

**Date: 05.12.2020**

**To,  
The Secretary  
Metropolitan Stock Exchange of India Limited  
Vibgyor Towers, 4th floor, Plot No C 62, G - Block,  
Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 098**

Dear Sir,

**Sub: Submission of Annual Report under Regulation 34 of the SEBI (LODR), Regulation, 2015**

With reference to the above, we are enclosing herewith the Annual Report of the company for the year 2019-2020 duly approved and adopted at the AGM held on 31.12.2020

This is for your necessary record.

Kindly acknowledge the receipt.

Thanking you,  
Yours truly,

**For Dhaval Exports Limited**

*Ashish K. More*

**Ashish More  
( Director)  
DIN – 07155893**

**DIRECTORS' REPORT****Dear Members**

Your Directors have pleasure in presenting the Annual Report and the audited Accounts of the Company for the year ended 31st March, 2020.

**FINANCIAL RESULTS**

|  | Year ended<br>31.03.2020<br>Rs. | Year ended<br>31.03.2019<br>Rs. |
|--|---------------------------------|---------------------------------|
| A. Total Income                                    | 1,765,964.00                    | 961,440.00                      |
| B. Total Expenditure                               | 1,403,338.00                    | 926,446.50                      |
| C. Profit Before Taxation ( A-B )                  | 362,626.00                      | 34,993.50                       |
| D. Provision for Taxation (including Deferred Tax) | 85,379.00                       | 15,074.00                       |
| E. Balance c/f to next Year                        | 277,247.00                      | 19,919.50                       |

**REVIEW OF OPERATIONS**

Your directors are hopeful that the performance of the Company will improve further in the coming year.

**FUTURE OUTLOOK**

The general business conditions affecting business are expected to remain stable and company is expected to perform well

**DIVIDEND**

With a view to create long term pool of resources, no dividend is recommended for the year.

**DEPOSITS**

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**TRANSFER TO RESERVES**

No amount has been transferred to the General Reserve.

**MEETINGS OF BOARD OF DIRECTORS**

During the financial year ended 31st March, 2020, Board Meetings were held on:

4/7/2019 5/30/2019 8/14/2019 11/14/2019 12/20/2019 2/14/2020

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**Attendance of directors at the Board Meetings [Whether attended (Yes/No)]:**

| Board Meeting Date | Mr.Nitesh Jain | Mr.Ashok Kumar Jain | Mr.Pradeep Bhawsinghka | Mr.Ashish More | Mrs.Sima Devi More |
|--------------------|----------------|---------------------|------------------------|----------------|--------------------|
|                    | (DIN-00454763) | (DIN-00454995)      | (DIN-00490863)         | (DIN-07155893) | (DIN-07144823)     |
| 4/7/2019           | Yes            | Yes                 | Yes                    | Yes            | Yes                |
| 5/30/2019          | Yes            | Yes                 | Yes                    | Yes            | Yes                |
| 8/14/2019          | Yes            | Yes                 | Yes                    | Yes            | Yes                |
| 11/14/2019         | Yes            | Yes                 | Yes                    | Yes            | Yes                |
| 12/20/2019         | Yes            | Yes                 | Yes                    | Yes            | Yes                |
| 2/14/2020          | Yes            | Yes                 | Yes                    | Yes            | Yes                |
| <b>TOTAL</b>       | <b>6</b>       | <b>6</b>            | <b>6</b>               | <b>6</b>       | <b>6</b>           |

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, which has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

**AUDITORS AND AUDITORS' REPORT**

The Shareholders at their Annual General meeting held in 2016 appointed M/s Agrawal B.Kumar & Co.(FRN - 313100E), Chartered Accountants, PS Srijan Corporate Park, Plot No. G-2, Block EP & GP Sector V, 18th Floor, Tower 1, Suite No.1807, Kolkata – 700 091 as the Statutory Auditors of the Company to hold such office till the conclusion of the Annual General Meeting to be held in the year 2021, subject to ratification by the members at each Annual General Meeting, at a remuneration to be mutually decided upon. Accordingly the members are required to consider and ratify the same.

Auditors' Report contains no remark requiring explanation.

**DIRECTORS**

Ms.Sima Devi More and Mr.Ashish More retire from office by rotation and being eligible offer themselves for re-appointment.

Mr.Arihant Jain who was appointed as an Independent Additional Director of the company by the Board of Directors with effect from 23.09.2020 and who holds office as such till the date of this Annual General Meeting, has been proposed to be appointed as an ordinary director (Independent) for a period upto 22nd September, 2025.

Ms.Reema Jain who was appointed as an Independent Additional Director of the company by the Board of Directors with effect from 23.09.2020 and who holds office as such till the date of this Annual General Meeting, has

**DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149 (6).

**ANNUAL EVALUATION BY THE BOARD**

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under Section 134(3) (p) of the Companies Act, 2013.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans, guarantees or investments made by the company are included elsewhere in the Annual Report.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

A Statement containing salient features of the financial statements of subsidiaries / associate companies / joint ventures pursuant to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) is annexed hereto and forms a part of this report.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

There are no related party transactions during the year, hence particulars of every contract or arrangements entered into by the Company with Related Parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 prescribed under the Companies (Accounts) Rules, 2014 is not attached.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been 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 the report.

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

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

#### **PARTICULARS OF EMPLOYEES**

The overall remuneration payable to Directors, including Executive Directors, shall be within the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V, to the extent applicable to the company.

#### **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

The company has no activity relating to conservation of energy or technology absorption, details of which are required to be furnished in this report as per the provision of Section 134 (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014

#### **FOREIGN EXCHANGE EARNING & OUTGO**

There were no foreign exchange earning and outgo during the year.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors'

- (i) in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards, have been followed and there are no material departures from the same;
- (ii) the Directors have 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 as at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis;
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- (vi) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

**RISK MANAGEMENT POLICY**

The Company has a defined Risk Management framework to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**EXTRACT OF THE ANNUAL RETURN**

Extract of the Annual Return as on the financial year ended 31st March, 2020 in Form MGT 9 is annexed hereto and forms a part of this report and is also hosted on the Company's website:  
[www.dhavalexports.com](http://www.dhavalexports.com)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

Pursuant to the Listing Regulations, a separate section titled 'Corporate Governance' has been included in this Annual Report, along with the Reports on 'Management Discussion and Analysis' and 'General Shareholder Information'.

All Board members and Senior Management personnel have affirmed compliance with the code of conduct for FY

**SECRETARIAL AUDIT REPORT**

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 Mr. Navneet Jhunjhunwala of M/s N.Jhunjhunwala & Associates, a firm of Company Secretaries in Practice (FCS No.6397, CP No.5184) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith. The report contains no qualification, reservation or adverse remark or disclaimer.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to appreciate contributions made by the Company's bankers, shareholders and business associates for their respective services and patronage.

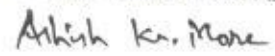
**For and on behalf of the Board**

For DHAVAL EXPORTS LIMITED

  
Director

(Nitesh Jain)  
Director  
DIN- 00454763

For DHAVAL EXPORTS LIMITED

  
Director

(Ashish More)  
Director  
DIN- 07155893

P-9, Shibtolla Street, 4th Floor  
Kolkata - 700 007  
Date: 31st July, 2020

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2020**

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

| I. REGISTRATION & OTHER DETAILS: |  |  |
|----------------------------------|--|--|
| 1                                | CIN  | L51900WB2005PLC101305  |
| 2                                | Registration Date  | 2/16/1985  |
| 3                                | Name of the Company  | DHAVAL EXPORTS LIMITED   |
| 4                                | Category/Sub-category of the Company                                       | Public Company limited by shares   |
| 5                                | Address of the Registered office & contact details                         | P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007<br>Ph.033-22747121 ; Email - mrgroup.del@gmail.com                 |
| 6                                | Whether listed company   | Yes  |
| 7                                | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s.ABS Consultant Pvt. Ltd.<br>99, Stephen House, 6th Floor, 4,B.B.D.Bag (E),Kolkata - 700001<br>Tel.: (033) 22430153 |

| 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  | Trading in Textile Goods                         | 471                             | Nil                                |
| 2  | Services to earn commission                      | 461                             | 100                                |
| 3  |  |                                 |                                    |

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES |  |                       |                                |                  |                    |
|---|--|-----------------------|--------------------------------|------------------|--------------------|
| SN  | Name and address of the Company  | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
| 1   | CHANDAN FABRICS PRIVATE LIMITED<br>P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007 | U28111WB1988PTC043904 | Associate                      | 30.79            | 2(b)               |
| 2   | M R TEX PRIVATE LIMITED<br>P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007         | U17111WB1988PTC043607 | Associate                      | 42.56            | 2(b)               |
| 3   |  |                       |                                |                  |                    |
| 4   |  |                       |                                |                  |                    |
| 5   |  |                       |                                |                  |                    |

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

| Category of Shareholders   | No. of Shares held at the beginning of the year<br>[As on 31.03.2019] |          |         |                   | No. of Shares held at the end of the year<br>[As on 31.03.2020] |          |         |                   | % Change during the year |
|--|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
|  | Demat   | Physical | Total   | % of Total Shares | Demat   | Physical | Total   | % of Total Shares |                          |
| <b>A. Promoters</b>  |   |          |         |                   |   |          |         |                   |                          |
| <b>(1) Indian</b>  |   |          |         |                   |   |          |         |                   |                          |
| a) Individual/ HUF   | 592,470   | -        | 592,470 | 59.48%            | 592,470   | -        | 592,470 | 59.48%            | 0                        |
| b) Central Govt  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) State Govt(s)   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) Bodies Corp.  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| e) Banks / FI  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| f) Any other   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub Total (A) (1)</b>   | 592,470   | -        | 592,470 | 59.48%            | 592,470   | -        | 592,470 | 59.48%            | 0                        |
| <b>(2) Foreign</b>   |   |          |         |                   |   |          |         |                   |                          |
| a) NRI Individuals   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| b) Other Individuals   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) Bodies Corp.  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) Any other   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub Total (A) (2)</b>   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>TOTAL (A)</b>   | 592,470   | -        | 592,470 | 59.48%            | 592,470   | -        | 592,470 | 59.48%            | 0                        |
| <b>B. Public Shareholding</b>  |   |          |         |                   |   |          |         |                   |                          |
| <b>1. Institutions</b>   |   |          |         |                   |   |          |         |                   |                          |
| a) Mutual Funds  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| b) Banks / FI  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) Central Govt  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) State Govt(s)   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| e) Venture Capital Funds   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| f) Insurance Companies   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| g) FIs   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| h) Foreign Venture Capital Funds   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| i) Others (specify)  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub-total (B)(1):-</b>  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>2. Non-Institutions</b>   |   |          |         |                   |   |          |         |                   |                          |
| a) Bodies Corp.  |   |          |         |                   |   |          |         |                   |                          |
| i) Indian  | -   | 24,465   | 24,465  | 0.02              | -   | 24,465   | 24,465  | 0.02              | -                        |
| ii) Overseas   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| b) Individuals   |   |          |         |                   |   |          |         |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh         | -   | 179,745  | 179,745 | 18.05%            | -   | 179,745  | 179,745 | 18.05%            | 0                        |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | -   | 199,320  | 199,320 | 20.01%            | -   | 199,320  | 199,320 | 20.01%            | 0.00%                    |
| c) Others (specify)  |   |          |         |                   |   |          |         |                   |                          |
| Non Resident Indians   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Overseas Corporate Bodies  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Foreign Nationals  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Clearing Members   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Trusts   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Foreign Bodies - D R   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub-total (B)(2):-</b>  | -   | 403,530  | 403,530 | 40.52%            | -   | 403,530  | 403,530 | 40.52%            | 0                        |
| <b>Total Public (B)</b>  | -   | 403,530  | 403,530 | 40.52%            | -   | 403,530  | 403,530 | 40.52%            | 0                        |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           |   |          |         |                   |   |          |         |                   |                          |
| <b>Grand Total (A+B+C)</b>   | 592,470   | 403,530  | 996,000 | 100.00%           | 592,470   | 403,530  | 996,000 | 100.00%           | 0.00%                    |

**(ii) Shareholding of Promoter**

| SN | Shareholder's Name    | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in shareholding during the year |
|----|-----------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
|    |                       | No. of Shares                             | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |  |
| 1  | Bhag Chand Jain       | 180000                                    | 18.07%                           | -   | 180,000                             | 18.07%                           | -   | 0  |
| 2  | Bhag Chand Jain (HUF) | 37500                                     | 3.77%                            | -   | 37,500                              | 3.77%                            | -   | 0  |
| 3  | Nitesh Jain           | 90000                                     | 9.04%                            | -   | 90,000                              | 9.04%                            | -   | 0  |
| 4  | Vikash Jain           | 145000                                    | 14.56%                           | -   | 145,000                             | 14.56%                           | -   | 0  |
| 5  | Ekta Jain             | 79970                                     | 8.03%                            | -   | 79,970                              | 8.03%                            | -   | 0  |
| 6  | Vidya Devi Jain       | 60000                                     | 6.02%                            | -   | 60,000                              | 6.02%                            | -   | 0  |

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

| SN | Particulars  | Date | Reason | Shareholding at the beginning of the year |                   | Cumulative Shareholding during the year |                   |
|----|--|------|--------|---|-------------------|---|-------------------|
|    |  |      |        | No. of shares                             | % of total shares | No. of shares                           | % of total shares |
|    | At the beginning of the year   |      |        | 592,470                                   | 59.48%            | 592,470                                 | 59.48%            |
|    | Date wise Increase / Decrease in Promoters Share holding during the year |      |        | -   | -                 | -                                       | -                 |
|    | At the end of the year   |      |        | 592,470                                   | 59.48%            | 592,470                                 | 59.48%            |

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

| SN | For each of the Top 10 shareholders | Date | Reason | Shareholding at the beginning of the year |                   | Cumulative Shareholding during the year |                   |
|----|-------------------------------------|------|--------|---|-------------------|---|-------------------|
|    |                                     |      |        | No. of shares                             | % of total shares | No. of shares                           | % of total shares |
| 1  | 1 MANOJ AJMERA                      |      |        |   |                   |   |                   |
|    | At the beginning of the year        |      |        | 19,600                                    | 1.97%             | 19,600                                  | 1.97%             |
|    | Changes during the year             |      |        | -   | 0.00%             | 19,600                                  | 1.97%             |
|    | At the end of the year              |      |        |   | 0.00%             | 19,600                                  | 1.97%             |
| 2  | 2 DINESH KUMAR BHANDULA             |      |        |   |                   |   |                   |
|    | At the beginning of the year        |      |        | 18,720                                    | 1.88%             | 18,720                                  | 1.88%             |
|    | Changes during the year             |      |        |   | 0.00%             |   | 0.00%             |
|    | At the end of the year              |      |        |   | 0.00%             | 18,720                                  | 1.88%             |
| 3  | 3 VIJAY JAIN                        |      |        |   |                   |   |                   |
|    | At the beginning of the year        |      |        | 18,000                                    | 1.81%             | 18,000                                  | 1.81%             |
|    | Changes during the year             |      |        |   | 0.00%             |   | 0.00%             |
|    | At the end of the year              |      |        |   | 0.00%             | 18,000                                  | 1.81%             |
| 4  | 4 RAVINDRA TIBRA                    |      |        |   |                   |   |                   |
|    | At the beginning of the year        |      |        | 18,000                                    | 1.81%             | 18,000                                  | 1.81%             |
|    | Changes during the year             |      |        |   | 0.00%             |   | 0.00%             |
|    | At the end of the year              |      |        |   | 0.00%             | 18,000                                  | 1.81%             |
| 5  | 5 NAVIN KUMAR JAIN                  |      |        |   |                   |   |                   |
|    | At the beginning of the year        |      |        | 18,000                                    | 1.81%             | 18,000                                  | 1.81%             |
|    | Changes during the year             |      |        |   | 0.00%             |   | 0.00%             |
|    | At the end of the year              |      |        |   | 0.00%             | 18,000                                  | 1.81%             |
| 6  | 6 SHYAM KR. CHOWMAL                 |      |        |   |                   |   |                   |
|    | At the beginning of the year        |      |        | 17,500                                    | 1.76%             | 17,500                                  | 1.76%             |
|    | Changes during the year             |      |        |   | 0.00%             |   | 0.00%             |
|    | At the end of the year              |      |        |   | 0.00%             | 17,500                                  | 1.76%             |



