedures.

Based on the above criteria each of the Non – Independent Directors / CMD / WTD has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done by the other directors (including other Non – Independent Directors / CMD / WTD). Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

MINUTES OF COMMITTEE MEETING:

Proceedings of all meetings must be recorded in minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

REVIEW AND AMENDMENT

The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.

The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Note: Nomination and Remuneration Policy of the Company is also available on the website of the Company i.e. www.dhartextile.com

13.1 AUDITORS:

(i) Statutory Auditors:

The appointment of M/s B. Bansal & Co., Chartered Accountants, as auditors of the Company was approved by the shareholders in the Annual General Meeting held on 30.09.2015 upto the conclusion of the Annual General Meeting for the Financial Year 2016-17. Further, the proposals for appointment of M/s. Airen & Saluja., Chartered Accountants, (ICAI Firm Registration No.: 0004588C) for Five Financial Year (From F.Y. 2017-18 to 2021-22) have been included in the Notice of Annual General Meeting for approval by Shareholder in the ensuing Annual General Meeting and the Company has received a certificate from the auditors to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

(ii) **Cost Auditors:**

Financial Year 2016-17:

The company does not falls within the provisions of Section 148 of Company's Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014, therefore no such records required to be maintained

(iii) **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Shiwali Jhanwar Company Secretary in Practice to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor in Form MR-3 is enclosed as **Annexure-IV** with this report and shall form part of the Board's report.

(iv) **Internal Auditor:**

The Company has appointed M/s. JRAM & Co., Chartered Accountants, Indore as the Internal Auditor of the company to do the Internal Audit function.

13.2 AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

Auditor's Report:

The Auditors, in their report have referred to the Notes forming part of the Final Account, considering the principle of the materiality; the notes are self explanatory and do not need any further comments under section 134 of Companies Act, 2013.

Explanations for remark in Secretarial Auditor's Report:

Point No.2 (a) Due to heavy losses and sick Company status it is difficult to bear extra cost, however company has placed all the information and results at BSE and its own website and has started publishing the same in newspaper also.

Point No.2 (b) Company has already applied and trying for revocation of suspension.

Point No.2 (c) The other regional stock exchanges are closed or in the process of closing as per SEBI order, hence company has not circulating the information to them, as the shares of the Company are listed at BSE, which is having national wide approach.

Point No.2 (d & e) As the Company is sick company and defaulted in the payment of its secured debts and having negative CIBIL, nobody is interested to become Director or Company Secretary, however Company is trying to comply with the requirements.

Point No.2 (f) Due to continue losses, Company has become sick company. Looking into financial condition, Company is not in position to redeem Preference Shares as per terms of the issue and pay the dividend accrued thereon. A detailed note is also provided in Notes to the Account annexed with Balance Sheet of the Company.

Point No.2 (g) Amount will be transferred at the earliest.

Point No.2 (h) Company is trying to purchase Hank Yarn Obligation, to fulfill the requirement, which will be done at the earliest.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review your Company has not provided loans/guarantees and made investments in terms of section 186 of the Companies Act, 2013, if any.

The details regarding such transactions are given in the notes to the financial Statements

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year, the Company has not entered into any material transactions with related parties and hence, as there are no such material transactions inconsistent with sub-section (1) of section 188 of the Companies Act, 2013, so no AOC-2 is required to be given in this report. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements. The company has adopted a Policy on Related Party Transaction which is available on the website of the Company i.e. [http:// www.dhartextile.com/](http://www.dhartextile.com/). Further, for all the related party transactions entered into by the company during the year under review kindly refer notes to Financial Statements.

- 16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**
- (A) Conservation of energy-**
- (i) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
 - (ii) No specific investment has been made in reduction in energy consumption.
 - (iii) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
- (B) Technology absorption-**
- (i) Company's products are manufactured mostly by using indigenous technology and no outside technology is being used for manufacturing activities.
 - (ii) The company has no specific research & development expenditure during the year;
 - (iii) No imported technology is installed by the company.
- (C) Foreign exchange earnings and Outgo-**
- During the year the Company has no foreign exchange earnings and expenses.
- 17. BUSINESS RISK MANAGEMENT:**
- Your Directors have adopted a Risk Management Policy for the Company. The Audit Committee and the Board of Directors of the Company reviewed the risks, if any, involved in the Company from time to time, and took appropriate measures to minimize the same. The Audit Committee ensures that the Policy for Risk Management is adopted across the Company in an inclusive manner.
- 18. CORPORATE SOCIAL RESPONSIBILITY (CSR):**
- In terms of the threshold limits provided under Section 135 of the Companies Act, 2013 and Rule 3 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has not falls in the ambit of the said section and accordingly the provisions of the section is not applicable to the Company.
- 19. FORMAL ANNUAL EVALUATION:**
- Pursuant to section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of Companies (Accounts) Rules, 2014 and pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has Carried out an evaluation of its own performance, the directors individually as well as the evaluation of its Committees as per the criteria laid down in the Nomination, Remuneration and Evaluation policy. The said policy including above said criteria for the evaluation of the Board, individual directors including independent directors and the committee of the board has been laid down at point no. 13 above.
- 20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**
- During the year there are no significant material orders passed by the Regulators / Courts/ Tribunals impacting the going concern status of the Company and its future operations.
- 21. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**
- The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition.
- The Company has an internal audit system from an outside agency, which ensures that the Company's control mechanism is properly followed and all statutory requirements are duly complied with.
- Moreover, the audit committee of the Company comprising of all independent directors regularly reviews the audit plans, adequacy of internal control as well as compliance of accounting standards.
- Also the CFO has the responsibility for establishing and maintaining internal controls for financial reporting and that they also have the overall responsibility to evaluate the effectiveness of internal control systems of the company pertaining to financial reporting and they have to disclose to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify the deficiencies.
- 22. DISCLOSURE IN TERMS OF VIGIL MECHANISM:**
- The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct. In order to maintain the standards has adopted lays down this Whistle Blower Policy to provide a framework to promote responsible and secure whistle blowing.

The Board of Directors of your Company has adopted the Vigil Mechanism and Whistle Blower Policy in compliance of Companies Act, 2013. The said policy has been uploaded on the website of the company i.e., <http://www.dhartextile.com/>.

23. POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 has mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website as mentioned below. The policies are reviewed periodically by the board and updated on need and new compliance requirement.

Name of the Policy	Brief Description	Web Link
Nomination and Remuneration Policy and Evaluation Policy	This policy formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommends to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees	www.dhartextile.com/policy
Policy for determining materiality of event	The policy applies for disclosures of material events affecting company and its associates.	www.dhartextile.com/policy
Policy on document preservation	The policy outlines that the Company intends to safeguard significant documents and preserve them to ensure durability of documents including documents in electronic form.	www.dhartextile.com/policy
Related Party Transactions Policy	The policy regulates all transactions between the Company and its related parties.	www.dhartextile.com/policy
Whistle Blower and Vigil Mechanism Policy	The policy outlines the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics.	www.dhartextile.com/policy
Policy on prevention of sexual harassment at workplace	The policy that the Company provides an equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment.	www.dhartextile.com/policy
Risk Management Policy	The policy that builds a strong risk management culture to better understand a risk profile and to better manage the uncertainties.	www.dhartextile.com/policy

24. COMMISSION RECEIVED BY DIRECTORS FROM HOLDING AND SUBSIDIARY:

During the year under review neither the Managing Director nor Whole-time Director is in receipt of commission from the company and also has not received any remuneration or commission from any holding or subsidiary company of company u/s 197(14).

25. MANAGERIAL REMUNERATION:

Disclosures Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;
No salary has been provided to any of the Directors during the year under review.
- The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S. No.	Name	Designation	Remuneration 2015-16	Remuneration 2016-17	Change Percentage
1.	Mrs. Indu Batni	CFO	312000	NIL	(100%)

#No salary has been provided to any of the Directors and Key Managerial Person during the year under review.

- The percentage increase in the median remuneration of employees in the financial year is 13.69
- The number of permanent employees on the rolls of company as on 31.03.2017 are 110
- Average Percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof;

Remuneration paid to employees (Excl. Managerial Personnel) 2015-	Remuneration paid to employees (Excl. Managerial Personnel) 2016-	% Change	Remuneration paid to Managerial Personnel	Remuneration paid to Managerial Personnel	% Change
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16	17		2015-16	2016-17	
13141519	1800000	13.69	312000	NIL	100%

6. It is hereby affirmed that the remuneration paid by the Company to its Employees during the year under review is as per the Nomination, Remuneration & Evaluation Policy of the company.

26. EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS:

The company has not issued any shares with differential voting rights and accordingly the provisions of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules framed there under are not applicable for the year.

27. DETAILS OF SWEAT EQUITY SHARES:

The company has not issued any sweat equity shares and accordingly the provisions of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules framed there under are not applicable for the year.

28. DETAILS OF EMPLOYEES STOCK OPTION SCHEME:

The company has not granted stock options and accordingly the provisions of Section 62(1)(b) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules framed there under are not applicable for the year.