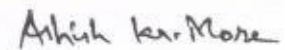
|    |                                   |  |        |       |        |       |
|----|-----------------------------------|--|--------|-------|--------|-------|
| 7  | ZULEX MERCHANDISE PRIVATE LIMITED |  |        |       |        |       |
|    | At the beginning of the year      |  | 17,500 | 1.76% | 17,500 | 1.76% |
|    | Changes during the year           |  |        | 0.00% |        | 0.00% |
|    | At the end of the year            |  |        | 0.00% | 17,500 | 1.76% |
| 8  | MAHAVIR PRASAD JAIN               |  |        |       |        |       |
|    | At the beginning of the year      |  | 17,300 | 1.74% | 17,300 | 1.74% |
|    | Changes during the year           |  |        | 0.00% |        | 0.00% |
|    | At the end of the year            |  |        | 0.00% | 17,300 | 1.74% |
| 9  | RAJESH JAIN                       |  |        |       |        |       |
|    | At the beginning of the year      |  | 15,000 | 1.51% | 15,000 | 1.51% |
|    | Changes during the year           |  |        | 0.00% |        | 0.00% |
|    | At the end of the year            |  |        | 0.00% | 15,000 | 1.51% |
| 10 | NISITH JAIN                       |  |        |       |        |       |
|    | At the beginning of the year      |  | 15,000 | 1.51% | 15,000 | 1.51% |
|    | Changes during the year           |  |        | 0.00% |        | 0.00% |
|    | At the end of the year            |  |        | 0.00% | 15,000 | 1.51% |

For DHAVAL EXPORTS LIMITED

  
Director

**NITESH JAIN**  
DIN - 00454763

For DHAVAL EXPORTS LIMITED



Director

**ASHISH MORE**  
DIN-07155893

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statements of subsidiaries / associate companies / joint ventures

**PART 'A' – Subsidiaries-**

NIL

| Sl. No. | Particulars  |  |  |
|---------|--|--|--|
| 1       | Name of the Subsidiary   |  |  |
| 2       | Reporting period for the subsidiary concerned, if different from the holding company's reporting period.                     |  |  |
| 3       | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. |  |  |
| 4       | Share Capital  |  |  |
| 5       | Reserves & Surplus   |  |  |
| 6       | Total Assets   |  |  |
| 7       | Total Liabilities  |  |  |
| 8       | Details of Investments   |  |  |
| 9       | Turnover   |  |  |
| 10      | Profit Before Taxation   |  |  |
| 11      | Provision for Taxation   |  |  |
| 12      | Profit / (Loss) after Taxation   |  |  |
| 13      | Proposed Dividend  |  |  |
| 14      | % of shareholding  |  |  |

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations -NA
- Names of subsidiaries which have been liquidated or sold during the year- NA

**PART 'B' – Associates and Joint Ventures**

Statement pursuant sub-section (3) of section 129 of the Companies Act, 2013 related to Associates and Joint Ventures

| Sl. No. | Name of Associates/Joint Ventures  | CHANDAN FABRICS PVT. LTD. | M.R.TEX PVT. LTD. |
|---------|--|---------------------------|-------------------|
| 1       | Latest audited Balance Sheet Date  | 31.03.2020                | 31.03.2020        |
| 2       | Shares of Associate/Joint Ventures held by the company on the year end     |                           |                   |
|         | No.  | 244700                    | 748000            |
|         | Amount of Investment in Associates/Joint Venture                           | 24.47                     | 74.80             |
|         | Extent of Holding %  | 30.79                     | 42.56             |
| 3       | Description of how there is significant influence                          | Associate Concern         | Associate Concern |
| 4       | Reason why the associate/joint venture is not consolidated                 | -                         | -                 |
| 5       | Net worth attributable to Shareholding as per latest audited Balance Sheet | -                         | -                 |
| 6       | Profit/ Loss for the year  |                           |                   |
|         | i. Considered in Consolidation   | 1.68                      | 20.74             |
|         | i. Not Considered in Consolidation   |                           |                   |

Notes: The following information shall be furnished at the end of the statement:

- Names of associates or joint ventures which are yet to commence operations -NA
- Names of associates or joint ventures which have been liquidated or sold during the year- NA

For DHAVAL EXPORTS LIMITED

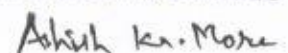


Director

NITESH JAIN  
DIN - 00454762

For and on Behalf of the Board

For DHAVAL EXPORTS LIMITED



Director

ASHISH MORE  
DIN - 07155802

**FORM-AOC-2**

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

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

**1 Details of contracts or arrangements or transactions not at arm's length basis** None

| <b>2 Details of material contracts or arrangements or transactions at arm's length basis:</b> |  |  |  |   |   |  |
|---|--|--|--|---|---|--|
| <b>Sl. No.</b>  | <b>Name(s) of the related party and nature of relationship</b> | <b>Nature of contracts / arrangements / transactions</b> | <b>Duration of contracts / arrangements / transactions</b> | <b>Salient features of contracts / arrangements / transactions, including value, if any</b> | <b>Date(s) of approval by the Board / Audit Committee</b> | <b>Amount paid as advances, if any</b> |
| 1   | Ashish More (Director)   | Managerial Remuneration                                  | Ongoing, subject to renewal as per contractual terms       | 240,000.00  | -   | -                                      |
| 2   | Manish Harsh (CFO)   | Salary   | Ongoing, subject to renewal as per contractual terms       | 260,000.00  | -   | -                                      |
| 3   | Rohit Jain (CS)  | Salary   | Ongoing, subject to renewal as per contractual terms       | 40,000.00   |   |  |

|   |  |                        |  |              |  |  |
|---|--|------------------------|--|--------------|--|--|
| 4 | Dipti Jain<br>(CS)                     | Salary                 | Ongoing, subject to renewal as per contractual terms | 50,000.00    |  |  |
| 5 | Deshna Creation<br>(Associate Concern) | Brokerage & Commission | Ongoing, subject to renewal as per contractual terms | 1,339,119.00 |  |  |
| 6 | M.R.Tex Pvt. Ltd.<br>(Associate)       | Office Expenses        | Ongoing, subject to renewal as per contractual terms | 20,000.00    |  |  |
| 7 | Manish Harsh<br>(CFO)                  | Advance Salary         | Ongoing, subject to renewal as per contractual terms | 39,000.00    |  |  |
| 8 | Manish Harsh<br>(CFO)                  | Balance Outstanding    | Ongoing, subject to renewal as per contractual terms | 39,000.00    |  |  |
| 9 | Ashish Harsh<br>(CFO relative)         | Balance Outstanding    | Ongoing, subject to renewal as per contractual terms | 9,000.00     |  |  |

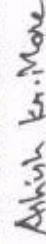
|    |  |                     |  |           |  |  |
|----|--|---------------------|--|-----------|--|--|
| 10 | Manish Harsh<br>(CFO)                        | Balance Outstanding | Ongoing, subject to renewal as per contractual terms | 22,870.00 |  |  |
| 11 | Ashish More<br>(Director)                    | Balance Outstanding | Ongoing, subject to renewal as per contractual terms | 20,000.00 |  |  |
| 12 | Dipti Jain<br>(CS)                           | Balance Outstanding | Ongoing, subject to renewal as per contractual terms | 15,000.00 |  |  |
| 13 | Rabindra Kumar More<br>(Director's relative) | Balance Outstanding | Ongoing, subject to renewal as per contractual terms | 11,000.00 |  |  |

For DHAVAL EXPORTS LIMITED

  
Director

**NITESH JAIN**  
DIN - 00454763

For DHAVAL EXPORTS LIMITED

  
Director

**ASHISH MORE**  
DIN-07155893

**DHAVAL EXPORTS LIMITED****CORPORATE GOVERNANCE****1. BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

At Dhaval Exports Limited (DEL), we believe that corporate governance is a continuous journey towards sustainable value creation for all the stakeholders, which is driven by our values of integrity, team focus, structured innovation, implementation, performance and client focus.

The commitment of the CHL to the highest standards of good corporate governance practices predates SEBI and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'SEBI Listing Regulations, 2015'). Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust of the working of CHL.

**2. BOARD OF DIRECTORS**

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

All the members of the Board are eminent persons with considerable expertise and experience in general management spanning the banking, finance, accounts and audit and information technology sectors. The Company is immensely benefited by the range of experience and skills that the Directors bring to the Board.

The Board of Directors comprises One Executive Director and Four Non-Executive Directors. The executive non-promoter director is Mr.Ashish More. Independent Non-executive Directors are Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsingka. Non-executive promoter director is Mr.Nitesh Jain. Non-independent non-executive non-promoter director is Ms.Sima Devi More.

Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsingka have resigned from their position as independent directors w.e.f.23.09.2020.

Mr.Arihant Jain and Ms.Reema Jain have been appointed as additional independent directors w.e.f.23.09.2020. They have been proposed to be appointed as ordinary (independent) directors for a period upto 22nd September, 2025

Mr.Rohit Jain, company secretary, also the compliance officer of the Company, resigned w.e.f.15.07.2019.

Ms.Dipti Jain, company secretary is also the compliance officer of the Company w.e.f.20.12.2019.

Mr.Manish Harsh is the Chief Financial Officer (CFO) of the Company.

The composition of the Board is in conformity with the listing requirements.

The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long term objectives of enhancing stakeholder value are met.

There were no materially relevant pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company during the year.

During the year under review, the Board of Directors met 6 times on: 7th April, 2019, 30th May, 2019, 14th August, 2019, 14th November, 2019, 20th December, 2019 and 14th February, 2020

The composition of the Board is in conformity with the listing regulations. The composition of the Board, number of Board Meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and the number of Directorship and Chairmanship/ Membership of Committees in other Companies in respect of each Director as on March 31, 2020 is given here-in below:

| Name of Director       | Type            | Executive/<br>Non-executive | Number of<br>meetings<br>attended | Number of<br>other<br>Directorships* | Whether<br>attended<br>last AGM |
|------------------------|-----------------|-----------------------------|-----------------------------------|--------------------------------------|---------------------------------|
| Mr.Nitesh Jain         | Promoter        | Non-executive               | 6                                 | ---                                  | Yes                             |
| Mr.Ashish More         | Non-Promoter    | Executive                   | 6                                 | ---                                  | Yes                             |
| Mr.Ashok Kumar Jain    | Independent     | Non-executive               | 6                                 | ---                                  | Yes                             |
| Mr.Pradeep Bhawsinghka | Independent     | Non-executive               | 6                                 | ---                                  | Yes                             |
| Ms.Sima Devi More      | Non-Independent | Non-executive               | 6                                 | ---                                  | Yes                             |

\* Directorship held in Public Limited Company.

| Name of Director       | Directorships          |                                    |                                    | Committee Positions in<br>Listed & Unlisted public<br>Limited companies<br>As Chairman As Member |   |
|------------------------|------------------------|------------------------------------|------------------------------------|--|---|
|                        | In listed<br>companies | In unlisted<br>public<br>companies | In private<br>limited<br>companies |  |   |
| Mr.Nitesh Jain         | 1                      | -                                  | 12                                 | -  | 2 |
| Mr.Ashish More         | 1                      | -                                  | -                                  | -  | - |
| Mr.Ashok Kumar Jain    | 1                      | -                                  | 1                                  | 2  | - |
| Mr.Pradeep Bhawsinghka | 1                      | -                                  | 4                                  | -  | 2 |
| Ms.Sima Devi More      | 1                      | -                                  | -                                  | -  | - |

Note: For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies registered under section 8 of the Companies Act, 2013/section 25 of the Companies Act, 1956 have been excluded. Only audit committee and stakeholders relationship committee are considered for the purpose of reckoning committee positions.

#### Meeting of Independent Directors:

Section 149(8) of the Act read with Schedule IV of the Act requires the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors

and members of the management. The Independent Directors of the Company met on March 13, 2020, pursuant to the provisions of the Act and the Listing Regulations.

### 3. INFORMATION ON DIRECTORS' RE-APPOINTMENT / APPOINTMENT

Mr.Ashish More and Ms.Sima Devi More are retiring by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Their brief particulars are as under:

|                     |   |
|---------------------|---|
| 1. Name             | Ms.Sima Devi More   |
| Age                 | 52  |
| Qualification       | H.S   |
| Expertise           | She has extensive experience in finance, investment and marketing and other fields since over 12 years. |
| Other Directorships | Nil   |

|                     |  |
|---------------------|--|
| 1. Name:            | Mr.Nitesh Jain   |
| Age:                | 44   |
| Qualification:      | B.Com  |
| Expertise:          | He has extensive experience in retail and wholesale trading business and other fields since over 10 years. |
| Other Directorships | Nil  |

### 4. AUDIT COMMITTEE

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and systems audit and interacts with the statutory auditors and internal auditors. Besides, the Committee reviews the audit plans, interim and annual financial results, management discussion and analysis of financial condition and results of operations, related party transactions, observations of the management and internal / external auditors on internal control and follow-up reports of the management.

The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013, the Listing Regulations and the NBFC Regulations.

As on 31st March, 2020, the Audit Committee comprises of 3 Non-executive Directors, Mr.Nitesh Jain, Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsinghka. The Committee is chaired by Mr.Ashok Kumar Jain, Independent Non-executive Director, who possesses the necessary financial background. During the year, the Committee met 4 times on: 30.05.2019, 14.08.2019, 14.11.2019 and 14.02.2020

Composition of the Committee and attendance of the members are as follows:

Composition of the Committee and attendance of the members are as follows:



| <u>Name of the Director</u> | <u>No. of Meetings Attended</u> |
|-----------------------------|---------------------------------|
| Mr.Nitesh Jain              | 4                               |
| Mr.Ashok Kumar Jain         | 4                               |
| Mr.Pradeep Bhawsinghka      | 4                               |

W.e.f. 23.09.2020, Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsinghka have been replaced by Mr.Arihant Jain and Ms.Reema Jain.

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee of DEL consists of Three Non-Executive Directors. The constitution and composition of the Committee is in accordance with the provisions of the Listing Regulations.

Composition of the Committee and the attendance of the members are as follows:

| <u>Name of the Director</u> | <u>No. of Meeting Attended</u> |
|-----------------------------|--------------------------------|
| Mr.Nitesh Jain              | Nil                            |
| Mr.Ashok Kumar Jain         | Nil                            |
| Mr.Pradeep Bhawsinghka      | Nil                            |

W.e.f. 23.09.2020, Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsinghka have been replaced by Mr.Arihant Jain and Ms.Reema Jain.

No investor compliant was received during the year and none was pending unresolved as on 31<sup>st</sup> March, 2020.

#### 6. SHARE TRANSFER

The Company has appointed M/s ABS Consultant (P) Ltd. as Registrar and share transfer agent for share transfer in physical and demat form Mr.Nitesh Jain, Promoter Non-Executive Director and Shri Ashish More, Non-Promoter Executive Director have been authorized to approve the transfers and transmissions of shares, securities, debentures, etc., issue of duplicate share certificates, consolidation and sub-division of shares and investors' grievance. The transfers/transmissions of shares are approved at least once in a fortnight. There were no share transfer requests pending as at March 31, 2020.

#### 7. NOMINATION & REMUNERATION COMMITTEE

The Company has constituted a Remuneration committee to look into the various elements of remuneration package of all the directors, etc. This committee presently comprises of Directors Mr.Nitesh Jain, Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsinghka. Mr.Ashok Kumar Jain, non-executive director, is the Chairman of the committee. The Committee evaluates compensation and benefits for Executive Directors.

W.e.f. 23.09.2020, Mr.Ashok Kumar Jain and Mr.Pradeep Bhawsinghka have been replaced by Mr.Arihant Jain and Ms.Reema Jain.

## 8. POLICIES, CODE OF CONDUCT AND STATUTORY DISCLOSURES

### **Code of Conduct:**

The Listing Regulations require listed companies to lay down a code of conduct for directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. Accordingly, the Company has a Board approved code of conduct for all Board members and Senior Management of the Company. The said code has been placed on the Company's website <https://www.dhavalexports.com>.

All the Board members and Senior Management personnel have affirmed compliance with the code for the year ended 31 March 2020. A declaration to this effect signed by the Whole time Director is given elsewhere in this Annual Report.

### **Vigil Mechanism Framework/Whistle Blower Mechanism:**

Pursuant to the Companies Act, 2013 and the Listing Regulations, the Company has a Board approved whistle blower policy/vigil mechanism to enable directors and employees to report to the Management their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

This mechanism provides safeguards against victimisation of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases.

The whistle blower policy/vigil mechanism has been appropriately communicated to the employees within the organisation and has been put on the Company's website <https://www.dhavalexports.com>.

As on March 31, 2020, no complaint has been received by the Company from any directors or employees of the Company with respect to any wrongdoings that may have an adverse impact on the Company's image or financials of the Company.

### **CEO/CFO certification**

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required under the Listing Regulations.

### **Auditors' certificate on corporate governance**

The Company has obtained a certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in the Listing Regulations.

This certificate is annexed to the Directors' Report.

### **Compliances regarding insider trading**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('code of conduct') and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('code of fair disclosure'). The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

### **Compliance of mandatory requirements under the Listing Regulations**

The Company has complied with all the mandatory requirements of the Listing Regulations.

### **Modified opinion in the audit report**

The Company confirms that its financial statements are with unmodified audit opinion.

**Separate posts of Whole-time Director/CFO/Secretary**

The Company has appointed separate persons to the post of Whole-time Director, Chief Financial Officer and Company Secretary.

**Reporting of internal auditor**

The internal auditor reports directly to the Audit Committee.

Pursuant to the provisions of the Companies Act, 2013 no fraud was reported by auditors of the Company to the Audit Committee during FY 2019-2020.

A Cash Flow Statement for FY 2019-2020 is attached to the Balance Sheet.

The Company has a policy on prevention of sexual harassment at workplace. There was no case of sexual harassment reported during FY 2019-2020.

The Company has formulated an Archival Policy for ensuring compliance with the provisions under Regulation 30(8) of the Regulations for protection, maintenance and archival of the Events or Information disclosed to the stock exchange(s) which are also hosted on its website.

The Board of Directors of the company have laid down a code of conduct for all Board members and Senior Management personnel of the Company in compliance with Regulation 17(5) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a Familiarization Programme for Independent Directors in compliance with Schedule IV of the Companies Act, 2013 and the Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has in place a Policy on Determination of Materiality of Event or Information in pursuance of the requirements of Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Board of Directors of the Company has adopted a policy on materiality of Related Party Transactions and dealing with Related Party Transactions. The policy is in line with requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and The Companies Act, 2013.

The Company has in place a Risk Management Policy in compliance with Section 134 (3) (n) of the Companies Act, 2013 and Regulation 17(9)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires the Company to develop and implement a Risk Management Policy / Plan and to lay down risk assessment and minimisation procedures.

**Secretarial standards of ICSI**

Pursuant to the approval from the Ministry of Corporate Affairs (MCA), the Institute of Company Secretaries of India (ICSI) has, on 14 June 2017, revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) effective from 1 October 2017.

The Company is compliant with the same.

**9. DETAILS OF LAST 3 ANNUAL GENERAL MEETINGS**

Information about last three Annual General Meeting

| Year | Date       | Time       | Location (Registered Office)                        |
|------|------------|------------|---|
| 2017 | 20.09.2017 | 10:30 A.M. | P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007 |
| 2018 | 29.09.2018 | 10:30 A.M. | P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007 |
| 2019 | 30.09.2019 | 10:30 A.M. | P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007 |

Details of special resolution(s) passed at the last three years' annual general meetings (AGM) and postal ballot:

I. Special resolutions passed at the previous three annual general meetings:

At the 32nd AGM held on 20th September, 2017, no special resolution was passed.

At the 33rd AGM held on 29th September, 2018, no special resolution was passed.

At the 34th AGM held on 30th September, 2019, no special resolution was passed.

II. No Special resolution was passed through postal ballot during FY 2019-2020:

III. No special resolution is proposed to be passed through postal ballot at this annual general meeting.

**10. DISCLOSURE**

A summary statement of transactions with related parties was placed periodically before the audit committee during the year. During the year under review there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. Suitable disclosures have been made in the financial statements, together with the management's explanation in the event of any treatment being different from that prescribed in accounting standards.

There is no non-compliance by the company on any matters related to Capital market. Hence the question of penalties or strictures being imposed by SEBI or the Stock Exchange does not arise.

Disclosure of Accounting Treatment : In the preparation of financial statements, the company has followed the treatment as prescribed in the Accounting Standards.

Risk Management : The company has a defined Risk Management framework. The company has laid down procedures to inform the Board members about the risk assessment and minimization procedures.

Proceeds from public issues, rights issues, preferential issues etc. : There were no proceeds from public issues, rights issues, preferential issues etc. during the financial year.

**11. MEANS OF COMMUNICATION**

The unaudited Quarterly results of the Company are regularly submitted to the Stock Exchange and published in News Papers in accordance with the Listing Regulations.

**12. SHAREHOLDER INFORMATION****A. Annual General Meeting**

Date – 31st December, 2020

Time - 10:30 A.M.

Venue- P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007

**B. Financial Calender 1<sup>st</sup> April to 31<sup>st</sup> March Provisional** : Will be published during

Result for Quarter ending June 30, 2020 : On or before 14th September, 2020

Result for Quarter ending September 30, 2020 : On or before 14th November, 2020

Result for Quarter ending December 31, 2020 : On or before 14th February, 2021

Result for Year ending March 31, 2021 : On or before 30th May, 2021

**C. Book Closure**

The Register of members and Share Transfer Book will remain closed from 25<sup>th</sup> day of December, 2020 to 31st day of December, 2020 (both days inclusive) on account of Annual General Meeting.

**D. Dividend**

No dividend is recommended for the year.

**E. Listing at Stock Exchange**

Metropolitan Stock Exchange of India Limited

**F. Stock Symbol**

Metropolitan Stock Exchange of India Limited : DHAVAL

**G. ISIN Number : INE307I01014****H. Depository Connectivity : NSDL and CDSL****I. STOCK MARKET DATA**

There was no trading in the shares of the Company during the financial year.

**J. SHARE TRANSFER SYSTEM**

Transfer of shares are registered and processed by the Registrar and Share Transfer Agents within fifteen days from the date of receipt if the relevant documents are complete in all respects.

**13. REGISTRAR & TRANSFER AGENTS**

| <u>Name</u>              | <u>Address</u>  |
|--------------------------|---|
| ABS Consultant Pvt. Ltd. | 99, Stephen House, 6th Floor,<br>4,B.B.D.Bag (E),Kolkata – 700001 |

(For Physical and Demat Shares)

**14. COMPLIANCE OFFICER**

Ms.Dipti Jain is presently acting as the compliance officer in accordance with the provisions of the Listing Regulations. Her contact details are as under:

Address: P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007

Tel No.: 033- 22747121

E-mail: mrgroup.del@gmail.com

**15. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020**

| No. of Equity Shares Held | No. of Share holders | % of Share holders | No. of Shares held | % of Share holding |
|---------------------------|----------------------|--------------------|--------------------|--------------------|
| Upto 500                  | 55                   | 51.89              | 12480              | 1.25               |
| 501 to 1000               | --                   | --                 | --                 | --                 |
| 1001 to 2000              | --                   | --                 | --                 | --                 |
| 2001 to 3000              | 4                    | 3.77               | 11100              | 1.11               |
| 3001 to 4000              | --                   | --                 | --                 | --                 |
| 4001 to 5000              | 21                   | 19.81              | 104265             | 10.47              |
| 5001 to 10000             | 7                    | 6.60               | 58865              | 5.91               |
| 10001 to 50000            | 14                   | 13.21              | 254320             | 25.53              |
| 50001 to 100000           | 3                    | 2.83               | 229970             | 23.09              |
| 100001 and above          | 2                    | 1.89               | 325000             | 32.63              |
| Totals                    | 106                  | 100                | 996000             | 100                |

**16. SHAREHOLDING PATTERN AS ON 31.03.2020**

| Category             | No. of Share held | % of Share holding |
|----------------------|-------------------|--------------------|
| Indian Promoters     | 592470            | 59.48              |
| Domestic Companies   | 24465             | 2.46               |
| Resident Individuals | 379065            | 38.06              |
|                      | 996000            | 100.000            |

**17. DEMATERIALIZATION OF SHARES**

592470 shares have been dematerialised upto 31.03.2020 which is 59.48 percent of the total shares of the Company.

**18. BREAK-UP OF SHARES IN PHYSICAL AND DEMAT SEGMENT (As on 31.03.2020)**

| SEGMENT      | NO. OF<br>SHAREHOLDERS | % OF TOTAL<br>SHAREHOLDERS | NO. OF<br>SHARES<br>HELD | % TO<br>TOTAL SHARES |
|--------------|------------------------|----------------------------|--------------------------|----------------------|
| PHYSICAL     | 100                    | 94.34                      | 403530                   | 40.52                |
| DEMAT        | 6                      | 5.66                       | 592470                   | 59.48                |
| <b>Total</b> | <b>106</b>             | <b>100</b>                 | <b>996000</b>            | <b>100</b>           |

19. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS,  
CONVERSION DATE AND LIKELY IMPACT ON EQUITY

Not applicable as the Company has not issued any such instruments.

20. ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE:  
Dhaval Exports Limited  
P-9, Shibtolla Street,  
4th Floor,  
Kolkata - 700 007  
Tel. No. (033) 22747121

For DHAVAL EXPORTS LIMITED



Director

For DHAVAL EXPORTS LIMITED



Director

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Overview

Dhaval Exports Limited ('DEL') is a non-deposit taking Non-Banking Financial Company (NBFC-ND) registered with the Reserve Bank of India (RBI). It is engaged in the business of investments and lending.

#### The COVID-19 pandemic and lockdown

We are amidst unprecedented times. The COVID-19 pandemic has spread across the world leading to enormous human suffering and a full stop on virtually all commercial and economic activities. COVID-19 has caused disruptions on an unimaginable scale. Nobody really knows how long the pandemic will last; whether it will increase in the winter of 2020-21 and if so how, and what will be its final toll on lives and livelihood. With the impact of this pandemic still to play out, the scenario of eerily empty high streets, shut factories and stores, and literally millions being rendered unemployed together point to a single outcome — extreme stress for the global economy of the kind not seen since the Great Depression.

In India too, which implemented a lockdown since 25 March 2020, the pandemic has created shocks ripping through society and the world of business. The picture of millions of unemployed daily wage workers and their families trying to trudge back to their villages hundreds of kilometres away; shut factories and stores; empty construction sites; and a nation being deprived of its natural economic vigour are vignettes of this scourge.

Efforts are being made to carefully open up economic activities including construction, factories, shops and stores across most parts of the country with adequate social distancing, use of masks and other stringent health protocols. Even so, returning to the pre-COVID-19 normal seems a long way away. The exit path from such a massive lockdown will be precarious with uneasy consumers, tricky health protocols and an irregular, downbeat business rhythm that will inhibit efficiency.

In response, Governments across the world have unleashed massive fiscal measures to protect economic activity and dramatically strengthen health services and testing. Central banks, too, have initiated multiple monetary and regulatory measures.

India, too, has initiated relief measures. The Government of India announced a slew of wide-ranging reforms across varied sectors amidst a comprehensive package aggregating Rs.20 lakh crore — or approximately 10% of nominal GDP — which covered among others (i) direct cash transfers and food security for vulnerable sections of society, (ii) collateral free loans and concessional credit to farmers and street vendors, (iii) enhancement of systemic liquidity by the Reserve Bank of India (RBI), (iv) special liquidity and partial credit guarantee scheme to provide liquidity to NBFCs, HFCs, MFIs and mutual funds, (v) 100% credit guarantee scheme for aggregate Rs. 3 lakh crore of emergency credit lines by banks and NBFCs to their MSME borrowers and (vi) subordinated debt and equity support to MSMEs. The Government has also initiated compliance relief measures across various regulatory requirements. The RBI has also initiated several measures like reduction in policy rates, monetary transmission, credit flows to the economy and providing relief on debt servicing.



DEL took immediate steps to manage this *force majeure* situation, some of which have been:

- Keeping employee safety as the topmost priority, and so ensuring that all employees moved immediately to 'Work-from-Home' (WFH). All employees were advised to strictly follow lockdown guidelines of the Government,
- Activating the Company's business continuity plans. As a result, BFL and all its subsidiaries continued operating under a WFH protocol, and
- Triggering business continuity plans — for servicing and recovery

### **Market Scenario**

FY2020 began with an expectation that the year would witness a slowdown in growth owing to a significant moderation in economic activity. Recognising the economic headwinds, the Government of India undertook various measures to boost growth — which included a substantial tax relief to the corporate sector to boost investments. Even without the terrible effects of COVID-19, India's GDP growth was rapidly slowing down.

Systemic liquidity has remained in surplus territory since June 2019. The domestic money market conditions tightened considerably since the onset of COVID-19, with bond markets witnessing a sharp rise in yields on the back of sustained Foreign Portfolio Investor (FPI) selling. Continuous redemption pressures and an overall risk aversion have elevated yields on all fixed income segments like commercial papers and corporate bonds. Moreover, the recent action of one of the mutual funds to shut six of its open-ended debt schemes created a tizzy in the money markets.

Thankfully, the RBI intervened and provided a special liquidity facility for mutual funds of up to Rs.50,000 crore through commercial banks. While this will ease liquidity pressures on mutual funds and provide confidence to financial system, it is definitely going to have an impact on pricing and flow of funds in money markets.

Having said this, the outlook for the coming year is expected to be extremely demanding. In the current situation, lending businesses face four daunting challenges of (i) disruption in business acquisition, (ii) providing customers adequate relief on their debt servicing obligations, (iii) dealing with a weakened customer service and debt recovery infrastructure, and (iv) continuing to service their own debt.

### **Analysis of performance for the year**

The detailed highlights of the performance are produced elsewhere in the Director's Report.

### **Opportunities and Threats**

As an NBFC, DEL is exposed to credit, liquidity and interest rate risk. It has continued to invest in talent, processes and emerging technologies for building advanced risk and underwriting capabilities. Sustained efforts to strengthen the risk framework and portfolio quality have yielded consistently better outcomes for the Company.

DEL identifies various operational risks inherent in its business model. The operational risks are risk of a loss resulting from inadequate or failed internal process, people and systems, or from external events.

DEL continues to evolve on a journey where analytics and technology are integral to business strategy. It uses analytics capabilities for making appropriate product offerings to customers, marketing campaign management, risk management and customer experience.