29. DISCLOSURE OF VOTING RIGHTS NOT EXERCISED:

The company has not made any provision of money for the purchase of, or subscription for, shares in the company or its holding company, if the purchase of, or the subscription for, the shares by trustees is for the shares to be held by or for the benefit of the employees of the company and accordingly the provisions of Chapter IV (Share Capital and Debentures) of the Companies Act, 2013 and rules framed there under are not applicable for the year.

30. EMPLOYEES:

Employee's relation continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the Company worked at factory and office premises in such hard time of the Company.

During the year under review, none of the employee has received remuneration of Rs. 8.50 Lacs per month or Rs. 1.20 Crores per year or 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 pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence, do not call for any further details referred to in Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

31. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As per Regulation 15(2)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the company because the paid up equity share capital of the company is not exceeding rupees ten crore and the net worth of the company is not exceeding rupees twenty five crore, as on the last day of the previous financial year.

Management Discussion and Analysis Report, in terms of Regulation 34 (2)(e) Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 is annexed as ANNEXURE - II, with this report and shall form part of the Board's report.

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

The Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment. This is supported by the Sexual Harassment Policy which ensures a free and fair enquiry process with clear timelines. Further During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

33. PAYMENT OF LISTING FEES:

Annual listing fee for the year 2017-18 has been not paid by the Company to BSE.

34. PAYMENT OF DEPOSITORY FEES:

Annual Custody/Issuer fee for the year 2017-18 has been not paid by the Company to NSDL and CDSL.

35. DEMAT STATUS:

The company's shares are presently held in both electronic and physical modes.

36. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company neither has any Subsidiary Company as defined u/s 2(87) nor any Associate Company as defined u/s 2(6) of Companies Act 2013 nor any Joint Ventures as on date of this report and further that, none of such companies became or ceased to be as such during the year under review.

37. TRANSFER TO INVESTORS EDUCATION & PROTECTION FUND:

As per the provisions of section 125 of the Companies Act, 2013 and as per rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the Unclaimed Dividend is required to be transferred to the said Investor Education and Protection Fund Account, which will be deposited shortly.

38. CODE OF FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION AND CODE OF CONDUCT UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

Pursuant to Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the Board of Directors has formulated and adopted the "**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**" (Code of Fair Disclosure) of the Company.

The Board has also formulated and adopted "**Code of Conduct for Prohibition of Insider Trading**" (Code of Conduct) of the Company as prescribed under Regulation 9 of the said Regulations.

39. DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT U/S 143 OF THE COMPANIES ACT, 2013

During the year under review, your Directors do not observe any contract, arrangement and transaction which could result in a fraud; your Directors hereby take responsibility to ensure you that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2016-17.

40. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation for and gratitude to the Bank, Asset Reconstruction Company (India) Ltd. (ARCIL) and ARSEC (India) Ltd. for their valuable support and co-operation.

Your directors also wish to place on record their appreciation of the wholehearted and continued support extended by the shareholders, investors, employees and workers of the company which had always been a source of strength for the Company.

**For and on Behalf of the Board,
The Dhar Textile Mills Limited**

Sd/-

Pankaj Jajoo

Chairperson & Managing Director

DIN: 00017748

Place: Indore

Date: 30.11.2017

ANNEXURE-I

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of
The Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L17121MP1984PLC002484
- ii) Registration Date: 15/06/1984
- iii) Name of the Company: The Dhar Textile Mills Limited
- iv) Category / Sub-Category of the Company: Public Company/ Limited by Shares
- v) Address of the Registered office and contact details: C-1/A Low Land Area, Pologround Industrial Estate, Indore, M.P. - 452003.

Ph No.: +91 731 2423456
- vi) Whether listed company Yes / No: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: M/s. Link Intime India Private Limited
C – 13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai (M.H.) - 400 078
Tel No: 25963838
Fax No: 022 - 25946969
Email: rnt.helpdesk@linkintime.co.in

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	Spinning of Yarn	17111	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-----NIL-----					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*i) Category-wise Share Holding*

Shares held by custodian for GDRs & ADRs	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1757334	1270385	3027719	47.9924	1757334	1270385	3027719	47.9924	Nil

b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1757334	1270385	3027719	47.9924	1757334	1270385	3027719	47.9924	Nil
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1757334	1270385	3027719	47.9924	1757334	1270385	3027719	47.9924	Nil
B. Public Shareholding									
1. Institutions									-
a) Mutual Funds	417791	-	417791	6.6224	417791	-	417791	6.6224	-
b) Banks / FI	43200	-	43200	0.6848	43200	-	43200	0.6848	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	544541	-	544541	8.6315	544541	-	544541	8.6315	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Administrator Of The Specified Undertaking Of the Unit Trust Of India - Asset Reconstruction Fund)	488947	-	488947	7.7503	488947	-	488947	7.7503	-
Sub-total (B)(1):-	1494479	-	1494479	23.6890	1494479	0	1494479	23.6890	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	398193	-	398193	6.3118	398193	-	398193	6.3118	-
ii) Overseas	184000	-	184000	2.9166	184000	-	184000	2.9166	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	577853	153162	731015	11.5873	577853	153162	731015	11.5873	-

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	437863	15200	453063	7.1815	437863	15200	453063	7.1815	-
c) Others Clearing Members	3500	-	3500	0.0555	3500	-	3500	0.0555	-
Office Bearers	-	2900	2900	0.0460	-	2900	2900	0.0460	-
NRI (Repat)	10383	-	10383	0.1646	10383	-	10383	0.1646	-
NRI (Non Repat)	3501	-	3501	0.0555	3501	-	3501	0.0555	-
Sub-total (B)(2):-	1615293	171262	1786555	28.3187	1615293	171262	1786555	28.3187	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	3109772	171262	3281034	52.0076	3109772	171262	3281034	52.0076	-
Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4867106	1441647	6308753	100	4867106	1441647	6308753	100	-

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of 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	Shri Pankaj Jajoo	1699925	26.95	100	1699925	26.95	100	0
2	Madhuri Jajoo	1053794	16.70	100	1053749	16.70	100	0
3	Pankaj Jajoo HUF	273700	4.34	0	273700	4.34	0	0
4	Smt. Rachana Jajoo	300	0.00	100	300	0.00	100	0
	Total	3027719	47.99	90.96	3027719	47.99	90.96	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Name of Shareholder	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Shri Pankaj Jajoo				
At the beginning of the Year	1699925	26.95	1699925	26.95
Transactions During Year	-----NO CHANGE----- --			
At the end of the Year			1699925	26.95
Madhuri Jajoo				
At the beginning of the Year	1053794	16.70	1053794	16.70
Transactions During Year	-----NO CHANGE----- --			
At the end of the Year			1053794	16.70
Pankaj Jajoo HUF				
At the beginning of the Year	273700	4.34	273700	4.34
Transactions During Year	-----NO CHANGE----- --			
At the end of the Year			273700	4.34
Smt. Rachana Jajoo				
At the beginning of the Year	300	0.00	300	0.00
Transactions During Year	-----NO CHANGE----- --			

	--			
At the end of the Year			300	0.00

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

Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Administrator of the Specified Undertaking of the Unit Trust of India- Asset Reconstruction Fund				
At the beginning of the Year	488947	7.7503	488947	7.7503
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			488947	7.7503
Life Insurance Corporation Of India				
At the beginning of the Year	350000	5.5478	350000	5.5478
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			350000	5.5478
UTI-Unit Linked Insurance Plan				
At the beginning of the Year	340991	5.4050	340991	5.4050
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			340991	5.4050
Indo Global Textiles Pvt. Ltd				
At the beginning of the Year	329924	5.2296	329924	5.2296
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			329924	5.2296
General Insurance Corporation Of India				
At the beginning of the Year	194541	3.0837	194541	3.0837
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			194541	3.0837
International Securities Alliance Limited				
At the beginning of the Year	184000	2.9166	184000	2.9166
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			184000	2.9166
Suresh Baheti				
At the beginning of the Year	151944	2.4085	151944	2.4085
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			151944	2.4085
Indian Bank Mutual Fund				
At the beginning of the Year	76800	1.2174	76800	1.2174
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			76800	1.2174
Savitri Jajoo				
At the beginning of the Year	76050	1.2055	76050	1.2055
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			76050	1.2055
Dinesh Agrawal				
At the beginning of the Year	57977	0.9190	57977	0.9190
Transactions During Year	-----NO TRANSACTIONS -----			
At the end of the Year			57977	0.9190

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year	Cumulative Shareholding during the year
--	---	---

Name of Shareholder	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Pankaj Jajoo (Chairman and Managing Director)				
At the beginning of the Year	1699925	26.95	1699925	26.95
Transactions During Year	-----NO CHANGE----- --			
At the end of the Year			1699925	26.95
Manish Jajoo (Non-Executive Director)				
At the beginning of the Year	24000	0.3804	24000	0.3804
Transactions During Year	-----NO CHANGE----- --			
At the end of the Year			24000	0.3804
Pankaj Singhal (Independent Director)	-----NIL HOLDING THROUGHOUT THE YEAR -----			
Sunil Choudhary (Independent Director)	-----NIL HOLDING THROUGHOUT THE YEAR -----			
Vijay Bakliwal (Independent Director)	-----NIL HOLDING THROUGHOUT THE YEAR -----			
Mrs. Indu Batni (CFO)	-----NIL HOLDING THROUGHOUT THE YEAR -----			

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2722289343	97547686	-	2819837029
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	2722289343	97547686	-	2819837029
Change in Indebtedness during the financial year				
Addition	-	-	-	
Reduction	-	439792	-	439792
Net Change	-	(439792)	-	(439792)
Indebtedness at the end of the financial year				
i) Principal Amount	2722289343	97107894	-	2819397237
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2722289343	97107894	-	2819397237

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A.REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER: NIL

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-	-	-	-	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-

	- Others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act					

#no salary provide to any director during the year.