**Internal control system and their adequacy**

The Company has an effective internal control system, commensurate with its size and nature to ensure smooth business operation, including assurance of recording all the transaction details, ensuring regulatory compliance and protecting the Company assets from any kind of loss or misuse. It evaluates the adequacy of all internal controls and processes, and ensures strict adherence to clearly laid down processes and procedures as well as to the prescribed regulatory and legal framework. The Company has further strengthened its internal audit function by investing in domain specialists to increase effectiveness of controls. The Audit Committee of the Board of Directors reviews the internal audit reports and the adequacy and effectiveness of the internal controls.

**Development in human resources**

The Company continues to lay emphasis on people, its most valuable resource. In an increasingly competitive market for human resources, it seriously focuses on attracting and retaining the right talent. It provides equal opportunity to employees to deliver results.

**Conclusion**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties.

For DHAVAL EXPORTS LIMITED

  
Director

For DHAVAL EXPORTS LIMITED

Anish K. Mone

Director

**DECLARATION ON COMPLIANCE OF  
THE COMPANY'S CODE OF CONDUCT**

**To  
The Members of  
Dhaval Exports Limited**

I, Ashish More, Executive Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

Place : Kolkata  
Date : 31.07.2020

*Ashish kr. More*

Ashish More  
Whole-time Director

**CEO/CFO CERTIFICATION**

I, Mr. Ashish More, Whole Time Director, certify to the Board that:

- a) I have reviewed financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March'2020 and that to the best of my knowledge and belief :
  - i. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - ii. These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31<sup>st</sup> March'2020 are fraudulent, illegal or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee
  - i. Significant changes in internal control during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - iii. Instances of significant fraud of which they 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.

**For Dhaval Exports Limited**

*Ashish K. More*

**Ashish More**

**Whole Time Director**

Place : Kolkata

Date : The 31st day of July, 2020

**CEO/CFO CERTIFICATION**

I, Manish Harsh, Chief Financial Officer, certify to the Board that:

- a) I have reviewed financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March'2020 and that to the best of my knowledge and belief :
- i. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - ii. These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31<sup>st</sup> March'2020 are fraudulent, illegal or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee
- i. Significant changes in internal control during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - iii. Instances of significant fraud of which they 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.

**For Dhaval Exports Limited**

*Manish Harsh*

**Manish Harsh**

**Chief Financial Officer**

Place : Kolkata

Date : The 31st day of July, 2020

Name : Dhaval Exports Limited

Address: P-9, Shibtolla Street, 4th Floor, Kolkata - 700 007

Status: Public Company

PAN : AAACD3011B

Previous Year: 2019 - 2020

Date of Incorporation: 16.02.1985

Residential Status: Indian Company

Assessment Year: 2019 - 2020

**Computation of Total Income**

**Income Heads**

**Income from Business or Profession**

|  | (₹)        | (₹)         |
|--|------------|-------------|
| Profit Before Tax As Per Profit & Loss A/c.    |            | 362,626.00  |
| Add: Depreciation as per Companies Act         | -          |             |
| Add: Interest on TDS                           | 230.00     |             |
| Add: Additional Filing Fees (u/s 37)           | 9,500.00   | 9,730.00    |
|  |            | 372,356.00  |
| Less: Depreciation as per Income Tax Act, 1961 |            | 773.00      |
|  |            | 371,583.00  |
| Gross Total Income                             |            | 371,583.00  |
| Net income/(Loss) (rounded off)                |            | 371,583.00  |
| Tax on above @ 22%                             |            | 81,748.00   |
| Add: Education & H. Education Cess @4%         |            | 3,270.00    |
| Tax Payable                                    |            | 85,018.00   |
| LESS: MAT Credit                               |            | -           |
| Net Tax payable                                |            | 85,018.00   |
| LESS: TDS                                      | 105,481.00 |             |
| Less: Advance Tax                              | 26,000.00  | 131,481.00  |
| Refundable                                     |            | (46,463.00) |

**DETAILS OF FIXED ASSETS & DEPRECIATION AS PER INCOME TAX ACT, 1961 FOR THE YEAR ENDED 31.03.2020**

**Fixed Assets**

| Particulars              | Addition             |   |                    |                    |                           |                                     | WDV of Block of Assets as on 31.03.2020 |
|--------------------------|----------------------|---|--------------------|--------------------|---------------------------|-------------------------------------|---|
|                          | Rate of Depreciation | WDV of Block of Asset as on 01-.04.2019 | More than 180 days | Less Than 180 days | Deduction during the year | Depreciation allowance for the year |   |
| <b>Tangible Assets</b>   |                      |   |                    |                    |                           |                                     |   |
| Furniture & Fixture(10%) | 10%                  | 6,272.00                                | -                  | -                  | -                         | 627.00                              | 5,645.00                                |
| Mobiles(15%)             | 15%                  | 971.00                                  | -                  | -                  | -                         | 146.00                              | 825.00                                  |
| Total                    |                      | 7,243.00                                | -                  | -                  | -                         | 773.00                              | 6,470.00                                |





## **Independent Auditors' Report**

To the Members of **M/s. Dhaval Exports Limited.**  
**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of M/s. Dhaval Exports Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss, including the statement of Other Comprehensive Income, the statement of cash flows and the Statement of Changes in Equity for the year then ended, and notes to Standalone the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 as amended ("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 March 31, 2020, and profit, including other comprehensive income, its cash flows and the change inequity for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessments of the risk of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provided the basis for our audit opinion on the accompanying Standalone Financial Statements. We have nothing to report in this regard.

### **Information Other than the Standalone financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent



with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and change of equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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





report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the Financial Year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 including Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V of the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company 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.

Place: Kolkata

Date: 31 JUL 2020



For **Agrawal B. Kumar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No.: 313100E

*Gulab Prasad Sharma*

(G.P. Sharma)  
Partner

ICAI M. No. 066536

UDIN: 20066536AAAA BJ 1416

## **Annexure A to Independent Auditors' Report**

**Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" section of our report to the Members of Dhaval Exports Limited of even date**

### **Re: Dhaval Exports Limited ("the Company")**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The Company has a regular programme for physical verification in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The company does not have any immovable property. Accordingly, clause i (c) of the Order is not applicable to the Company.
- (ii) The Company does not hold any physical inventories. Therefore the provision of clause (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liabilities Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loan or provided any guarantees or securities to the parties covered under Section 185 of the Act. The Company has complied with the provisions of section 186 of the Companies Act 2013 in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the companies Act, 2013.
- (v) The company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, the provisions of clause (vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, cess and other material statutory dues applicable to it. As explained to us, by the Company the provision relating to Provident Fund, Employees' State Insurance, Sales Tax, service tax, duty of Customs, duty of Excise and Value Added Tax are currently not applicable to the Company. According to the information and explanations provided to us, no undisputed amount payable in respect of Provident fund, Employee's State Insurance, Income-tax, Sales Tax, Service Tax, Duty of customs, , Duty of Excise, Value Added Tax, cess and other material Statutory dues in arrears as at March, 2020 for a period of more than six months from the date they become payable.
- (b) According to the records of the Company, there are no disputed dues in respect of in respect of Income Tax and cess as at March 31, 2020 which have not been deposited on account of dispute. As explained to us, by the Company the provision relating to Provident Fund, Employees' State Insurance, Sales Tax, service tax, duty of Customs, duty of Excise, Value Added Tax, cess are currently not applicable to the Company.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provisions of clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of clause (ix) of the Order is not applicable to the Company.



- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial Statements and according to information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations provided by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly the provisions of clause (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in note 19 in Notes to financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanation provided to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) According to the information and explanations provided to us, the provision of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

Place: Kolkata

Date: 31 JUL 2020



For **Agrawal B. Kumar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No.: 313100E

*Gulab Prasad Sharma*

(G.P. Sharma)  
Partner

ICAI M. No. 066536

UDIN: 20066536AAAABJ1416

## **Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Dhaval exports limited:**

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

1. We have audited the internal financial controls over financial reporting of M/s. Dhaval Exports Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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**

6. 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 and the



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

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

7. 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**

8. 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For Agrawal B. Kumar & Co.  
Chartered Accountants  
ICAI Firm Registration No.: 313100E

*Gulab Prasad Sharma*

(G. P. Sharma)  
Partner

ICAI Membership No.: 066536  
UDIN: 20066536AAAA8J1416

Place: Kolkata  
Date: 31 JUL 2020

**DHAVAL EXPORTS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2020**

| Particulars                         | Note No. | As at March 31, 2020<br>(₹) | As at March 31, 2019<br>(₹) |
|-------------------------------------|----------|-----------------------------|-----------------------------|
| <b>(1) ASSETS</b>                   |          |                             |                             |
| <b>Non-current assets</b>           |          |                             |                             |
| Property, Plant and Equipment       | 3        | 1,342.00                    | 1,342.00                    |
| <b>Financial Assets</b>             |          |                             |                             |
| (i) Investments                     | 4        | 9,927,000.00                | 9,927,000.00                |
| Deferred tax assets (net)           | 5        | 1,173.00                    | 1,534.00                    |
| <b>Total non-current assets</b>     |          | <b>9,929,515.00</b>         | <b>9,929,876.00</b>         |
| <b>(2) Current assets</b>           |          |                             |                             |
| <b>Financial Assets</b>             |          |                             |                             |
| (i) Trade receivables               | 6        | 575,210.00                  | -                           |
| (ii) Cash and cash equivalents      | 7        | 695,475.72                  | 757,585.72                  |
| (iii) Loans                         | 8        | -                           | 39,000.00                   |
| Current Tax Assets (Net)            | 9        | 69,642.00                   | 175,294.00                  |
| <b>Total current assets</b>         |          | <b>1,340,327.72</b>         | <b>971,879.72</b>           |
| <b>Total Assets</b>                 |          | <b>11,269,842.72</b>        | <b>10,901,755.72</b>        |
| <b>EQUITY AND LIABILITIES</b>       |          |                             |                             |
| <b>Equity</b>                       |          |                             |                             |
| Equity Share capital                | 10       | 9,960,000.00                | 9,960,000.00                |
| Other Equity                        | 11       | 1,189,392.72                | 912,145.72                  |
| <b>Total Equity and Liabilities</b> |          | <b>11,149,392.72</b>        | <b>10,872,145.72</b>        |
| <b>LIABILITIES</b>                  |          |                             |                             |
| <b>Current liabilities</b>          |          |                             |                             |
| Other current liabilities           | 12       | 120,450.00                  | 29,610.00                   |
| <b>Total current liabilities</b>    |          | <b>120,450.00</b>           | <b>29,610.00</b>            |
| <b>Total Equity and Liabilities</b> |          | <b>11,269,842.72</b>        | <b>10,901,755.72</b>        |

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For AGRAWAL B. KUMAR & CO.

Chartered Accountants

Firm's Registration No. 313100E

For DHAVAL EXPORTS LIMITED

For DHAVAL EXPORTS LIMITED

Gulab Prasad Sharma



*(Signature)*  
Director

Ashish K. More

(G. P. SHARMA)

Director

Director

Director

Partner

DIN

DIN

Membership Number: 066536

NITESH JAIN

ASHISH MORE

UDIN: 20066536AAAP

DIN - 00454763

DIN-07155093

Place: Kolkata

**WHOLE TIME DIRECTOR**

Date: 31 JUL 2020

Dipti Jain  
(COMPANY SECRETARY)

For DHAVAL EXPORTS LTD.  
Manish Harsh  
CFO & Compliance Officer

**DHAVAL EXPORTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

| Particulars   | Note No. | Year ended     | Year ended     |
|---|----------|----------------|----------------|
|   |          | March 31, 2020 | March 31, 2019 |
|   |          | (₹)            | (₹)            |
| Revenue From Operations   | 13       | 1,409,609.00   | -              |
| Other Income  | 14       | 356,355.00     | 961,440.00     |
| Total Income  |          | 1,765,964.00   | 961,440.00     |
| <b>EXPENSES</b>   |          |                |                |
| Employee benefits expense   | 15       | 950,000.00     | 533,000.00     |
| Depreciation and amortization expense   | 3        | -              | -              |
| Other expenses  | 16       | 453,338.00     | 393,446.50     |
| Total expenses  |          | 1,403,338.00   | 926,446.50     |
| Profit/(loss) before tax  |          | 362,626.00     | 34,993.50      |
| Tax expense:  |          |                |                |
| (1) Current tax   |          | 85,018.00      | 14,865.00      |
| (2) Deferred tax  |          | 361.00         | 209.00         |
| Profit/(loss) for the period  |          | 277,247.00     | 19,919.50      |
| Other Comprehensive Income  |          |                | -              |
| A (i) Items that will not be reclassified to profit or loss                       |          | -              | -              |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |          | -              | -              |
| B (i) Items that will be reclassified to profit or loss                           |          | -              | -              |
| (ii) Income tax relating to items that will be reclassified to profit or loss     |          | -              | -              |
| Total Comprehensive Income for the period   |          | 277,247.00     | 19,919.50      |
| Earnings per equity share (for continuing operation):                             |          |                |                |
| (1) Basic   | 17       | 0.278          | 0.020          |
| (2) Diluted   | 17       | 0.278          | 0.020          |

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached  
For AGRAWAL B. KUMAR & CO.  
Chartered Accountants  
Firm's Registration No. 313100E

*Gulab Prasad Sharma*  
(G. P. SHARMA)  
Partner

Membership Number: 066536  
UDIN: 20066536AAAABJ1416

Place: Kolkata  
Date: 31 JUL 2020

For and on behalf of the Board of Directors

For DHAVAL EXPORTS LIMITED



*Nitesh Jain*  
Director  
DIN  
NITESH JAIN  
DIN - 00454763

For DHAVAL EXPORTS LIMITED

*Ashish K. More*  
Director

Director  
DIN  
ASHISH MORE  
DIN-07155893

WHOLE TIME DIRECTOR

*Dipti Jain*  
(COMPANY SECRETARY)

For DHAVAL EXPORTS LTD.  
*Manish Hansh*  
CFO & Compliance Officer



**DHAVAL EXPORTS LIMITED**  
**Statement of Changes in Equity for the year ended March 31, 2020**

**A. Equity Share Capital**

| Particulars                                    | Number of Shares | Amount (₹)          |
|--|------------------|---------------------|
| <b>As at March 31, 2018</b>                    | <b>996,000</b>   | <b>9,960,000.00</b> |
| Change in Equity Share Capital during the year | -                | -                   |
| <b>As at March 31, 2019</b>                    | <b>996,000</b>   | <b>9,960,000.00</b> |
| Change in Equity Share Capital during the year | -                | -                   |
| <b>As at March 31, 2020</b>                    | <b>996,000</b>   | <b>9,960,000.00</b> |

**B. Other Equity**

| Particulars                                    | Reserves and Surplus |                            |                                 | Other Items of Other Comprehensive Income (specify nature) | Total               |
|--|----------------------|----------------------------|---------------------------------|--|---------------------|
|  | Capital Reserve      | Securities Premium Reserve | Other Reserves (specify nature) |  |                     |
| <b>Balance as at April 1, 2019</b>             | -                    | -                          | -                               | -  | <b>912,145.72</b>   |
| Profit for the year                            | -                    | -                          | -                               | -  | <b>277,247.00</b>   |
| Other comprehensive income for the year        | -                    | -                          | -                               | -  | -                   |
| <b>Total Comprehensive Income for the year</b> | -                    | -                          | -                               | -  | <b>277,247.00</b>   |
| Transfer to/from                               | -                    | -                          | -                               | -  | -                   |
| Dividends                                      | -                    | -                          | -                               | -  | -                   |
| Tax on Dividend                                | -                    | -                          | -                               | -  | -                   |
| Any other change (to be specified)             | -                    | -                          | -                               | -  | -                   |
| <b>Balance as at March 31, 2020</b>            | -                    | -                          | -                               | -  | <b>1,189,392.72</b> |

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached  
 For AGRAWAL B. KUMAR & CO.  
 Chartered Accountants  
 Firm's Registration No. 313100E

*Gulab Prasad Sharma*  
 (G. P. SHARMA)  
 Partner

Membership Number: 065536

UDIN: 20066536AAAAAJM18

Place: Kolkata  
 Date: 31 JUL 2020

For and on behalf of the Board of Directors

For DHAVAL EXPORTS LIMITED

For DHAVAL EXPORTS LIMITED

*Nitesh Jain*  
 Director  
 DIN

*Ashish More*  
 Director  
 DIN

**NITESH JAIN**  
 DIN - 00454763

**ASHISH MORE**  
 DIN-07155893

For DHAVAL EXPORTS LTD.

**WHOLE TIME DIRECTOR**

*Manish Hansh*

CFO & Compliance Officer

*Dipti Jain*  
 (COMPANY SECRETARY)

## DHAVAL EXPORTS LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

| Particulars  | Note No. | Year ended March 31, 2020 (₹) | Year ended March 31, 2019 (₹) |
|--|----------|-------------------------------|-------------------------------|
| <b>A. Cash flow from operating activities</b>  |          |                               |                               |
| Profit for the year  |          | 277,247.00                    | 19,919.50                     |
| Adjustments for reconcile net profit / (loss) to net cash provided by operating activities |          |                               |                               |
| Depreciation and amortisation  |          | -                             | -                             |
| Tax expense  |          | 85,379.00                     | 15,074.00                     |
| Changes in assets and liabilities  |          |                               |                               |
| Decrease (increase) in trade receivables, current  |          | (575,210.00)                  | 548,500.00                    |
| Decrease (increase) in other current assets  |          | 105,652.00                    | -                             |
| Decrease (increase) in Loans and Advances  |          | 39,000.00                     | -                             |
| Decrease (increase) in other financial assets, current                                     |          | -                             | (42,201.00)                   |
| Increase (decrease) in other current liabilities   |          | 90,840.00                     | -                             |
| <b>Total adjustments for reconcile profit (loss)</b>                                       |          | <b>(254,339.00)</b>           | <b>521,373.00</b>             |
| <b>Net cash flows from (used in) operations</b>  |          | <b>22,908.00</b>              | <b>541,292.50</b>             |
| Income taxes paid  |          | (85,018.00)                   | (14,865.00)                   |
| Other inflows (outflows) of cash   |          | -                             | -                             |
| <b>Net cash flows from (used in) operating activities</b>                                  |          | <b>(62,110.00)</b>            | <b>526,427.50</b>             |
| <b>B. Cash flows from investing activities</b>   |          |                               |                               |
| Dividends received   |          | -                             | -                             |
| Interest received  |          | -                             | -                             |
| <b>Net cash flows from (used in) investing activities</b>                                  |          | <b>-</b>                      | <b>-</b>                      |
| <b>C. Cash flows from used in financing activities</b>                                     |          |                               |                               |
| Dividends paid   |          | -                             | -                             |
| Interest paid  |          | -                             | -                             |
| <b>Net cash flows from (used in) financing activities</b>                                  |          | <b>-</b>                      | <b>-</b>                      |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                |          | <b>(62,110.00)</b>            | <b>526,427.50</b>             |
| Effect of exchange rate changes on cash and cash equivalents                               |          | -                             | -                             |
| Effect of exchange rate changes on cash and cash equivalents                               |          | -                             | -                             |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                |          | <b>(62,110.00)</b>            | <b>526,427.50</b>             |
| Cash and cash equivalents cash flow statement at beginning of the year                     | 7        | 757,585.72                    | 231,158.22                    |
| Cash and cash equivalents cash flow statement at end of the year                           | 7        | 695,475.72                    | 757,585.72                    |
| The accompanying notes form an integral part of the Standalone financial statements.       |          |                               |                               |

As per our report of even date attached  
 For AGRAWAL B. KUMAR & CO.  
 Chartered Accountants  
 Firm's Registration No. 313100E



*Gulab Prasad Sharma*  
 (G. P. SHARMA)  
 Partner

Membership Number: 066536  
 UDIN: 20066536 AAAABJ1416

Place: Kolkata  
 Date: 31 JUL 2020

For and on behalf of the Board of Directors

For DHAVAL EXPORTS LIMITED

For DHAVAL EXPORTS LIMITED

~~*Nitesh Jain*~~  
 Director  
 NITESH JAIN  
 DIN - 00454763

*Ashish K. More*  
 Director  
 ASHISH MORE  
 DIN-07155893

**WHOLE TIME DIRECTOR**

For DHAVAL EXPORTS LTD.  
*Manish Manch*  
 CFO & Compliance Officer

*Dipti Jain*  
 (COMPANY SECRETARY)

| DHAVAL EXPORTS LIMITED                       |   |
|--|---|
| Overview and Significant Accounting Policies |   |
| 1. Overview                                  |   |
| 1.1  | <p><b>Corporate overview</b></p> <p>Dhaval Exports Limited (The Company) is a public limited company incorporated and domiciled in India. Its Shares are listed on Metropolitan Stock exchange (MSE). The company is primarily engaged in the trading of textile goods however no such activity carried out during the year. During the year the company earned income from Brokerage &amp; commission activities. The Registered Office of the company is P-9, Shibtolla Street, 4th Floor, Kolkata - 700007.</p>  |
| 1.1  | <p><b>Statement of compliance</b></p> <p>In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2019.</p> <p>The transition from previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards" , with April 1, 2018 being the transition date.</p>  |
| 1.2  | <p><b>Basis of preparation of financial statements</b></p> <p>Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013, under the historical cost convention on the accrual basis.</p>  |
| 1.3  | <p><b>Current and non-current classification</b></p> <p>The Company presents assets and liabilities in the balance sheet based on current / non-current classification</p> <p>An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;</p> <ul style="list-style-type: none"> <li>• It is expected to be realised within 12 months after the reporting date; or</li> <li>• It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12</li> <li>• All other assets are classified as non-current.</li> </ul> <p>A liability is classified as current when it satisfies any of the following criteria:</p> <ul style="list-style-type: none"> <li>• It is expected to be settled in the Company's normal operating cycle;</li> <li>• It is held primarily for the purpose of being traded</li> <li>• It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional</li> </ul> <p>All other liabilities are classified as non-current.</p> <p>Deferred tax assets and liabilities are classified as non-current only</p> <p>The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.</p> <p>The Standalone Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR., unless otherwise stated.</p> |



**1.4 Use of estimates and judgments**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

**1.5 The areas involving critical estimates or judgments are:**

**a Income taxes**

In assessing the realizability of deferred income tax asset, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are deduced. Refer Note 2.4

**b Property, plant and equipment**

Property, plant and equipment is very important part of business of the company. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of the life. The useful lives and residual values of the Company's assets are determined by the Management at the time that the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Refer Note 2.2

**1.6 Standards issued but not effective** (based on Exposure drafts available as on date) Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

**2 Significant accounting policies**

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

**2.1 Investments in associates**

The investments in associates is carried in these financial statements at historical 'cost', except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.



## 2.2 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

### Subsequent expenditure and componentisation

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Expenditure on dry docking of rigs and vessels are accounted for as component of relevant assets. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



**Depreciation and useful life**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

| Assets              | Years   |
|---------------------|---------|
| Plant & Machinery   | 2 to 40 |
| Furniture & Fixture | 3 to 15 |

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Derecognition**

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

**Impairment**

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.



**2.3 Revenue recognition**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**2.4 Income taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



**2.5 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

**2.6 Employee benefits**

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

**Short-term employee benefits**

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**2.7 Earnings per share**

**Basic earnings per share**

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

**Diluted earnings per share**

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.





**DHAVAL EXPORTS LIMITED**

**NOTES to the Standalone Financial Statements for the year ended 31st March, 2020**

**3. PROPERTY, PLANT & EQUIPMENT**

| Description                               | GROSS BLOCK         |                          |                         | DEPRECIATION / AMORTIZATION |                     |              |                         | NET BLOCK           |                      |                      |
|---|---------------------|--------------------------|-------------------------|-----------------------------|---------------------|--------------|-------------------------|---------------------|----------------------|----------------------|
|   | As at April 1, 2019 | Addition during the year | Ded/Adj during the year | As at March 31, 2020        | Upto March 31, 2019 | For the year | Ded/Adj during the year | Upto March 31, 2020 | As at March 31, 2020 | As at March 31, 2019 |
| <b>I. Property, Plant &amp; Equipment</b> |                     |                          |                         |                             |                     |              |                         |                     |                      |                      |
| Furniture & Fixture                       | 21,038.00           | -                        | -                       | 21,038.00                   | 19,986.00           | -            | -                       | 19,986.00           | 1,052.00             | 1,052.00             |
| Mobiles                                   | 5,800.00            | -                        | -                       | 5,800.00                    | 5,510.00            | -            | -                       | 5,510.00            | 290.00               | 290.00               |
| Total                                     | <b>26,838.00</b>    | -                        | -                       | <b>26,838.00</b>            | <b>25,496.00</b>    | -            | -                       | <b>25,496.00</b>    | <b>1,342.00</b>      | <b>1,342.00</b>      |
| Prev. Year                                | <b>26,838.00</b>    | -                        | -                       | <b>26,838.00</b>            | <b>25,496.00</b>    | -            | -                       | <b>25,496.00</b>    | <b>1,342.00</b>      | <b>1,342.00</b>      |



**DHAVAL EXPORTS LIMITED**
**NOTES to the Standalone Financial Statements for the year ended 31st March, 2020**

| 4. INVESTMENTS-NON CURRENT                                | As at 31st March, 2020 |                      | As at 31st March, 2019 |                      |
|---|------------------------|----------------------|------------------------|----------------------|
|   | No. of Shares          | Amount (₹)           | No. of Shares          | Amount (₹)           |
| INVESTMENTS MEASURED AT COST                              |                        |                      |                        |                      |
| In Equity Shares of Associate Companies                   |                        |                      |                        |                      |
| <b>Unquoted, fully paid up</b>                            |                        |                      |                        |                      |
| M.R. Tex Pvt. Ltd. (of Rs. 10/ each)                      | 748,000                | 7,480,000.00         | 748,000                | 7,480,000.00         |
| Chandan Fabrics Pvt. Ltd. (of Rs. 10/ each)               | 244,700                | 2,447,000.00         | 244,700                | 2,447,000.00         |
|   | 992,700                | 9,927,000.00         | 992,700.00             | 9,927,000.00         |
| <b>Aggregate amount of Unquoted Investments</b>           | <b>992,700</b>         | <b>9,927,000.00</b>  | <b>992,700.00</b>      | <b>9,927,000.00</b>  |
|   |                        | <b>March 31,2020</b> |                        | <b>March 31,2019</b> |
| <b>5. DEFERRED TAX ASSETS</b>                             |                        | <b>Amount (₹)</b>    |                        | <b>Amount (₹)</b>    |
| Related to Fixed Assets                                   |                        | 1,173.00             |                        | 1,534.00             |
| <b>Total</b>  |                        | <b>1,173.00</b>      |                        | <b>1,534.00</b>      |
| <b>6. TRADE RECEIVABLES</b>                               |                        |                      |                        |                      |
| <b>(Unsecured, considered good)</b>                       |                        |                      |                        |                      |
| Outstanding for a period exceeding six months             |                        | -                    |                        | -                    |
| Other Debts   |                        | 575,210.00           |                        | -                    |
| <b>Total</b>  |                        | <b>575,210.00</b>    |                        | <b>-</b>             |
| <b>7. CASH AND CASH EQUIVALENTS</b>                       |                        |                      |                        |                      |
| Balances with banks:                                      |                        |                      |                        |                      |
| On current account with scheduled banks                   |                        | 688,633.72           |                        | 746,293.72           |
| Cash on hand<br>(as certified by the management)          |                        | 6,842.00             |                        | 11,292.00            |
| <b>Total</b>  |                        | <b>695,475.72</b>    |                        | <b>757,585.72</b>    |
| <b>8. LOANS – CURRENT (UNSECURED AND CONSIDERED GOOD)</b> |                        |                      |                        |                      |
| (a) Loans and advance to related parties                  |                        |                      |                        |                      |
| Advance Salary paid to KMPs                               |                        | -                    |                        | 39,000.00            |
| <b>Total</b>  |                        | <b>-</b>             |                        | <b>39,000.00</b>     |
| <b>9. CURRENT TAX ASSETS (Net)</b>                        |                        |                      |                        |                      |
| Tax Deducted at Source and Advance Tax(Net of Provisions) |                        | 69,642.00            |                        | 175,294.00           |
| <b>Total</b>  |                        | <b>69,642.00</b>     |                        | <b>175,294.00</b>    |



**DHAVAL EXPORTS LIMITED**
**NOTES to the Standalone Financial Statements for the year ended 31st March, 2020**

|  | March 31,2020<br>Amount (₹) | March 31,2019<br>Amount (₹) |
|--|-----------------------------|-----------------------------|
| <b>10. EQUITY SHARE CAPITAL</b>                                  |                             |                             |
| <b>Authorised Shares</b>   |                             |                             |
| 10,00,000 (10,00,000) Equity shares of ₹ 10/- each               | 10,000,000.00               | 10,000,000.00               |
|  | <u>10,000,000.00</u>        | <u>10,000,000.00</u>        |
| <b>Issued, Subscribed and fully paid-up Shares</b>               |                             |                             |
| 99,60,000 (99,60,000) Equity shares of ₹ 10/- each fully paid up | 9,960,000.00                | 9,960,000.00                |
| <b>Total Issued, subscribed and fully paid-up share capital</b>  | <u>9,960,000.00</u>         | <u>9,960,000.00</u>         |

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

|   | March 31,2020  |                     | March 31,2019  |                     |
|---|----------------|---------------------|----------------|---------------------|
|   | No. of shares  | Amount (₹)          | No. of shares  | Amount (₹)          |
| <b>Equity Shares</b>                      |                |                     |                |                     |
| At the beginning of the year              | 996,000        | 9,960,000.00        | 996,000        | 9,960,000.00        |
| <b>Outstanding at the end of the year</b> | <u>996,000</u> | <u>9,960,000.00</u> | <u>996,000</u> | <u>9,960,000.00</u> |

**b) Terms and Rights attached to Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholder.

**c) Details of shareholders holding more than 5% shares in the Company**

| Equity shares of Rs. 10/- each fully paid up | March 31,2020 |           | March 31,2019 |           |
|--|---------------|-----------|---------------|-----------|
|  | No. of shares | % holding | No. of shares | % holding |
| Bhag Chand Jain                              | 180,000       | 18.07     | 180,000       | 18.07     |
| Nitesh Jain                                  | 90,000        | 9.04      | 90,000        | 9.04      |
| Vikash Jain                                  | 145,000       | 14.56     | 145,000       | 14.56     |
| Ekta Jain                                    | 79,970        | 8.03      | 79,970        | 8.03      |
| Vidhya Devi Jain                             | 60,000        | 6.02      | 60,000        | 6.02      |

**11. OTHER EQUITY**

|  | March 31,2020<br>Amount (₹) | March 31,2019<br>Amount (₹) |
|--|-----------------------------|-----------------------------|
| <b>Retained Earnings</b>                               |                             |                             |
| Balance as per the last financial statements           | 912,145.72                  | 892,226.22                  |
| Profit / (Loss) for the year                           | 277,247.00                  | 19,919.50                   |
| Less: Appropriations                                   | -                           | -                           |
| <b>Net Surplus in the Statement of Profit and Loss</b> | <u>1,189,392.72</u>         | <u>912,145.72</u>           |
| <b>Total</b>   | <u>1,189,392.72</u>         | <u>912,145.72</u>           |

**12. OTHER CURRENT LIABILITIES**

|                  |                   |                  |
|------------------|-------------------|------------------|
| Other Payables * | 120,450.00        | 29,610.00        |
|                  | <u>120,450.00</u> | <u>29,610.00</u> |