B. REMUNERATION TO OTHER DIRECTORS: NIL

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

#no salary provide to any director during the year.

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		-	-	-	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (C)	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**For and on Behalf of the Board,
The Dhar Textile Mills Limited**

**Place: Indore
Date: 30.11.2017**

**Sd/-
Pankaj Jajoo
Chairperson & Managing Director
DIN: 00017748**

MANAGEMENT DISCUSSION AND ANALYSIS

We have pleasure in submitting the Management Discussion & Analysis Report on the business of the Company:-

INDUSTRY STRUCTURE AND DEVELOPMENTS:

According to India Brand and Equity Foundation - India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 15 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale. Indian technical textile industry has witnessed significant growth of 16 per cent from 2001-02 to 2009-10 and is expected to grow with 20 per cent CAGR to reach market size of \$36 billion by 2016-17. The fastest growing middle-class population of 300 million with higher discretionary income is expected to increase to 520 million in five years. This rise will enable them to make more discretionary spending on technical textile products.

The textile industry employs about 51 million people directly and 68 million people indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

The Indian textiles industry, currently estimated at around US\$ 120 billion, is expected to reach US\$ 230 billion by 2020. The industry is the second largest employer after agriculture, providing employment to over 40 million workers directly and 60 million indirectly. The Indian Textile Industry contributes approximately 4 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP).

The Indian textile industry has the potential to reach US\$ 500 billion in size. The growth implies domestic sales to rise to US\$ 315 billion from currently US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The apparel market in India is estimated to grow at a Compound Annual Growth Rate (CAGR) of 11.8 per cent to reach US\$ 180 billion by 2025.

There are heavy losses in the Company due to interest on loans and only Yarn division of the Company is operating. There is no production in Fabric division of the Company. For quantitative information of operations please refer to performance review in the Board of Directors Report. Our Company is sick Company in terms of Sick Industrial Companies (Special Provision) Act, 1985, reference of the Company is also restored by the BIFR during the year.

OPPORTUNITIES AND THREATS:

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The apparel market in India is estimated to grow at a Compound Annual Growth Rate (CAGR) of 11.8 per cent to reach US\$ 180 billion by 2025.

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalize on the benefits of geotechnical textiles. The scheme for promotion of Geotechnical Textiles in the North East has been approved for five years - from 2014-'15 to 2018-'19 - with a financial outlay of INR 427 Crores.

There is scope for growth in the textile industry as India's share in the global trade in textiles is weak, compared to other countries, based on the availability of raw material and skills. The free trade environment is a good opportunity for Indian textile industry to increase its share in the global market. Recently Turkey has allowed duty free imports of textile fabrics

from Pakistan and hence, India will have to face tough competition in this market for textile products. Increase in the power costs, higher transaction costs, high cost of labour and general increase in input costs, are all hindering progress, for which the industry has to concentrate on cost reduction exercises and improvement in efficiency.

SEGMENT- WISE PERFORMACE:

The Company has incurred losses exceeding its net worth at the end of the financial year due to interest on loans and only Yarn division of the Company is operating. There is no production in Fabric division of the Company. Our Company is sick Company in terms of Sick Industrial Companies (Special Provision) Act, 1985, reference of the Company is also restored by the BIFR during the year.

OUTLOOK:

Currently the Company is running SICK and your Directors have been making efforts on all fronts viz. production, marketing, finance and cost control etc. and these efforts have been yielding good results. The outlook for the company's products appears to be good and the company is confident of achieving improved operational performance.

RISK AND CONCERNS:

The textile industry consists of a number of units engaged in spinning, weaving, dyeing, printing, finishing and a number of other processes that are required to convert fibre into a finished fabric or garment. There are several safety and health issues associated with the textile industry.

Further, Risk is a potential event or non-event, the occurrence or nonoccurrence of which can adversely affect the objectives of company. Impact of risks could either be monetary that is impact on business profits due to increase in costs, decreasing revenue amongst others or non-monetary which is delay in securing regulatory approvals, reputational damage etc. In addition, we could also be susceptible to risks arising out of our business strategy, decision on innovation or product portfolio. If there is any significant unfavorable shift in industry trend or pattern of demand, our investments might get affected. We also have multiple competitors both in India and overseas and we also stride through risk associated with clients' and prospective clients' dispositions.

As a conscientious organization, we have adopted a risk management framework to ensure early identification and management of various critical risks, which accrue to our business model.

Company is staffed with experienced and qualified people who play an important role in designing, implementing, maintaining and monitoring the internal control environment.

The periodic internal audits are performed by the Internal Auditor to provide reasonable assurance over internal control effectiveness and advice on industry wide best practices. The Audit committee consisting of independent director's review important issues raised by the Internal and Statutory auditors thereby ensuring that the risk is mitigated appropriately with appropriate rectification measures on a periodic basis.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Moreover, the audit committee of the Company comprising of all independent directors regularly reviews the audit plans, adequacy of internal control as well as compliance of accounting standards.

Also the CFO has the responsibility for establishing and maintaining internal controls for financial reporting and that they also have the overall responsibility to evaluate the effectiveness of internal control systems of the company pertaining to financial reporting and they have to disclose to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify the deficiencies.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Please refer to brief description of the Company's Working during the year and State Of Company's Affair in the Board of Directors Report.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS:

We have ensured safe and healthy working conditions in the Unit and have continued with our policy to ensure safe and healthy working conditions in the other premises of the Company taking into account of health and safety of all concerned, besides conservation of natural resources and protection of the environment.

A major factor which continued growth of your organization is the constructive support of Banks, Institutions, suppliers, Executives, Employees, Creditors and the confidence shown by them in the Company. Employer-Employee relations in all the offices of the Company were cordial throughout the year under review.

DISCLOSURE OF ACCOUNTING TREATMENT:

During the year under review while preparing the Financial Statements for the Financial Year 2016-17 the Company has followed the same treatment as prescribed in an Accounting Standards hence, disclosure/management's explanation under this head is not applicable for the year.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "Forward Looking Statements". All statements that address expectations or projections about future, but not limited to the company's strategy for growth, product development, market position, expenditures and financial results may be forward – looking statements within the meaning of applicable rules and regulations. Since these are based on certain assumptions and expectations of future events, the company cannot guarantee that these are accurate or will be realized. The company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

For and on behalf of the Board,
The Dhar Textile Mills Limited

Sd/-

Pankaj Jajoo
Chairperson & Managing Director
Din: 00017748

Place: Indore
Date: 30.11.2017

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors
The Dhar Textile Mills Limited, Indore

Dear members of the Board,

We, Pankaj Jajoo, Managing Director, and Indu Batni, Chief Financial Officer of The Dhar Textile Mills Limited, to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. To best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

1. significant changes in internal control over financial reporting during the year;
2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Pankaj Jajoo
Managing Director
Din: 00017748

Place: Indore
Date: 30.11.2017

Indu Batni
Chief Financial Officer

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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,
The Dhar Textile Mills Limited
Indore

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s The Dhar Textile Mills 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 **M/s The Dhar Textile Mills Limited's** 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 ended on 31st March, 2017, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s The Dhar Textile Mills Limited for the period ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable 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);
- (vi) Other specific Applicable Laws:-
 - (a) Textile (Development & Regulation) Order, 2001 under Essential Commodities Act 1955;

2. 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 Bombay Stock Exchange and other regional exchanges which are not operative.

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

- a. Non publication of notice of Board Meeting and Quarterly results in news paper, submission to exchange, submission of limited review reports, payment of listing fee, 100% demat of promoter holding and other compliances as required in listing agreement/LODR.
- b. Trading of the equity shares of the Company is suspended at BSE.

- c. Shares of the Company listed on other regional stock exchanges but Company not complying the requirements of listing agreement, as they are not operative.
- d. Appointment of Woman Director on Board.
- e. Appointment of Company Secretary in whole time employment.
- f. Non redemption of Preference shares and non-payment of dividend thereon.
- g. Non transfer of amount of unpaid dividend lying with the Company to Investor protection fund and not filed the relevant forms with ROC.
- h. Non fulfillment of Hank Yarn Obligation by transfer under Textile (Development & Regulation) Order, 2001 under Essential Commodities Act 1955.

3. 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, except appointment of Woman Director. 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 or with shorter period, wherever required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

- 4. 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.
- 5. **We further report that** Company is Sick Company in terms of SICA, 1985 and registered with BIFR.