\* Other Payables include Liability for expenses



**DHAVAL EXPORTS LIMITED****NOTES to the Standalone Financial Statements for the year ended 31st March, 2020**

|  | March 31, 2020      | March 31, 2019    |
|--|---------------------|-------------------|
|  | Amount (₹)          | Amount (₹)        |
| <b>13. REVENUE FROM OPERATIONS</b>   |                     |                   |
| Brokerage & Commission   | 1,409,609.00        | -                 |
|  | <b>1,409,609.00</b> | -                 |
| <b>14. OTHER INCOME</b>  |                     |                   |
| Consultancy Fees   | 350,000.00          | 960,000.00        |
| Interest on IT Refund  | 6,355.00            | 1,440.00          |
|  | <b>356,355.00</b>   | <b>961,440.00</b> |
| <b>15. EMPLOYEE BENEFITS EXPENSE</b>   |                     |                   |
| Salaries   | 950,000.00          | 533,000.00        |
| <b>Total</b>   | <b>950,000.00</b>   | <b>533,000.00</b> |
| <b>16. OTHER EXPENSES</b>  |                     |                   |
| Advertisement  | 25,754.00           | 23,168.00         |
| Bank charges   | 1,062.00            | 855.50            |
| Custodian Fees   | 56,640.00           | 20,240.00         |
| Conveyance Expenses  | 8,750.00            | 5,600.00          |
| Filing Fees  | 15,352.00           | 10,973.00         |
| General Expenses   | 29,144.00           | 27,340.00         |
| Interest on TDS  | 230.00              | -                 |
| MCX Fees   | 64,900.00           | 64,900.00         |
| Payment to Auditor   | 89,680.00           | 70,800.00         |
| Postage & Courier  | 4,906.00            | -                 |
| Printing and Stationary  | 900.00              | 850.00            |
| Professional Fees  | 114,370.00          | 117,270.00        |
| Rates and Taxes  | 4,650.00            | 4,650.00          |
| Retainership Fees  | 37,000.00           | 37,000.00         |
| Website Expenses   | -                   | 9,800.00          |
| <b>Total</b>   | <b>453,338.00</b>   | <b>393,446.50</b> |
| <b>16.1 Payment to Auditor as:</b>   |                     |                   |
| <b>Auditor</b>   |                     |                   |
| Statutory Audit Fees   | 29,500.00           | 29,500.00         |
| Other Services   | 60,180.00           | 44,840.00         |
|  | <b>89,680.00</b>    | <b>74,340.00</b>  |
| <b>17. EARNING PER SHARE (EPS)</b>   |                     |                   |
| The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share. |                     |                   |
|  | March 31, 2020      | March 31, 2019    |
| (a) Profit after tax (Profit attributable to ordinary share holders- for Basic and Diluted EPS)                          | 277,247.00          | 19,919.50         |
| (b) Weighted average number of Ordinary Shares for Basic & Diluted -EPS  | 996,000.00          | 996,000.00        |
| (c) Nominal value of Ordinary Shares (₹)   | 10.00               | 10.00             |
| (d) Basic and Diluted Earnings per Ordinary Share (₹)  | 0.278               | 0.020             |



**DHAVAL EXPORTS LIMITED**

**NOTES to the Standalone Financial Statements for the year ended 31st March, 2020**

**18 SEGMENT REPORTING**

the Company's operation predominantly comprises of only one segment "Brokerage & Commission" and therefore segment reporting as per Ind As 108 "Operating Segments", is not applicable to the company.

**19 Related Party Disclosures**

(i) Related party relationship

(i) Key Management Personnel (KMP):

- (a) Nitesh Jain- Director
- (b) Ashok Kumar - Director
- (c) Pradeep Kumar Bhawsinghka - Director
- (d) Sima Devi More - Director
- (e) Ashish More-Whole Time Director
- (f) Manish Harsh-CFO
- (g) Dipti Jain-Company Secretary
- (h) Rohit Jain

(ii) Associate

- (a) M R Tex Pvt. Ltd.
- (b) Chandan Fabrics Pvt. Ltd.

(iii) Relatives of Director

- (a) Vikash Jain - Brother of Director
- (b) Ashish Harsh- Brother of CFO
- (c) Rabindra Kumar More- Father of Whole time Director

(iv) Promoter Group

- (a) M R Business Pvt. Ltd.
- (b) M R Creation Pvt. Ltd.
- (c) M R Emporium Pvt. Ltd.
- (d) M.R. Fabrics (Ranchi) Pvt. Ltd.
- (e) M.R. Manokamna Pvt. Ltd.
- (f) M. R. Selection Pvt. Ltd.
- (g) M R Silk Emporium Pvt. Ltd.
- (h) Shama Synthetics Pvt. Ltd.
- (i) Recon Marketing Pvt. Ltd.
- (j) Phymax Developers Pvt. Ltd.
- (k) Zulex Marchandise Pvt. Ltd.



## (iii) Related Party Transactions between the company and related parties and status of outstanding balances:

| Transactions                                     | KMP               | Associate           | Relatives of KMP  | Promoter Group      | Grand Total         |
|--|-------------------|---------------------|-------------------|---------------------|---------------------|
| <b>(a) Remunerations</b>                         |                   |                     |                   |                     |                     |
| Ashish More                                      | 240,000.00        | -                   | -                 | -                   | 240,000.00          |
| Dipti Jain                                       | 50,000.00         | -                   | -                 | -                   | 50,000.00           |
| Manish Harsh                                     | 260,000.00        | -                   | -                 | -                   | 260,000.00          |
| Rohit Jain                                       | 40,000.00         | -                   | -                 | -                   | 40,000.00           |
| Rabindra Kumar More                              | -                 | -                   | 132,000.00        | -                   | 132,000.00          |
| Ashish Harsh                                     | -                 | -                   | 108,000.00        | -                   | 108,000.00          |
| <b>Total</b>                                     | <b>590,000.00</b> | <b>-</b>            | <b>240,000.00</b> | <b>-</b>            | <b>830,000.00</b>   |
| <b>Previous Year</b>                             |                   |                     |                   |                     |                     |
| Ashish More                                      | 204,000.00        | -                   | -                 | -                   | 204,000.00          |
| Manish Harsh                                     | 219,000.00        | -                   | -                 | -                   | 219,000.00          |
| Rohit Jain                                       | 110,000.00        | -                   | -                 | -                   | 110,000.00          |
| <b>Total</b>                                     | <b>533,000.00</b> | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>533,000.00</b>   |
| <b>(b) Brokerage &amp; Commission</b>            |                   |                     |                   |                     |                     |
| Deshna Creation (Prp. M. R. Creation Pvt Ltd)    | -                 | -                   | -                 | 1,339,119.00        | 1,339,119.00        |
| <b>Previous year</b>                             | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>1,339,119.00</b> | <b>1,339,119.00</b> |
| <b>(c) Advance Salary Paid</b>                   |                   |                     |                   |                     |                     |
| <b>Total</b>                                     | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>            |
| <b>Previous Year</b>                             |                   |                     |                   |                     |                     |
| Manish Harsh                                     | 39,000.00         | -                   | -                 | -                   | 39,000.00           |
| <b>Total</b>                                     | <b>39,000.00</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>39,000.00</b>    |
| <b>(d) Office Expenses/General Expenses</b>      |                   |                     |                   |                     |                     |
| M.R. Tex (P) Ltd.                                | -                 | 20,000.00           | -                 | -                   | 20,000.00           |
| <b>Total</b>                                     | <b>-</b>          | <b>20,000.00</b>    | <b>-</b>          | <b>-</b>            | <b>20,000.00</b>    |
| <b>Previous Year</b>                             |                   |                     |                   |                     |                     |
| M.R. Tex (P) Ltd.                                | -                 | 20,000.00           | -                 | -                   | 20,000.00           |
| <b>Total</b>                                     | <b>-</b>          | <b>20,000.00</b>    | <b>-</b>          | <b>-</b>            | <b>20,000.00</b>    |
| <b>Balance Outstanding as on 31st March 2020</b> |                   |                     |                   |                     |                     |
| <b>Loans &amp; Advances</b>                      |                   |                     |                   |                     |                     |
| <b>(a) Manish Harsh</b>                          |                   |                     |                   |                     |                     |
| <b>Total</b>                                     | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>            |
| <b>Previous Year</b>                             |                   |                     |                   |                     |                     |
| Manish Harsh                                     | 39,000.00         | -                   | -                 | -                   | 39,000.00           |
| <b>Total</b>                                     | <b>39,000.00</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>39,000.00</b>    |
| <b>(b) Liability for expenses</b>                |                   |                     |                   |                     |                     |
| Ashish Harsh                                     | -                 | -                   | 9,000.00          | -                   | 9,000.00            |
| Ashish More                                      | 20,000.00         | -                   | -                 | -                   | 20,000.00           |
| Dipti Jain                                       | 15,000.00         | -                   | -                 | -                   | 15,000.00           |
| Manish Harsh                                     | 22,870.00         | -                   | -                 | -                   | 22,870.00           |
| Rabindra Kumar More                              | -                 | -                   | 11,000.00         | -                   | 11,000.00           |
| <b>Total</b>                                     | <b>57,870.00</b>  | <b>-</b>            | <b>20,000.00</b>  | <b>-</b>            | <b>77,870.00</b>    |
| <b>Previous Year</b>                             |                   |                     |                   |                     |                     |
| <b>Total</b>                                     | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>            |
| <b>(c) Investment</b>                            |                   |                     |                   |                     |                     |
| Chandan Fabrics Private Limited                  | -                 | 2,447,000.00        | -                 | -                   | 2,447,000.00        |
| M. R. Tex Private Limited                        | -                 | 7,480,000.00        | -                 | -                   | 7,480,000.00        |
| <b>Total</b>                                     | <b>-</b>          | <b>9,927,000.00</b> | <b>-</b>          | <b>-</b>            | <b>9,927,000.00</b> |
| <b>Previous Year</b>                             |                   |                     |                   |                     |                     |
| Chandan Fabrics Private Limited                  | -                 | 2,447,000.00        | -                 | -                   | 2,447,000.00        |
| M. R. Tex Private Limited                        | -                 | 7,480,000.00        | -                 | -                   | 7,480,000.00        |
| <b>Total</b>                                     | <b>-</b>          | <b>9,927,000.00</b> | <b>-</b>          | <b>-</b>            | <b>9,927,000.00</b> |



**DHAVAL EXPORTS LIMITED**
**NOTES to the Standalone Financial Statements for the year ended 31st March, 2020**
**20 MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

| Particulars   | As at March 31, 2020 |                     |                      | As at March 31, 2019 |                     |                      |
|---|----------------------|---------------------|----------------------|----------------------|---------------------|----------------------|
|   | within 12 month      | After 120 month     | Total                | within 12 month      | After 120 month     | Total                |
| <b>Assets</b>   |                      |                     |                      |                      |                     |                      |
| <b>Financial Assets</b>   |                      |                     |                      |                      |                     |                      |
| Cash and cash equivalents   | 695,475.72           | -                   | 695,475.72           | 757,585.72           | -                   | 757,585.72           |
| Trade Receivables   | 575,210.00           | -                   | 575,210.00           | -                    | -                   | -                    |
| Loans   | -                    | -                   | -                    | 39,000.00            | -                   | 39,000.00            |
| Investments   | -                    | 9,927,000.00        | 9,927,000.00         | -                    | 9,927,000.00        | 9,927,000.00         |
| <b>Non-Financial Assets</b>   |                      |                     |                      |                      |                     |                      |
| Current Tax assets  | 69,642.00            | -                   | 69,642.00            | 175,294.00           | -                   | 175,294.00           |
| Deferred Tax assets   | -                    | 1,173.00            | 1,173.00             | -                    | 1,534.00            | 1,534.00             |
| Property, plant & equipment   | -                    | 1,342.00            | 1,342.00             | -                    | 1,342.00            | 1,342.00             |
| <b>Total Assets</b>   | <b>1,340,327.72</b>  | <b>9,929,515.00</b> | <b>11,269,842.72</b> | <b>971,879.72</b>    | <b>9,929,876.00</b> | <b>10,901,755.72</b> |
| <b>Liabilities</b>  |                      |                     |                      |                      |                     |                      |
| <b>Financial Liabilities</b>  |                      |                     |                      |                      |                     |                      |
| Payables  | -                    | -                   | -                    | -                    | -                   | -                    |
| Other Payables  | -                    | -                   | -                    | -                    | -                   | -                    |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                    | -                   | -                    | -                    | -                   | -                    |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 120,450.00           | -                   | 120,450.00           | 29,610.00            | -                   | 29,610.00            |
| <b>Non-Financial Liabilities</b>  | -                    | -                   | -                    | -                    | -                   | -                    |
| <b>Total Liabilities</b>  | <b>120,450.00</b>    | <b>-</b>            | <b>120,450.00</b>    | <b>29,610.00</b>     | <b>-</b>            | <b>29,610.00</b>     |
| <b>Net</b>  | <b>1,219,877.72</b>  | <b>9,929,515.00</b> | <b>11,149,392.72</b> | <b>942,269.72</b>    | <b>9,929,876.00</b> | <b>10,872,145.72</b> |

**21 Disclosure under the MSME Act 2006, (as per the intimation received from the vendor)**

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

| Particulars   | As at March 31, 2020 | As at March 31, 2020 |
|---|----------------------|----------------------|
|   | Amount (₹)           | Amount (₹)           |
| The principal amount remaining unpaid to supplier as at the end of the year   | -                    | -                    |
| The interest due thereon remaining unpaid to supplier as at the end of the year   | -                    | -                    |
| The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year  | -                    | -                    |
| The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act   | -                    | -                    |
| The amount of interest accrued during the year and remaining unpaid at the end of the year  | -                    | -                    |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006 | -                    | -                    |



**DHAVAL EXPORTS LIMITED****NOTES to the Standalone Financial Statements for the year ended 31st March, 2020****22 Adoption of Indian Accounting Standards (IND AS)****A. Mandatory exceptions to retrospective application**

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

**(i) Estimates**

On assessment of estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates under Ind AS, as there is no objective evidence of an error in those estimates.

**(ii) Classification and measurement of financial assets**

The classification of financial assets to be measured at historical cost or amortised cost or fair value through other comprehensive income is made on the basis of facts and circumstances that existed on the date of transaction to Ind AS.

**23 Reconciliation under Ind AS 101****i) Reconciliation of Equity as at 1st April, 2018**

| Particulars                           | Note Ref. | As at 1st April, 2018 |             |                      |
|---------------------------------------|-----------|-----------------------|-------------|----------------------|
|                                       |           | Previous GAAP         | Adjustments | IND AS               |
| <b>ASSETS</b>                         |           |                       |             |                      |
| <b>Non Current Assets</b>             |           |                       |             |                      |
| a) Property, plant & equipment        |           | 1,888.00              | -           | 1,888.00             |
| <b>Financial Assets</b>               |           |                       |             |                      |
| i) Investments                        |           | 9,927,000.00          | -           | 9,927,000.00         |
| b) Deferred Tax Assets (Net)          |           | 2,150.00              | -           | 2,150.00             |
| <b>Current Assets</b>                 |           |                       |             |                      |
| <b>Financial assets</b>               |           |                       |             |                      |
| i) Trade Receivable                   |           | 608,500.00            | -           | 608,500.00           |
| ii) Cash & Cash equivalents           |           | 145,056.68            | -           | 145,056.68           |
| iii) Loans                            |           | 60,000.00             | -           | 60,000.00            |
| Current Tax Assets(Net)               |           | 41,428.00             | -           | 41,428.00            |
| <b>Total Assets</b>                   |           | <b>10,786,022.68</b>  | <b>-</b>    | <b>10,786,022.68</b> |
| <b>EQUITY &amp; LIABILITIES</b>       |           |                       |             |                      |
| <b>Equity</b>                         |           |                       |             |                      |
| i)Equity Share Capital                |           | 9,960,000.00          | -           | 9,960,000.00         |
| ii)Other Equity                       |           | 797,057.68            | -           | 797,057.68           |
| <b>Current Liabilities</b>            |           |                       |             |                      |
| i) Other current liabilities          |           | 28,965.00             | -           | 28,965.00            |
| <b>Total Equity &amp; Liabilities</b> |           | <b>10,786,022.68</b>  | <b>-</b>    | <b>10,786,022.68</b> |





ii) Reconciliation of Equity as at 31st March, 2019

| Particulars                           | Note Ref. | As at 31st March, 2019 |             |                      |
|---------------------------------------|-----------|------------------------|-------------|----------------------|
|                                       |           | Previous GAAP          | Adjustments | IND AS               |
| <b>ASSETS</b>                         |           |                        |             |                      |
| <b>Non Current Assets</b>             |           |                        |             |                      |
| a) Property, plant & equipment        |           | 1,342.00               | -           | 1,342.00             |
| <b>Financial Assets</b>               |           |                        |             |                      |
| i) Investments                        |           | 9,927,000.00           | -           | 9,927,000.00         |
| b) Deferred Tax Assets (Net)          |           | 1,534.00               | -           | 1,534.00             |
| <b>Current Assets</b>                 |           |                        |             |                      |
| <b>Financial assets</b>               |           |                        |             |                      |
| i) Trade Receivable                   |           | -                      | -           | -                    |
| ii) Cash & Cash equivalents           |           | 757,585.72             | -           | 757,585.72           |
| iii) Loans                            |           | 39,000.00              | -           | 60,000.00            |
| Current Tax Assets(Net)               |           | 175,294.00             | -           | 175,294.00           |
| <b>Total Assets</b>                   |           | <b>10,901,755.72</b>   | <b>-</b>    | <b>10,922,755.72</b> |
| <b>EQUITY &amp; LIABILITIES</b>       |           |                        |             |                      |
| <b>Equity</b>                         |           |                        |             |                      |
| i)Equity Share Capital                |           | 9,960,000.00           | -           | 9,960,000.00         |
| ii)Other Equity                       |           | 912,145.72             | -           | 912,145.72           |
| <b>Current Liabilities</b>            |           |                        |             |                      |
| i) Other current liabilities          |           | 29,610.00              | -           | 29,610.00            |
| <b>Total Equity &amp; Liabilities</b> |           | <b>10,901,755.72</b>   | <b>-</b>    | <b>10,901,755.72</b> |

As per our report of even date attached  
For AGRAWAL B. KUMAR & CO.  
Chartered Accountants  
Firm's Registration No. 313100E

*Gulab Prasad Sharma*  
(G. P. SHARMA)  
Partner  
Membership Number: 066536



For and on behalf of the Board of Directors

For DHAVAL EXPORTS LIMITED

*Nitesh Jain*  
Director

**NITESH JAIN**  
DIN - 00454763

For DHAVAL EXPORTS LIMITED

*Ashish Kumar More*  
Director

Director  
DIN

Director  
DIN

**ASHISH MORE**  
DIN-07155893

**WHOLE TIME DIRECTOR**

Place: Kolkata 2020

Date:

UDIN: 20066536AAAABJ1416

For DHAVAL EXPORTS LTD.

*Manish Hansh*

cfo & Compliance Officer

*Dipti Jain*  
(COMPANY SECRETARY)

**M/s. DHAVAL EXPORTS LIMITED**  
Details as on 31st March, 2020

| <b>PARTICULARS</b>                                  | <b>Current<br/>Year (₹)</b> | <b>Previous<br/>Year (₹)</b> |
|---|-----------------------------|------------------------------|
| <b>1) Liabilities for Expenses</b>                  |                             |                              |
| ABS consultants                                     | 2,700.00                    | -                            |
| Professional Tax Payable                            | 130.00                      | 110.00                       |
| Audit Fees Payable                                  | 27,000.00                   | 29,500.00                    |
| Salary Payable                                      | 87,870.00                   | -                            |
| tds Payable   | 2,750.00                    | -                            |
|   | <b>120,450.00</b>           | <b>29,610.00</b>             |
| <b>2. Trade Receivable</b>                          |                             |                              |
| Deshna Creation                                     | 533,618.00                  |                              |
| Saree Hat   | 41,592.00                   |                              |
|   | <b>575,210.00</b>           |                              |
| <b>3) Advance tax and TDS (net of Provision)</b>    |                             |                              |
| Income Tax Refundable (A.Y. 2007-08)                | 2,208.00                    | 2,208.00                     |
| Income Tax Refundable (A.Y. 2008-09)                | 14,281.00                   | 14,281.00                    |
| Income Tax Refundable (A.Y. 2015-16)                | 6,690.00                    | 6,690.00                     |
| Income Tax Refundable (A.Y. 2018-19)                | -                           | 66,860.00                    |
| TDS (A. Y. 2018-19)                                 | -                           | 96,000.00                    |
| TDS (A. Y. 2020-21)                                 | 105,481.00                  |                              |
| Advance Tax (AY-2020-21)                            | 26,000.00                   | -                            |
| Less: Provision for Taxation(A.Y. 2019-20)          | (85,018.00)                 | (10,745.00)                  |
|   | <b>69,642.00</b>            | <b>175,294.00</b>            |
| <b>4) Bank Balances</b>                             |                             |                              |
| Axis Bank   | 678,297.71                  | 735,957.71                   |
| Lakshmi Vilas Bank Ltd.                             | 10,336.01                   | 10,336.01                    |
|   | <b>688,633.72</b>           | <b>746,293.72</b>            |
| <b>4) Professional Fees</b>                         |                             |                              |
| Legal & Professional Fees                           | 114,370.00                  | 115,270.00                   |
| Compliance Officer Fees                             | -                           | 2,000.00                     |
|   | <b>114,370.00</b>           | <b>117,270.00</b>            |
| <b>5) Rates &amp; Taxes</b>                         |                             |                              |
| Licence Fees  | 2,150.00                    | 2,150.00                     |
| Profession Tax                                      | 2,500.00                    | 2,500.00                     |
|   | <b>4,650.00</b>             | <b>4,650.00</b>              |
| <b>6) Custodian Fees</b>                            |                             |                              |
| NSDL  | 22,420.00                   | 3,720.00                     |
| CDSL  | 34,220.00                   | 16,520.00                    |
|   | <b>56,640.00</b>            | <b>20,240.00</b>             |
| <b>7) Filing Fees</b>                               |                             |                              |
| ROC Filing Fees                                     | -                           | 10,800.00                    |
| TDS Filing Fees                                     | -                           | 150.00                       |
| P.Tax Filing Fees                                   | -                           | 23.00                        |
|   | -                           | <b>10,973.00</b>             |
| <b>8) Advance Salary</b>                            |                             |                              |
| Ashish More   | -                           | -                            |
| Manish Harsh  | -                           | 39,000.00                    |
|   | -                           | <b>39,000.00</b>             |
| <b>9) Deferred Tax Assets</b>                       |                             |                              |
| WDV Value of Assets as per Income Tax Act           | 6,470.00                    | 7,243.00                     |
| WDV Value of Assets as per Companies Act            | 1,342.00                    | 1,342.00                     |
|   | 5,128.00                    | 5,901.00                     |
| Deferred Tax Assets for the Year @ 22.88%           | 1,173.00                    | 1,534.00                     |
| Less : Deferred Assets at the beginning of the year | 1,534.00                    | 1,534.00                     |
| Deferred Tax assets during the year                 | <b>(361.00)</b>             | -                            |





**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To the Members of **M/s. DHAVAL EXPORTS LIMITED**  
**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **M/s. Dhaval Exports Limited** (hereinafter referred to as "the Company") and its associates, which comprise the consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the consolidated Statement of Change in Equity and the Consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and on the other financial information of the associate the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Company and its Associate as at March 31, 2020, their consolidated **profit** (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessments of the risk of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provided the basis for our audit opinion on the accompanying Consolidated Financial Statements. We have nothing to report in this regard.

**Information Other than the Standalone financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.



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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated change in equity and consolidated cash flows of the Company and its Associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule, 2015 as amended. The respective Board of Directors of the company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its Associates 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company and its associates are responsible for assessing the ability of the Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and its associates are responsible for overseeing the financial reporting process of the Company and of its associates.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3(i) of the Act, we are also responsible for expressing our opinion on whether the company and its Associates, which are the companies incorporated in India have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

#### **Other Matters**

- a) The consolidated financial statements include the Company's share of net profit (including other comprehensive income) of Rs. 22,42,318.07 for the year ended 31<sup>st</sup> March 2020, as considered in the consolidated financial statements, in respect of the associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose reports have been furnished to us by the management, and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of other auditors.

In our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the associates, as note in the Other Matters section above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Change in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act. Read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its, associate companies incorporated in India, none of the directors of the company, and its associate companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Company and its Associate Companies, which is incorporated in Indian and the operating effectiveness of such controls, we refer our separate report in **Annexure-A**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act;

In our opinion and to the best of our information and according to the explanations given to us by the Company and the reports of the statutory auditor of its Associate Companies incorporated in India, the remuneration paid/provided by the Company and its Associate companies to its directors during the year is in accordance with the provision of section 197 of the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- There were no pending litigations which would impact the consolidated financial position of the Company and its associates;
  - The Company and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts; and
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, and its, associate companies incorporated in India.

For **Agrawal B. Kumar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No.: 313100E



*Gulab Prasad Sharma*

(G.P. Sharma)  
Partner

ICAI M. No. 066536  
UDIN: 20066536AAAABL9304

Place: Kolkata

Date: 10/09/2020

**Annexure "A" to Independent Auditors' Report Oof even date on Consolidated Financial Statement of Dhaval Exports Limited**

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

1. In conjunction with our audit of the consolidated financial statements of the Dhaval Exports Limited as of and for the year ended March 31, 2020, we have audited the internal financial control over financial reporting of Dhaval Exports Limited ("the Company") and its associate companies which are companies incorporated in India as of March 31, 2020.

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

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

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company, and its associate companies, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the associate companies, which is a company incorporated in India, in terms of their report referred to the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

**Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements**

6. A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and the presentation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal



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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements**

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors, as referred to Other Matters paragraph below, the Company and its associate companies, which are companies incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

9. Our aforesaid report under section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Company, in so far as it relates to 2 associate companies, which is incorporated in India, is based on the corresponding report of the auditors such associates incorporated in India. Our opinion is not modified in respect of the above matters.

For Agrawal B. Kumar & Co.

Chartered Accountants

ICAI Firm Registration No.: 313100E



*Gulab Prasad Sharma*

(G. P. Sharma)

Partner

ICAI Membership No.: 066536

UDIN: 2066536AAAABL9304

Place: Kolkata

Date: 10/09/2020



**DHAVAL EXPORTS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020**

| Particulars                         | Note No. | As at March 31, 2020<br>(₹) | As at March 31, 2019<br>(₹) |
|-------------------------------------|----------|-----------------------------|-----------------------------|
| <b>(1) ASSETS</b>                   |          |                             |                             |
| <b>Non-current assets</b>           |          |                             |                             |
| Property, Plant and Equipment       | 3        | 1,342.00                    | 1,342.00                    |
| Financial Assets                    |          |                             |                             |
| (i) Investments                     | 4        | 33,842,783.56               | 31,600,465.49               |
| Deferred tax assets (net)           | 5        | 1,173.00                    | 1,534.00                    |
| <b>Total non-current assets</b>     |          | <b>33,845,298.56</b>        | <b>31,603,341.49</b>        |
| <b>(2) Current assets</b>           |          |                             |                             |
| Financial Assets                    |          |                             |                             |
| (i) Trade receivables               | 6        | 575,210.00                  | -                           |
| (ii) Cash and cash equivalents      | 7        | 695,475.72                  | 757,585.72                  |
| (iii) Loans                         | 8        | -                           | 39,000.00                   |
| Current Tax Assets (Net)            | 9        | 69,642.00                   | 175,294.00                  |
| <b>Total current assets</b>         |          | <b>1,340,327.72</b>         | <b>971,879.72</b>           |
| <b>Total Assets</b>                 |          | <b>35,185,626.28</b>        | <b>32,575,221.21</b>        |
| <b>EQUITY AND LIABILITIES</b>       |          |                             |                             |
| <b>Equity</b>                       |          |                             |                             |
| Equity Share capital                | 10       | 9,960,000.00                | 9,960,000.00                |
| Other Equity                        | 11       | 25,105,176.28               | 22,585,611.21               |
| <b>Total Equity and Liabilities</b> |          | <b>35,065,176.28</b>        | <b>32,545,611.21</b>        |
| <b>LIABILITIES</b>                  |          |                             |                             |
| <b>Current liabilities</b>          |          |                             |                             |
| Other current liabilities           | 12       | 120,450.00                  | 29,610.00                   |
| <b>Total current liabilities</b>    |          | <b>120,450.00</b>           | <b>29,610.00</b>            |
| <b>Total Equity and Liabilities</b> |          | <b>35,185,626.28</b>        | <b>32,575,221.21</b>        |

(0.00)

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For AGRAWAL B. KUMAR & CO.

For DHAVAL EXPORTS LIMITED

For DHAVAL EXPORTS LIMITED

Chartered Accountants

Firm's Registration No. 313100E

Gulab Prasad Sharma  
(G. P. SHARMA)  
Partner

Membership Number: 066536

UDIN: 2066536AAA1519304

Place: Kolkata

Date: 10 SEP 2020



Atish K. More

Director

Director

DIN

SHISH MORE

DIN-07155893

WHOLE TIME DIRECTOR

*[Signature]*

Director

Director

DIN

NITESH JAIN

DIN - 00454763

Dipti Jain  
(COMPANY SECRETARY)

For DHAVAL EXPORTS LTD.

Manish Harsh  
CIO & Compliance Officer

**DHAVAL EXPORTS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH**  
**31, 2020**

| Particulars   | Note No. | Year ended Year ended |                |
|---|----------|-----------------------|----------------|
|   |          | March 31, 2020        | March 31, 2019 |
|   |          | (₹)                   | (₹)            |
| Revenue From Operations   | 13       | 1,409,609.00          | -              |
| Other Income  | 14       | 356,355.00            | 961,440.00     |
| Total Income  |          | 1,765,964.00          | 961,440.00     |
| <b>EXPENSES</b>   |          |                       |                |
| Employee benefits expense   | 15       | 950,000.00            | 533,000.00     |
| Depreciation and amortization expense   | 3        | -                     | -              |
| Other expenses  | 16       | 453,338.00            | 393,446.50     |
| Total expenses  |          | 1,403,338.00          | 926,446.50     |
| <b>PROFIT BEFORE SHARE OF PROFIT / (LOSS) OF ASSOCIATES AND TAX</b>               |          | 362,626.00            | 34,993.50      |
| Share of Profit / (Loss) of Associates  |          | 2,242,318.07          | 2,017,054.43   |
| Profit before Tax   |          | 2,604,944.07          | 2,052,047.93   |
| Tax expense:  |          |                       |                |
| (1) Current tax   |          | 85,018.00             | 14,865.00      |
| (2) Deferred tax  |          | 361.00                | 209.00         |
| Profit/(loss) for the period  |          | 2,519,565.07          | 2,036,973.93   |
| Other Comprehensive Income  |          |                       | -              |
| A (i) Items that will not be reclassified to profit or loss                       |          | -                     | -              |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |          | -                     | -              |
| B (i) Items that will be reclassified to profit or loss                           |          | -                     | -              |
| (ii) Income tax relating to items that will be reclassified to profit or loss     |          | -                     | -              |
| Total Comprehensive Income for the period   |          | 2,519,565.07          | 2,036,973.93   |
| <b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>                                |          |                       |                |
| a) Owners of the Company  |          | 2,519,565.07          | 2,036,973.93   |
| b) Non-Controlling Interest   |          | -                     | -              |
| Earnings per equity share (for continuing operation):                             |          |                       |                |
| (1) Basic   | 17       | 2.53                  | 2.05           |
| (2) Diluted   | 17       | 2.53                  | 2.05           |

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For AGRAWAL B. KUMAR & CO.