Shiwali Jhanwar
Practicing Company Secretary
C.P. No. : 17259
M. No.: A40572

Place: Indore
Date: 30.11.2017

Note: This report is to be read with Annexure to Secretarial Audit Report of even date which is annexed with this report and forms an integral part of this report.

Annexure to Secretarial Audit Report

To,
The Members,
The Dhar Textile Mills Limited

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

1. Maintenance of secretarial records 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. Our report is based on said secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of corporate and other specifically applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. We have not gone through the laws which are general in nature and applicable to the Company.
5. 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.

Where ever required, we have obtained the management representation and declaration about the compliance of laws, rules and regulation and happening of events etc.

Shiwali Jhanwar
Practicing Company Secretary
C.P. No. : 17259
M. No.: A40572

Place: Indore
Date: 30.11.2017



Independent Auditor's Report

To the Members of THE DHAR TEXTILE MILLS LTD

Report on the Financial Statements

We have audited the accompanying financial statements of THE DHAR TEXTILE MILLS LTD ("the Company"), which comprise the Balance Sheet as at March 31, 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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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/loss 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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for 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. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For B. Bansal & Co.
Chartered Accountants
FRN: 000450C

Place:-Indore
Date: 30/05/2017

Atik Bansal
(Partner)
Membership No. 422547



Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

1. In respect of Fixed Assets:

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.

2. In respect of inventories:

As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. In respect of granting of loans to certain parties:

As per the information produced before us no loan has been granted to parties covered under section 189 of the Companies Act 2013.

4. In respect of loans, investments, guarantees and security:

In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. In respect of Acceptance of Deposits:

According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

6. In respect of Maintenance of Cost records:

As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

7. In respect of Deposit of Statutory Dues:

According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is not regular in depositing undisputed statutory dues including Provident Fund Employees State Insurance, Income-Tax, Sales-Tax, and Excise Duty, Custom Duty, cess and any other statutory dues with the appropriate authorities. According to the records of the company examined by us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Custom Duty and Excise Duty were in arrears as at 31st March 2017 for a period of more than 6 months from the date they become payable.

The disputed statutory dues aggregating to Rs.38,46,025/- have not been deposited on account of matters pending before appropriate authorities as under, annexure for the same is enclosed herewith:

S.No.	Name of the Statue	Nature of Dues	Forum where dispute is pending	Amount
1	Labour Commissioner	Labour Due (For the Year 2011)	M.P. Government Labour Department	8,61,300/-
2	Labour Commissioner	Labour Due (Feb - July 2010)	M.P. Government Labour Department	7,97,162/-
3	Labour Commissioner	Labour Due (Aug10 - Jan 2011)	M.P. Government Labour Department	21,87,563/-

8. In respect of Default in repayment of dues :

The company is a sick company within the meaning of Sick Industrial Companies (special Provision) Act, 1985, as its accumulated losses exceeded fifty percent of its Net Worth at the end of the financial year. The Company has incurred cash losses during the current year as also during the immediately preceding financial year. Reference file under section 15(1) of sick Industrial Companies (special Provision) Act, 1985 is registered as case no. 353/2004 vide letter No. 3 (T-22)/BC/2004 dated 30/11/2004 issued by Registrar, Board of Industrial and Financial Reconstruction, New

Delhi. The bench has declared that the Company is a sick Industrial Company in terms of 3 (1) (O) of the Act w.e.f. 2.05.2006.

Based on our audit procedures and on the basis of information and explanations given by the management, the Company has defaulted in the repayment of following dues to banks or financial institutions as at balance sheet date:

S.No.	Name of the Bank/Financial Institute	Amount of Default (Rs. Crores) in	Default Continued since
1	State Bank of India*	113.26	30 th April 04
2	Industrial Development Bank of India	62.51	30 th June 04
3	State Bank of India*	53.88	30 th April 04
4	Canara Bank	23.75	30 th April 04
5	State Bank of Saurashtra*	18.83	30 th April 04
	Total	272.23	

*Standard Chartered Bank has takeover account of State Bank of India and State Bank of Saurashtra whereas Kotak Mahindra Bank Ltd. has taken over account of Industrial Development Bank of India in financial year 2006-07 & 2007-08.

Asset Reconstruction Company India Ltd. (ARCIL) took over loan account of Standard Chartered Bank, whereas ASREC India Ltd. took over loan accounts of Kotak Mahindra Bank Ltd. and Canara Bank.

9. **In respect of Application of Initial Public Offer/ Further public offer/ Term Loans:**

Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

10. **In respect of fraud reporting:**

To the best of our knowledge and belief and according to the information and explanations given to us no fraud on or by the company was noticed or reported during the year.

11. In respect of Managerial Remuneration:

The company has not paid or provided any Managerial remuneration. Hence requisite approvals as mandated by provisions of Section 197 read with Schedule V of the Act are not applicable.

12. In respect of Nidhi Company:

The company is not a Nidhi company.

13. In respect of Related parties transaction:

All transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

14. In respect of preferential allotment or private placement of shares or debentures:

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

15. In respect of non cash transactions with directors or persons connected:

The company has not entered into any non-cash transactions with directors or persons connected with him. Hence, the provisions of Section 192 of the Act are not applicable.

16. In respect of registration under section 45-IA of Reserve Bank of India:

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

**For B. Bansal & Co.
Chartered Accountants
FRN: 000450C**

**Place:-Indore
Date: 30/05/2017**

**Atik Bansal
(Partner)
Membership No. 422547**



Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

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 THE DHAR TEXTILE MILLS LTD ("the Company") as of March 31, 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and

the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of 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 March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For B. Bansal & Co.
Chartered Accountants
FRN: 000450C**

**Place:-Indore
Date: 30/05/2017**

**Atik Bansal
(Partner)
Membership No. 422547**

Balance Sheet as at 31st March 2017

₹ in rupees

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	9,80,87,530.00	9,80,87,530.00
Reserves and surplus	2	(2,82,09,81,314.00)	(2,82,03,58,875.00)
Money received against share warrants		-	-
		(2,72,28,93,784.00)	(2,72,22,71,345.00)
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings	3	2,81,93,97,237.00	2,81,98,37,029.00
Long-term provisions	4	1,17,65,274.00	97,78,048.00
		2,83,11,62,511.00	2,82,96,15,077.00
Current liabilities			
Short-term borrowings		-	-
Trade payables	5		
(B) Others		5,32,65,094.00	5,77,78,475.00
Other current liabilities	6	1,31,59,710.00	1,36,44,908.00
Short-term provisions		-	-
		6,64,24,804.00	7,14,23,383.00
TOTAL		17,46,93,531.00	17,87,67,115.00
ASSETS			
Non-current assets			
Fixed assets	7		
Tangible assets		15,20,40,112.00	15,23,83,755.00
Intangible assets		-	-
Capital work-in-Progress		-	-
Intangible assets under development		-	-
Non-current investments		-	-
Long-term loans and advances		-	-
Other non-current assets		-	-
		15,20,40,112.00	15,23,83,755.00
Current assets			
Inventories	8	5,08,111.00	26,31,762.00
Trade receivables	9	-	16,52,970.00
Cash and cash equivalents	10	3,82,710.00	2,38,649.00
Short-term loans and advances	11	2,17,62,598.00	2,18,59,979.00
Other current assets		-	-
		2,26,53,419.00	2,63,83,360.00
TOTAL		17,46,93,531.00	17,87,67,115.00

Additional Notes on Financial State Significant Accounting policies & Cash Flow Statement

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As per our report of even date
For B. Bansal & Co.
Chartered Accountants
(FRN: 000450C)

For and on behalf of the Board of Directors

Atik Bansal
Partner
Membership No.: 422547
Place: INDORE
Date: 30/05/2017

SUNIL CHOUDHARY
Director
DIN: 03564274

PANKAJ JAJOO
Managing Director
DIN: 00017748

Statement of Profit and loss for the year ended 31st March 2017

₹ in rupees

Particulars	Note No.	31st March 2017	31st March 2016
Revenue			
Revenue from operations	12	4,14,35,694.00	24,96,84,103.00
Less: Excise duty		-	-
Net Sales		4,14,35,694.00	24,96,84,103.00
Other income	13	15,82,620.00	3,18,875.00
Total revenue		4,30,18,314.00	25,00,02,978.00
Expenses			
Cost of material Consumed	14	2,77,89,150.00	18,70,46,034.00
Purchase of stock-in-trade		-	-
Changes in inventories	15	14,77,409.00	1,41,04,839.00
Employee benefit expenses	16	18,10,934.00	3,72,09,332.00
Finance costs	17	35,46,023.00	1,82,57,610.00
Depreciation and amortization expenses	18	3,43,643.00	3,43,642.00
Other expenses	19	86,73,594.00	4,26,75,350.00
Total expenses		4,36,40,753.00	29,96,36,807.00
Profit before exceptional, extraordinary and prior period items and tax		(6,22,439.00)	(4,96,33,829.00)
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		(6,22,439.00)	(4,96,33,829.00)
Extraordinary items		-	-
Prior period item		-	-
Profit before tax		(6,22,439.00)	(4,96,33,829.00)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Excess/short provision relating earlier year tax		-	-
Profit(Loss) for the period		(6,22,439.00)	(4,96,33,829.00)
Earning per share			
Basic	20		
Before extraordinary Items		(0.10)	(7.87)
After extraordinary Adjustment		(0.10)	(7.87)
Diluted			
Before extraordinary Items		(0.10)	(7.87)
After extraordinary Adjustment		(0.10)	(7.87)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B. Bansal & Co.

Chartered Accountants

(FRN: 000450C)

For and on behalf of the Board of
Directors

Atik Bansal
Partner
Membership No.: 422547
Place: INDORE
Date: 30/05/2017

SUNIL CHOUDHARY
Director
DIN: 03564274

PANKAJ JAJOO
Managing Director
DIN: 00017748

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2017

₹ in rupees

	PARTICULARS	31st March 2017	31st March 2016
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	(6,22,439.00)	(4,96,33,829.00)
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	3,43,643.00	3,43,642.00
	Finance Cost	35,46,023.00	1,82,57,610.00
	Interest received	(13,87,719.00)	(3,18,875.00)
	Other Inflows / (Outflows) of cash	41,57,057.00	(14,39,766.00)
	Operating profits before Working Capital Changes	60,36,565.00	(3,27,91,218.00)
	Adjusted For:		
	(Increase) / Decrease in trade receivables	16,52,970.00	(4,21,336.00)
	Increase / (Decrease) in trade payables	(66,83,212.00)	1,31,04,484.00
	(Increase) / Decrease in inventories	21,23,651.00	2,53,58,797.00
	Increase / (Decrease) in other current liabilities	(4,85,198.00)	23,94,021.00
	(Increase) / Decrease in Short Term Loans & Advances	97,381.00	6,71,950.00
	Cash generated from Operations	27,42,157.00	83,16,698.00
	Net Cash flow from Operating Activities(A)	27,42,157.00	83,16,698.00
B.	Cash Flow From Investing Activities		
	Interest Received	13,87,719.00	3,18,875.00
	Net Cash used in Investing Activities(B)	13,87,719.00	3,18,875.00
C.	Cash Flow From Financing Activities		
	Finance Cost	(35,46,023.00)	(1,82,57,610.00)
	Increase in / (Repayment) of Long term borrowings	(4,39,792.00)	90,57,799.00
	Net Cash used in Financing Activities(C)	(39,85,815.00)	(91,99,811.00)
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	1,44,061.00	(5,64,238.00)
E.	Cash & Cash Equivalents at Beginning of period	2,38,649.00	8,02,887.00
F.	Cash & Cash Equivalents at End of period	3,82,710.00	2,38,649.00
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	1,44,061.00	(5,64,238.00)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B. Bansal & Co.

Chartered Accountants

(FRN: 000450C)

For and on behalf of the Board of Directors

Atik Bansal

Partner

Membership No.: 422547

Place: INDORE

Date: 30/05/2017

SUNIL CHOUDARY

DIRECTOR

DIN: 03564274

PANKAJ JAJOO

MANAGING DIRECTOR

DIN: 00017748

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

Notes to Financial statements for the year ended 31st March 2017

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Authorised :		
7000000 (31/03/2016:7000000) Equity shares of Rs. 10.00/- par value	7,00,00,000.00	7,00,00,000.00
4000000 (31/03/2016:4000000) Preference shares of Rs. 10.00/- par value	4,00,00,000.00	4,00,00,000.00
Issued :		
6308753 (31/03/2016:6308753) Equity shares of Rs. 10.00/- par value	6,30,87,530.00	6,30,87,530.00
3500000 (31/03/2016:3500000) Preference shares of Rs. 10.00/- par value	3,50,00,000.00	3,50,00,000.00
Subscribed and paid-up :		
6308753 (31/03/2016:6308753) Equity shares of Rs. 10.00/- par value	6,30,87,530.00	6,30,87,530.00
3500000 (31/03/2016:3500000) Preference shares of Rs. 10.00/- par value	3,50,00,000.00	3,50,00,000.00
Total	9,80,87,530.00	9,80,87,530.00

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	63,08,753	6,30,87,530.00	63,08,753	6,30,87,530.00
Issued during the Period	-	-	-	-
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	63,08,753	6,30,87,530.00	63,08,753	6,30,87,530.00

Preference shares

₹ in rupees

	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	35,00,000	3,50,00,000.00	35,00,000	3,50,00,000.00
Issued during the Period	-	-	-	-
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	35,00,000	3,50,00,000.00	35,00,000	3,50,00,000.00

Right, Preferences and Restriction attached to shares

Equity shares

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Preference shares

The company has only one class of Preference having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

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

Type of Share	Name of Shareholders	As at 31st March 2017		As at 31st March 2016	
Type of Share	Name of Shareholders	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Pankaj Jajoo	12,70,085	20.13	12,70,085	20.13
Equity [NV: 10.00]	Madhuri Jajoo	10,53,794	16.70	10,53,794	16.70
Equity [NV: 10.00]	Pankaj Jajoo HUF	4,29,840	6.81	4,29,840	6.81
Equity [NV: 10.00]	LIC of India	3,50,000	5.55	3,50,000	5.55
Equity [NV: 10.00]	UTI ULIP	3,40,991	5.41	3,40,991	5.41
Equity [NV: 10.00]	Andiminstrator of Specified Undertanking	4,88,947	7.75	4,88,947	7.75
Equity [NV: 10.00]	Indo Global Textile Pvt. Ltd.	3,29,924	5.23	3,29,924	5.23
	Total :	42,63,581	67.58	42,63,581	67.58

Note No. 2 Reserves and surplus

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Surplus		
Opening Balance	(3,13,58,02,354.00)	(3,08,61,68,525.00)
Add: Addition during the year	-	-
Less: Loss for the year	(6,22,439.00)	(4,96,33,829.00)
Closing Balance	(3,13,64,24,793.00)	(3,13,58,02,354.00)
Reserves		
Opening Balance	9,44,37,512.00	9,44,37,512.00
Add: Addition during the year	-	-
Less : Deletion during the year	-	-
Closing Balance	9,44,37,512.00	9,44,37,512.00
Securities premium		
Opening Balance	22,10,05,967.00	22,10,05,967.00
Add: Addition during the year	-	-
Less : Deletion during the year	-	-
Closing Balance	22,10,05,967.00	22,10,05,967.00
Balance carried to balance sheet	(2,82,09,81,314.00)	(2,82,03,58,875.00)

Note No. 3 Long-term borrowings

₹ in rupees

Particulars	As at 31st March 2017			As at 31st March 2016		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term Loan - From banks						
Secured Loans	2,72,22,89,343.00	-	2,72,22,89,343.00	2,72,22,89,343.00	-	2,72,22,89,343.00
	2,72,22,89,343.00	-	2,72,22,89,343.00	2,72,22,89,343.00	-	2,72,22,89,343.00
Term Loan - From Others						
Unsecured	8,72,16,937.00	-	8,72,16,937.00	8,36,97,686.00	-	8,36,97,686.00
	8,72,16,937.00	-	8,72,16,937.00	8,36,97,686.00	-	8,36,97,686.00
Other Loans and advances						
Advances against Assets unsecured	98,90,957.00	-	98,90,957.00	1,38,50,000.00	-	1,38,50,000.00
	98,90,957.00	-	98,90,957.00	1,38,50,000.00	-	1,38,50,000.00
The Above Amount Includes						
Secured Borrowings	2,72,22,89,343.00	-	2,72,22,89,343.00	2,72,22,89,343.00	-	2,72,22,89,343.00
Unsecured Borrowings	9,71,07,894.00	-	9,71,07,894.00	9,75,47,686.00	-	9,75,47,686.00
Net Amount	2,81,93,97,237.00	0	2,81,93,97,237.00	2,81,98,37,029.00	0	2,81,98,37,029.00

Note No. 4 Provisions

₹ in rupees

Particulars	As at 31st March 2017			As at 31st March 2016		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Provision for gratuity	1,17,65,274.00	-	1,17,65,274.00	97,78,048.00	-	97,78,048.00
	1,17,65,274.00	-	1,17,65,274.00	97,78,048.00	-	97,78,048.00
Total	1,17,65,274.00	-	1,17,65,274.00	97,78,048.00	-	97,78,048.00

Note No. 5 Trade payables

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
(B) Others		
Sundry Creditors	5,32,65,094.00	5,77,78,475.00
	5,32,65,094.00	5,77,78,475.00
Total	5,32,65,094.00	5,77,78,475.00

Note No. 6 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Unpaid Dividend		
Unclaimed Dividend	49,600.00	49,600.00
	49,600.00	49,600.00
Others payables		
Statutory Dues	1,31,10,110.00	1,35,95,308.00
	1,31,10,110.00	1,35,95,308.00
Total	1,31,59,710.00	1,36,44,908.00

Note No. 7 Fixed Assets Chart as at 31st March 2017

₹ in rupees

	Assets		Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
		Useful Life (In Years)	Balance as at 1st April 2016	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2017	Balance as at 1st April 2016	Provided during the year	Deletion/ adjustments during the year	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
A	Tangible assets												
	Own Assets												
	Plant and Machinery	15.00	63,73,15,417.00	-	-	-	63,73,15,417.00	52,99,24,582.00	1,04,147.00	-	53,00,28,729.00	10,72,86,688.00	10,73,90,835.00
	Electrical Installation	10.00	95,03,407.00	-	-	-	95,03,407.00	81,66,700.00	324.00	-	81,67,024.00	13,36,383.00	13,36,707.00
	Furniture and Fixture	10.00	49,13,217.00	-	-	-	49,13,217.00	45,10,192.00	2,846.00	-	45,13,038.00	4,00,179.00	4,03,025.00
	Vehicles	10.00	40,30,162.00	-	-	-	40,30,162.00	40,07,929.00	4,014.00	-	40,11,943.00	18,219.00	22,233.00
	Sub Total		65,57,62,203.00	-	-	-	65,57,62,203.00	54,66,09,403.00	1,11,331.00	-	54,67,20,734.00	10,90,41,469.00	10,91,52,800.00
	Leased Assets												
	Land		42,46,734.00	-	-	-	42,46,734.00	-	-	-	-	42,46,734.00	42,46,734.00
	Factory Shed	30.00	8,46,64,442.00	-	-	-	8,46,64,442.00	4,82,77,139.00	2,32,312.00	-	4,85,09,451.00	3,61,54,991.00	3,63,87,303.00
	Office Building	30.00	34,80,883.00	-	-	-	34,80,883.00	8,83,965.00	-	-	8,83,965.00	25,96,918.00	25,96,918.00
	Sub Total		9,23,92,059.00	-	-	-	9,23,92,059.00	4,91,61,104.00	2,32,312.00	-	4,93,93,416.00	4,29,98,643.00	4,32,30,955.00
	Total (A)		74,81,54,262.00	-	-	-	74,81,54,262.00	59,57,70,507.00	3,43,643.00	-	59,61,14,150.00	15,20,40,112.00	15,23,83,755.00
	P.Y Total		74,81,54,262.00	-	-	-	74,81,54,262.00	59,54,26,865.00	3,43,642.00	-	59,57,70,507.00	15,23,83,755.00	15,27,27,397.00

THE DHAR TEXTILE MILLS LTD
C1/A, LOW LAND AREA, POLOGROUND, INDORE-452015

Note No. 8 Inventories

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
(Valued at cost or NRV unless otherwise stated)		
Finished Goods	-	23,59,862.00
Stores and spares	5,08,111.00	2,71,900.00
Total	5,08,111.00	26,31,762.00

Note No. 9 Trade receivables

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Exceeding six months		
Unsecured, Considered Good	-	16,52,970.00
Total	-	16,52,970.00
Total	-	16,52,970.00

Note No. 10 Cash and cash equivalents

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Balance with banks		
Balance other banks current account	2,56,233.00	1,78,099.00
Total	2,56,233.00	1,78,099.00
Cash in hand		
Cash in hand	1,26,477.00	60,550.00
Total	1,26,477.00	60,550.00
Total	3,82,710.00	2,38,649.00

Note No. 11 Loans and advances

₹ in rupees

Particulars	As at 31st March 2017		As at 31st March 2016	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
Secured loans and advances given to suppliers	-	2,17,62,598.00	-	2,18,59,979.00
	-	2,17,62,598.00	-	2,18,59,979.00
Total	-	2,17,62,598.00	-	2,18,59,979.00

THE DHAR TEXTILE MILLS LTD
C1/A, LOW LAND AREA, POLOGROUND, INDORE-452015

Note No. 12 Revenue from operations

₹ in rupees

Particulars	31st March 2017	31st March 2016
Sale of products	4,14,35,694.00	24,96,84,103.00
Net revenue from operations	4,14,35,694.00	24,96,84,103.00

Note No. 13 Other income

₹ in rupees

Particulars	31st March 2017	31st March 2016
Interest Income	2,96,564.00	3,18,875.00
Other non-operating income		
Insurance Claim	1,94,901.00	-
Misc Balances Written off	9,71,155.00	-
Rental income	1,20,000.00	-
	12,86,056.00	-
Total	15,82,620.00	3,18,875.00

Note No. 14 Cost of material Consumed

₹ in rupees

Particulars	31st March 2017	31st March 2016
Inventory at the beginning		
Raw Material	8,82,453.00	1,16,38,719.00
Stores Spares	2,71,900.00	7,69,592.00
	11,54,353.00	1,24,08,311.00
Add:Purchase		
Raw Material	2,14,42,364.00	16,86,26,442.00
Stores Spares	57,00,544.00	71,65,634.00
	2,71,42,908.00	17,57,92,076.00
Less:-Inventory at the end		
Raw Material	-	8,82,453.00
Stores Spares	5,08,111.00	2,71,900.00
	5,08,111.00	11,54,353.00
Total	2,77,89,150.00	18,70,46,034.00

Details of material consumed

₹ in rupees

Particulars	31st March 2017	31st March 2016
Raw Material		
Consumption raw material	2,23,24,817.00	17,93,82,708.00
	2,23,24,817.00	17,93,82,708.00
Stores Spares		
Consumption stores spares	54,64,333.00	76,63,326.00
	54,64,333.00	76,63,326.00
Total	2,77,89,150.00	18,70,46,034.00

Details of inventory

₹ in rupees

Particulars	31st March 2017	31st March 2016
Raw Material		
Consumption raw material	-	8,82,453.00
	-	8,82,453.00
Stores Spares		
Consumption stores spares	5,08,111.00	2,71,900.00
	5,08,111.00	2,71,900.00
Total	5,08,111.00	11,54,353.00

THE DHAR TEXTILE MILLS LTD
C1/A, LOW LAND AREA, POLOGROUND, INDORE-452015

Details of purchase

₹ in rupees

Particulars	31st March 2017	31st March 2016
Raw Material		
Consumption raw material	2,14,42,364.00	16,86,26,442.00
	2,14,42,364.00	16,86,26,442.00
Stores Spares		
Consumption stores spares	57,00,544.00	71,65,634.00
	57,00,544.00	71,65,634.00
Total	2,71,42,908.00	17,57,92,076.00

Value of import and indigenous material consumed

₹ in rupees

Particulars	Unit of Measurement	31st March 2017		31st March 2016	
		Value	Quantity	Value	Quantity
Raw Material					
Consumption raw material	Kg	2,23,24,817.00	-	17,93,82,708.00	-
		2,23,24,817.00		17,93,82,708.00	
Stores Spares					
Consumption stores spares		54,64,333.00	-	76,63,326.00	-
		54,64,333.00		76,63,326.00	

₹ in rupees

Particulars	31st March 2017		31st March 2016	
	Value	%to total Consumption	value	%to total Consumption
Raw Material				
Imported	-	-	-	-
Indigenous	2,23,24,817.00	100.00	17,93,82,708.00	100.00
	2,23,24,817.00	100.00	17,93,82,708.00	100.00
Stores Spares				
Imported	-	-	-	-
Indigenous	54,64,333.00	100.00	76,63,326.00	100.00
	54,64,333.00	100.00	76,63,326.00	100.00

Note No. 15 Changes in inventories

₹ in rupees

Particulars	31st March 2017	31st March 2016
Inventory at the end of the year		
Finished Goods	-	11,21,676.00
Work-in-Progress	-	3,55,733.00
	-	14,77,409.00
Inventory at the beginning of the year		
Finished Goods	11,21,676.00	1,23,11,546.00
Work-in-Progress	3,55,733.00	32,70,702.00
	14,77,409.00	1,55,82,248.00
(Increase)/decrease in inventories		
Finished Goods	11,21,676.00	1,11,89,870.00
Work-in-Progress	3,55,733.00	29,14,969.00
	14,77,409.00	1,41,04,839.00

Note No. 16 Employee benefit expenses

₹ in rupees

Particulars	31st March 2017	31st March 2016
Salaries and Wages		
Salary and wages	18,10,934.00	3,51,74,981.00
	18,10,934.00	3,51,74,981.00
Contribution to provident and other fund		
Contribution to provident and other funds for others	-	20,34,351.00
	-	20,34,351.00
Total	18,10,934.00	3,72,09,332.00

THE DHAR TEXTILE MILLS LTD
C1/A, LOW LAND AREA, POLOGROUND, INDORE-452015

Note No. 17 Finance costs

₹ in rupees

Particulars	31st March 2017	31st March 2016
Interest	-	1,57,48,750.00
Other Borrowing costs	35,46,023.00	25,08,860.00
Total	35,46,023.00	1,82,57,610.00

Note No. 18 Depreciation and amortization expenses

₹ in rupees

Particulars	31st March 2017	31st March 2016
Depreciation on tangible assets	3,43,643.00	3,43,642.00
Total	3,43,643.00	3,43,642.00

Note No. 19 Other expenses

₹ in rupees

Particulars	31st March 2017	31st March 2016
Power and fuel	26,95,000.00	2,80,48,928.00
Repairs and maintenance of plant and machinery	-	9,06,903.00
Other manufacturing expenses	1,45,482.00	6,52,131.00
Selling and distribution expenses	16,97,004.00	68,60,307.00
Insurance expenses	3,11,812.00	3,60,814.00
Repairs and maintenance of other assets	1,08,749.00	1,81,614.00
Printing and stationery	1,28,078.00	1,28,941.00
Telephone and postage expenses	1,91,464.00	1,60,484.00
Advertising expenses	6,566.00	8,731.00
Bank charges	8,151.00	5,329.00
Audit fees	40,000.00	40,000.00
Vehicle running expenses	3,15,071.00	23,42,084.00
Legal and professional expenses	8,10,635.00	10,33,182.00
Service tax	92,847.00	1,07,199.00
Property Tax	5,80,826.00	12,99,627.00
Lease rentals expenses	3,66,105.00	675.00
Maintenance Charges of Lease Land	1,18,909.00	1,30,878.00
Travelling Expenses	1,28,318.00	1,77,940.00
Donations	1,575.00	84,000.00
Rent	2,40,000.00	-
Settlement Paid	2,50,000.00	-
Office Expenses	99,521.00	-
Other expenditure	-	1,45,583.00
Sundry Balances W/o	3,37,481.00	-
Total	86,73,594.00	4,26,75,350.00

Note No. 19 (a) Other expenses:Selling and distribution expenses

₹ in rupees

Particulars	31st March 2017	31st March 2016
Other selling expenses	16,97,004.00	68,60,307.00
Total	16,97,004.00	68,60,307.00

Note No. 19(b) Other expenses:Lease rentals expenses

₹ in rupees

Particulars	31st March 2017	31st March 2016
Lease Rent	3,66,105.00	675.00
Total	3,66,105.00	675.00

Note No. 19(c) Other expenses: Travelling Expenses

₹ in rupees

Particulars	31st March 2017	31st March 2016
Directors	-	1,47,146.00
Others	1,28,318.00	30,794.00
Total	1,28,318.00	1,77,940.00

THE DHAR TEXTILE MILLS LTD
C1/A, LOW LAND AREA, POLOGROUND, INDORE-452015

Note No. 20 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016
Basic				
Profit after tax (A)	(6,22,439.00)	(4,96,33,829.00)	(6,22,439.00)	(4,96,33,829.00)
Weighted average number of shares outstanding (B)	63,08,753	63,08,753	63,08,753	63,08,753
Basic EPS (A / B)	(0.10)	(7.87)	(0.10)	(7.87)
Face value per share	10.00	10.00	10.00	10.00

Note on Related Party Disclosures

Disclosure as required by Accounting Standard (AS) - 18 "Related Party Disclosures" as prescribed under section 133 of the Companies Act, 2013.

(a) Names of the related parties and description of relationship:

S.No	Names of the related parties	Description of relationship
1	Pankaj Jajoo	Key management personnel [KMP]
2	Manish Jajoo	Key management personnel [KMP]
3	Sunil Choudhary	Key management personnel [KMP]
4	Vijay Bakliwal	Key management personnel [KMP]
5	Indoglobal Textiles Pvt Ltd	Companies/entities under the control of Key Management Personnel
6	Transworld Textiles Private Limited	Relatives of Key Management Personnel
7	Karan Jajoo	Relatives of Key Management Personnel
8	Madhuri Jajoo	Relatives of Key Management Personnel
9	Savitri Devi Jajoo	Relatives of Key Management Personnel

(b) Volume of transactions with related parties:

S.No.	Name of the transacting related party	Nature of Transactions	Current Year	Previous Year
1.	Madhuri jajoo	Loan Taken	7,48,000.00	-
2.	Karn jajoo	Loan taken	1,00,000.00	-
3.	Indoglobal Textiles private Limited	Loan Taken	1,03,63,450.00	80,32,629.00
4.	Indoglobal Textiles private	Loan Repaid	30,92,955.00	1,25,05,721.00

	Limited			
5.	Transworld Textiles Private limited	Loan Taken	9,28,94,917.00	-
6.	Transworld Textiles Private limited	Loan Repaid	5,73,55,868.00	-
7.	Transworld Textiles Private limited	Sale of Goods	5,63,531.00	-
8.	Transworld Textiles Private limited	Rent received	1,20,000.00	-

(c) Amount outstanding pertaining to related parties at the balance sheet date:

(a)	Trade receivables / Loans and advances		
	Name of related parties	Current Year	Previous Year
1			
(b)	Trade payable / Other Liabilities		
1	Transworld Textiles Pvt. Ltd.	4,23,00,652.00	74,45,134.00
2	Indoglobal Textiles Pvt. Ltd.	3,49,30,248.00	2,76,59,753.00
3	Pankaj Jajoo	7,87,788.00	2,44,349.00
4	Karn jajoo	19,90,651.00	18,90,651.00
5	Madhuri jajoo	1,16,81,695.00	1,09,33,695.00
6.	Savitri Devi Jajoo	50,00,000.00	50,00,000.00

THE DHAR TEXTILE MILLS LTD
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

A. Significant Accounting Policies

1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the company unless otherwise stated.

The financial statements have been prepared under the historical cost convention on accrual basis.

2. Use Of Estimate:-

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, the difference between actual results and estimates are recognized in the period in which the results are known / materialized.

3. Revenue Recognition :-

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis except discount claims, rebates and retirement benefits which cannot be determined with certainty during the year.

4. Fixed Assets :-

All Tangible Fixed Assets including of its expansion project are stated at their original cost less depreciation (Net of Modvat/Cenvat,VAT and Service Tax). Company has identified that there is no material impairment of assets and as such no provision is made as per AS-28 issued by Institute of Chartered Accountants of India.

5. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

6. **Inventories :-**

There is inventory in the books of company. Inventories are valued as under:-

1. Raw Material : At cost
2. Finished Goods: At cost or net realizable value whichever is lower.

7. **BORROWING COSTS**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

8. **EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss after tax attributable to equity shareholders, including deferred tax provision, by the weighted average number of equity shares outstanding during the year and has been computed in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

9. **Retirement Benefits:-**

Retirement benefits are accounted for on accrual basis.

10. **Taxes on Income:-**

No Tax Provisions is made by the company as company is a loss making company.

11. **Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

12. Foreign Exchange Transactions And Forward Contracts:

The company has not entered into any foreign exchange contracts during the year

General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

(B) Notes on Financial Statements

1. Share Capital

The 14.5% Cumulative Redeemable Preference Shares of Rs. 350 Lacs redeemed at par in 3 annual installments commencing from February 1, 2005, installment failing due on February 2005 is in arrears. The subscribers reserve the right to convert CRPS assistance into rupee term loan after one event of default with respect to payment of dividend/ redemption and/or into Equity shares at par after two consecutive defaults with respect to payment of dividend/redemption. Payment of dividends on these shares is in arrears since 01.04.1999.

2. Secured Loans

Standard Chartered Bank has takeover the loan account of State Bank of India, State Bank of Indore and State Bank of Saurashtra and Kotak Mahindra Bank Ltd. has takeover account of IDBI Bank.

Asset Reconstruction Company India Ltd. (ARCIL) and ASREC India Ltd. had takeover the loan account of Standard Chartered Bank, Kotak Mahindra Bank Ltd., Canara Bank respectively.

- d) All the above loans are further secured by way of personal guarantees of Managing Director, one director and others.
- e) Sales tax deferred is secured by first available charge by way of hypothecation of the fixed assets of the Company.

3. Contingent Liabilities

(Rs. in Lacs)			
S. No.	Particulars	2016	2015
a.	Cumulative Preference Dividend (to become payable when the dividend would be declared)	555.5	555.5

- 2. No remuneration is paid to directors during the year.
- 3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

4. Payments to Auditors:

Auditors Remuneration	2016-2017	2015-2016
Audit Fees	40,000	40,000

5. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
6. Sales and Purchases include inter-division transfer of yarn and waste material of Rs is Nil.
7. As per Accounting Standard (AS) 5 “Net profit or loss for the period, prior period items and changes in accounting policies” Prior period expenses of Rs. NIL.
8. Accounting Standard (AS) 17 “Segment Reporting” is not applicable as the company operates in a single segment Textiles.
9. As per Accounting Standard (AS) 22 “Accounting for Taxes on Income”. The deferred tax assets have, however not been recognized and carried forward in the absence of a reasonable or virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
10. Earnings per share
- | | |
|---|-----------|
| Loss as per Profit & Loss A/c | -6,22,439 |
| Number of shares used in computing earnings per share | 63,08,753 |
| Earnings per share (Basic and diluted) (In Rs.) | -0.099 |
| Face value per share (In Rs.) | 10.00 |
11. In view of insufficient information from the suppliers regarding their status as SSI unit, amount overdue to them as on 31.03.17 cannot be ascertained.
12. The Company has not transferred the amount of Unclaimed Dividend to Investor Education and Protection Fund and the same is shown under the head of current liabilities.
13. Balances of Debtors, Unsecured Loans, Creditors and Loans & Advances are as per books of accounts and subject to confirmation.
14. The financial statements of the company are prepared on the basis of Going concern (Yarn Division) and its textile (Fabric) division is closed.
15. No provision for Income tax has been made due to accumulated business losses and unabsorbed depreciation as per the Income Tax Act 1961.

16. The company is a sick company within the meaning of Sick Industrial Companies (special Provision) Act, 1985, as its accumulated losses exceeded fifty percent of its Net Worth at the end of the financial year. The Company has incurred cash losses during the current year as also during the immediately preceding financial year. Reference file under section 15(1) of sick Industrial Companies (special Provision) Act, 1985 is registered as case no. 353/2004 vide letter No. 3 (T-22)/BC/2004 dated 30/11/2004 issued by Registrar, Board of Industrial and Financial Reconstruction, New Delhi. The bench has declared that the Company is a sick Industrial Company in terms of 3 (1) (O) of the Act w.e.f. 2.05.2006.

17. Figures have been rounded to the nearest rupee.

18. Previous year figures have been regrouped, reworked, rearranged and reclassified wherever necessary.

19. The details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as follows:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1,80,000.00	30,441.00	2,10,441.00
(+) Permitted receipts		16,88,520.00	16,88,520.00
(-) Permitted payments		15,66,230.00	15,66,230.00
(-) Amount deposited in Banks	1,80,000.00	0.00	1,80,000.00
Closing cash in hand as on 30.12.2016	0.00	1,52,731.00	1,52,731.00

**For B.BANSAL & CO.
Chartered Accountants**

Place :INDORE

Date : 30/05/2017

(ATIK BANSAL)

PARTNER

Membership No: 422547

Registration No: 000450C

E-2, RATLAM KOTHI

THE DHAR TEXTILE MILLS LIMITED
REGD. OFFICE: C-1/A, Low Land Area, Pologround Industrial Estate, Indore – 452015
CIN: L15314MP1996PLC010741

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]

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature....., or failing him		

Name :	E-mail Id:
Address:	
Signature....., or failing him	

Name :	E-mail Id:
Address:	
Signature....., or failing him	

as my/our proxy, to act for me/us at the meeting of the equity shareholder(s) of the Company to be held on Saturday, 30th December, 2017 at 10.30 A.M. at “C-1/A, Low Land Area, Pologround Industrial Estate, Indore – 452015, for the purpose of considering and, if thought fit, approving, with or without modification(s), an arrangement proposed to be made between the said company and its equity shareholder(s) and at such meeting and at any adjournment thereof, to vote, for me/us and in my/ our name/s..... [here, ‘if for’, insert ‘for’; ‘if against’, insert ‘against’, and in the latter case, strike out the words below after arrangement’] the said arrangement either with or without modification as my/our proxy may approve.

Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To consider and adopt the Financial Statements for the financial year ended on 31 st March, 2017 together with the Auditors and Board’s Report thereon.		
2.	To appoint a director in place of Shri. Manish Jajoo (DIN: 00017748), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To ratify the appointment of the Statutory Auditors of the Company and authority to Board to fix their remuneration		
4.			

* Applicable for investors holding shares in Electronic form.

* [Strike out what is not necessary.]

Signed this _____ day of _____, 2017

Affix
Revenue

Signature of Shareholder Signature of Proxy holder

Signature of the shareholder
Across Revenue Stamp

Note:

1. Proxy to be deposited at the Registered Office of the Company at “C-1/A, Low Land Area, Pologround Industrial Estate, Indore – 452015,” not later than FORTY-EIGHT hours before the meeting.
2. All alterations made in the Form of Proxy should be initialed.
3. Please affix appropriate Revenue Stamp before putting signature.
4. In case of multiple proxies, proxy later in time shall be accepted.
5. A proxy need not be a shareholder of the Company

THE DHAR TEXTILE MILLS LIMITED
REGD. OFFICE: C-1/A, Low Land Area, Pologround Industrial Estate, Indore – 452015
CIN: L15314MP1996PLC010741

=====

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Annual General Meeting on Saturday, 30th December, 2017 at 10.30 A.M.

Full name of the members attending _____

(In block capitals)

Ledger Folio No. /Client ID No. _____ No. of shares

held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company convened Saturday, 30th December, 2017 at 10.30 A.M. at C-1/A, Low Land Area, Pologround Industrial Estate, Indore – 452015.

(Member's /Proxy's Signature)

Note:

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

-----TEAR HERE-----

The E-Voting Particulars are set out as below

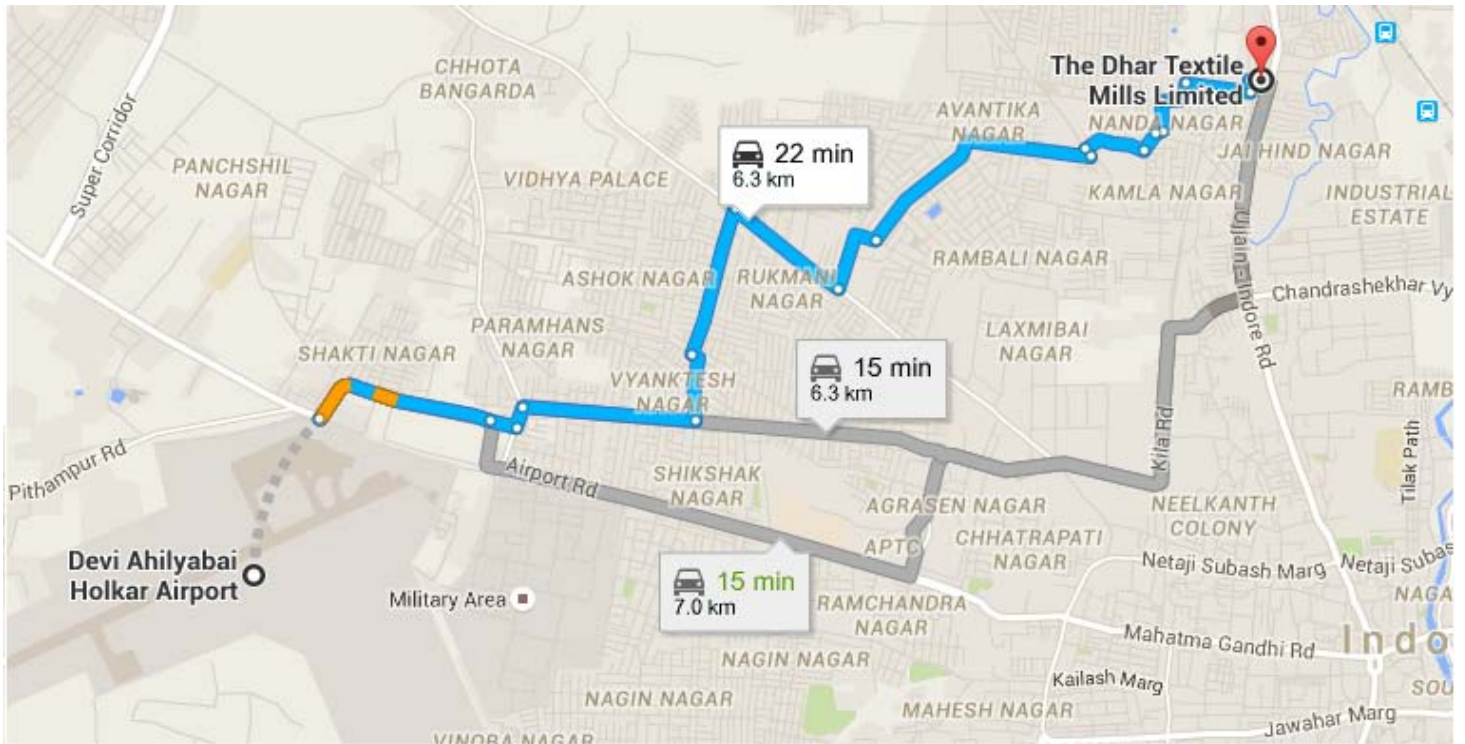
Note: Please read common instructions carefully before exercising the vote

The E-Voting facility will be available during the following voting period:

Commencement of E-voting	End of E-voting
From 09.00 A.M. (IST) on 27 th Day of December, 2017	Upto 05.00 P.M. (IST) on 29 th Day of December, 2017

Note: The procedure and instructions for e-voting as provided in the Notice should be followed.

AGM VENUE ROUTE MAP




AGM VENUE:

C-1/A, LOW LAND AREA, POLOGROUND INDUSTRIAL ESTATE, INDORE – 452015

ROUTE GUIDANCE:

1. From Devi Ahilyabai Holkar Airport, you can easily reach AGM Venue via following modes of transit:
 - a. Local Taxi (Mini Van) and Hired Cabs.

					Book – Post
			To,	<div></div> <div></div> <div></div> <div></div> <div></div>	
<div>THE DHAR TEXTILE MILLS LTD.</div>					
<div>If undelivered, Kindly return to: <u>THE DHAR TEXTILE MILLS LIMITED</u> C-1/A, LOW LAND AREA, POLOGROUND INDUSTRIAL ESTATE, INDORE – 452001 Phone: +91 731 2566767, 2421890 Fax: +91 731 2421940 Email: sunil@dhartextile.com Website: http://www.dhartextile.com</div>					