For DHAVAL EXPORTS LIMITED

For DHAVAL EXPORTS LIMITED

Chartered Accountants

Firm's Registration No. 313100E

Ashish K. More

Gulab Prasad Sharma

(G. P. SHARMA)

Partner

Membership Number: 06659

UDIN: 20066536 AAAA 157304

Place: Kolkata

Date: 10 SEP 2020



Director

Director

ASHISH MORE

DIN-07155893

WHOLE TIME DIRECTOR

Director

DIN

NITESH JAIN  
DIN - 00454763

Dipika Jain  
(COMPANY SECRETARY)

For DHAVAL EXPORTS LTD.

Manish Hensch  
CIO & Compliance Officer

**DHAVAL EXPORTS LIMITED**  
**Consolidated Statement of Changes in Equity for the year ended March 31, 2020**

**A. Equity Share Capital**

| Particulars                                    | Number of Shares | Amount (₹)          |
|--|------------------|---------------------|
| <b>As at March 31, 2018</b>                    | <b>996,000</b>   | <b>9,960,000.00</b> |
| Change in Equity Share Capital during the year | -                | -                   |
| <b>As at March 31, 2019</b>                    | <b>996,000</b>   | <b>9,960,000.00</b> |
| Change in Equity Share Capital during the year | -                | -                   |
| <b>As at March 31, 2020</b>                    | <b>996,000</b>   | <b>9,960,000.00</b> |

**B. Other Equity**

| Particulars                                    | Reserves and Surplus |                            |                                 | Other Items of Comprehensive Income (specify nature) | Total               |
|--|----------------------|----------------------------|---------------------------------|--|---------------------|
|  | Capital Reserve      | Securities Premium Reserve | Other Reserves (Specify nature) |  |                     |
| <b>Balance as at April 1, 2019</b>             | -                    | -                          | -                               | -  | <b>912,145.72</b>   |
| Profit for the year                            | -                    | -                          | -                               | -  | <b>2,519,565.07</b> |
| Other comprehensive income for the year        | -                    | -                          | -                               | -  | -                   |
| <b>Total Comprehensive Income for the year</b> | -                    | -                          | -                               | -  | <b>2,519,565.07</b> |
| Transfer to/from                               | -                    | -                          | -                               | -  | -                   |
| Dividends                                      | -                    | -                          | -                               | -  | -                   |
| Tax on Dividend                                | -                    | -                          | -                               | -  | -                   |
| Any other change (to be specified)             | -                    | -                          | -                               | -  | -                   |
| <b>Balance as at March 31, 2020</b>            | -                    | -                          | -                               | -  | <b>3,431,710.79</b> |

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For AGRAWAL B. KUMAR & CO.

Chartered Accountants

Firm's Registration No. 313201E



**Ashish K. More**

Director

DIN

**ASHISH MORE**

DIN-07155893

For and on behalf of the Board of Directors

For DHAVAL EXPORTS LIMITED For DHAVAL EXPORTS LIMITED

**Nitesh Jain**  
 Director  
 DIN

**NITESH JAIN**

DIN - 00454763

Place: Kolkata

Date: 10 SEP 2020


**WHOLE TIME DIRECTOR**

For DHAVAL EXPORTS LTD.

*Manish Anshu*

CFO & Compliance Officer

*Dipti Jain*  
 (COMPANY SECRETARY)

| <b>DHAVAL EXPORTS LIMITED</b>  |          |  |                                      |
|--|----------|--|--------------------------------------|
| <b>CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020</b>                  |          |  |                                      |
| Particulars  | Note No. | Year ended March 31, 2020 (₹)                                    | Year ended March 31, 2019 (₹)        |
| <b>A. Cash flow from operating activities</b>  |          |  |                                      |
| Profit for the year  |          | 2,519,565.07   | 2,036,973.93                         |
| Adjustments for reconcile net profit / (loss) to net cash provided by operating activities |          |  |                                      |
| Depreciation and amortisation  |          | -  | -                                    |
| Tax expense  |          | 85,379.00  | 15,074.00                            |
| Share Profit from Associates   |          | (2,242,318.07)   | (2,017,054.43)                       |
| Changes in assets and liabilities  |          | -  | -                                    |
| Decrease (increase) in trade receivables, current  |          | (575,210.00)   | 548,500.00                           |
| Decrease (increase) in Loans and Advances  |          | 39,000.00  | -                                    |
| Decrease (increase) in other current assets  |          | 105,652.00   | -                                    |
| Decrease (increase) in other financial assets, current                                     |          | -  | (42,201.00)                          |
| Increase (decrease) in other current liabilities   |          | 90,840.00  | -                                    |
| <b>Total adjustments for reconcile profit (loss)</b>                                       |          | <b>(2,496,657.07)</b>  | <b>(1,495,681.43)</b>                |
| <b>Net cash flows from (used in) operations</b>  |          | <b>22,908.00</b>   | <b>541,292.50</b>                    |
| Income taxes paid  |          | (85,018.00)  | (14,865.00)                          |
| Other inflows (outflows) of cash   |          | -  | -                                    |
| <b>Net cash flows from (used in) operating activities</b>                                  |          | <b>(62,110.00)</b>   | <b>526,427.50</b>                    |
| <b>B. Cash flows from investing activities</b>   |          |  |                                      |
| Dividends received   |          | -  | -                                    |
| Interest received  |          | -  | -                                    |
| <b>Net cash flows from (used in) investing activities</b>                                  |          | <b>-</b>   | <b>-</b>                             |
| <b>C. Cash flows from used in financing activities</b>                                     |          |  |                                      |
| Dividends paid   |          | -  | -                                    |
| Interest paid  |          | -  | -                                    |
| <b>Net cash flows from (used in) financing activities</b>                                  |          | <b>-</b>   | <b>-</b>                             |
| Net increase (decrease) in cash and cash equivalents                                       |          | (62,110.00)  | 526,427.50                           |
| Effect of exchange rate changes on cash and cash equivalents                               |          | -  | -                                    |
| Effect of exchange rate changes on cash and cash equivalents                               |          | -  | -                                    |
| Net increase (decrease) in cash and cash equivalents                                       |          | (62,110.00)  | 526,427.50                           |
| Cash and cash equivalents cash flow statement at beginning of the year                     | 7        | 757,585.72   | 231,158.22                           |
| Cash and cash equivalents cash flow statement at end of the year                           | 7        | 695,475.72   | 757,585.72                           |
| The accompanying notes form an integral part of the Standalone financial statements.       |          |  |                                      |
| As per our report of even date attached  |          | For and on behalf of the Board of Directors                      |                                      |
| For AGRAWAL B. KUMAR & CO.   |          | For DHAVAL EXPORTS LIMITED                                       | For DHAVAL EXPORTS LIMITED           |
| Chartered Accountants  |          | Ashish K. More   | Nitesh Jain                          |
| Firm's Registration No. 313109E  |          | Director   | Director                             |
|         |          | Director   | Director                             |
|  |          | Director   | Director                             |
| (G. P. SHARMA)<br>Partner<br>Membership Number: 066536<br>UDIN: 2006653644AABL9304         |          | <b>ASHISH MORE</b><br>DIN-07155893<br><b>WHOLE TIME DIRECTOR</b> | <b>NITESH JAIN</b><br>DIN - 00454763 |
| Place: Kolkata   |          |  |                                      |
| Date: 10 SEP 2020  |          |  |                                      |

Dipti Jain  
(COMPANY SECRETARY)

For DHAVAL EXPORTS LTD.  
Manish Anand  
CFO & Compliance Officer

**DHAVAL EXPORTS LIMITED****NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020****Overview and Significant Accounting Policies****1. Overview****1.1 Corporate overview**

Dhaval Exports Limited (The Company) is a public limited company incorporated and domiciled in India. Its Shares are listed on Metropolitan Stock exchange (MSE). The company is primarily engaged in the trading of textile goods however no such activity carried out during the year. During the year the company earned income from Brokerage & commission activities. The Registered Office of the company is P-9, Shibtolla Street, 4th Floor, Kolkata - 700007.

**1.1 Statement of compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2019.

The transition from previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2018 being the transition date.

**1.2 Basis of preparation and presentation of consolidated financial statements**

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013, under the historical cost convention on the accrual basis.

**1.3 Principles of Consolidation**

- a) The differences in accounting policies of the Company and its associates are not material.
- b) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- c) Investment in Associates has been accounted under the Equity Method as per Ind AS 28 – Investments in Associates and Joint Ventures.
- d) The companies accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its
- e) Following associates have been considered in the preparation of the Consolidated Financial Statements:

| Name of the company             | Relationship | Country of Incorporation | Ownership in % either directly or indirectly |                  |
|---------------------------------|--------------|--------------------------|--|------------------|
|                                 |              |                          | 31st March, 2020                             | 31st March, 2020 |
| M. R. tex Private Limited       | Associate    | India                    | 42.56  | 42.56            |
| Chandan Fabrics Private Limited | Associate    | India                    | 30.79  | 30.79            |



**1.4 Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. It is held primarily for the purpose of being traded;

- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Company's normal operating cycle;
  - It is held primarily for the purpose of being traded
  - It is due to be settled within 12 months after the reporting date; or the Company does not have an
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR., unless otherwise stated.

**1.5 Use of estimates and judgments**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

**1.6 The areas involving critical estimates or judgments are:**

**a Income taxes**

In assessing the realizability of deferred income tax asset, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are deduced. Refer Note 2.4



|   |  |
|---|--|
| b | <p><b>Property, plant and equipment</b><br/>Property, plant and equipment is very Important part of business of the company. The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of the life. The useful lives and residual values of the Company's assets are determined by the Management at the time that the asset is acquired and reviewed periodically, including at each financial year end. The Lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Refer Note 2.2</p> <p>1.7 <b>Standards issued but not effective</b> (based on Exposure drafts available as on date) Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.</p> <p>2 <b>Significant accounting policies</b><br/>A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.</p> <p>2.1 <b>Investments in associates</b><br/>The investments in associates is carried in these financial statements at historical 'cost', except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.</p> <p>2.2 <b>Property, plant and equipment</b><br/>The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.</p> <p>It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.</p> <p>Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period is capitalised.</p> <p>Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.</p> |
|---|--|



The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

**Subsequent expenditure and componentisation**

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Expenditure on dry docking of rigs and vessels are accounted for as component of relevant assets. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**Depreciation and useful life**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

| Assets              | Years   |
|---------------------|---------|
| Plant & Machinery   | 2 to 40 |
| Furniture & Fixture | 3 to 15 |

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Derecognition**

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

**Impairment**

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





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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

### 2.3 Revenue recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

### 2.4 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### 2.5 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

#### 2.6 Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

##### Short-term employee benefits

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### 2.7 Earnings per share

##### Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

##### Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.



**DHAVAL EXPORTS LIMITED**

**NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020**

**3. PROPERTY, PLANT & EQUIPMENT**

| Description                               | GROSS BLOCK         |                          |                         | DEPRECIATION / AMORTIZATION |                     |              | NET BLOCK               |                     |                      |                      |
|---|---------------------|--------------------------|-------------------------|-----------------------------|---------------------|--------------|-------------------------|---------------------|----------------------|----------------------|
|   | As at April 1, 2019 | Addition during the year | Ded/Adj during the year | As at March 31, 2020        | Upto March 31, 2019 | For the year | Ded/Adj during the year | Upto March 31, 2020 | As at March 31, 2020 | As at March 31, 2019 |
| <b>i. Property, Plant &amp; Equipment</b> |                     |                          |                         |                             |                     |              |                         |                     |                      |                      |
| Furniture & Fixture                       | 21,038.00           | -                        | -                       | 21,038.00                   | 19,986.00           | -            | -                       | 19,986.00           | 1,052.00             | 1,052.00             |
| Mobiles                                   | 5,800.00            | -                        | -                       | 5,800.00                    | 5,510.00            | -            | -                       | 5,510.00            | 290.00               | 290.00               |
| Total                                     | <b>26,838.00</b>    | -                        | -                       | <b>26,838.00</b>            | <b>25,496.00</b>    | -            | -                       | <b>25,496.00</b>    | <b>1,342.00</b>      | <b>1,342.00</b>      |
| Prev. Year                                | <b>26,838.00</b>    | -                        | -                       | <b>26,838.00</b>            | <b>25,496.00</b>    | -            | -                       | <b>25,496.00</b>    | <b>1,342.00</b>      | <b>1,342.00</b>      |



**DHAVAL EXPORTS LIMITED**
**NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020**

| 4. INVESTMENTS-NON CURRENT                                  | As at 31st March, 2020 |                      | As at 31st March, 2019 |                      |
|---|------------------------|----------------------|------------------------|----------------------|
|   | No. of Shares          | Amount (₹)           | No. of Shares          | Amount (₹)           |
| INVESTMENTS MEASURED AT COST                                |                        |                      |                        |                      |
| In Equity Shares of Associate Companies                     |                        |                      |                        |                      |
| <b>Unquoted, fully paid up</b>                              |                        |                      |                        |                      |
| M.R. Tex Pvt. Ltd. (of Rs. 10/ each)                        | 748,000                | 7,480,000.00         | 748,000                | 7,480,000.00         |
| Add: Accumulated Profit/(Loss) in Associate                 |                        | 21,727,190.64        |                        | 19,653,196.88        |
| Chandan Fabrics Pvt. Ltd. (of Rs. 10/ each)                 | 244,700                | 2,447,000.00         | 244,700                | 2,447,000.00         |
| Add: Accumulated Profit/(Loss) in Associate                 |                        | 2,188,592.92         |                        | 2,020,268.61         |
|   | 992,700                | 33,842,783.56        | 992,700.00             | 31,600,465.49        |
| <b>Aggregate amount of Unquoted Investments</b>             | <b>992,700</b>         | <b>33,842,783.56</b> | <b>992,700.00</b>      | <b>31,600,465.49</b> |
|   |                        | March 31,2020        |                        | March 31,2019        |
| 4.1 Equity Accounted in Associates                          |                        | Amount (₹)           |                        | Amount (₹)           |
| i) Total Cost of Investment in Associates                   |                        | 9,927,000.00         |                        | 9,927,000.00         |
| (Above value also include goodwill(net of capital reserve)) |                        |                      |                        |                      |
| ii) Share of Post Acquisition profit                        |                        | 23,915,783.56        |                        | 21,673,465.49        |
| (Net of losses)   |                        |                      |                        |                      |
|   |                        | 33,842,783.56        |                        | 31,600,465.49        |
|   |                        | March 31,2020        |                        | March 31,2019        |
| 5. DEFERRED TAX ASSETS                                      |                        | Amount (₹)           |                        | Amount (₹)           |
| Related to Fixed Assets                                     |                        | 1,173.00             |                        | 1,534.00             |
| <b>Total</b>  |                        | <b>1,173.00</b>      |                        | <b>1,534.00</b>      |
| 6. TRADE RECEIVABLES  |                        |                      |                        |                      |
| (Unsecured, considered good)                                |                        |                      |                        |                      |
| Outstanding for a period exceeding six months               |                        | -                    |                        | -                    |
| Other Debts   |                        | 575,210.00           |                        | -                    |
| <b>Total</b>  |                        | <b>575,210.00</b>    |                        | <b>-</b>             |
| 7. CASH AND CASH EQUIVALENTS                                |                        |                      |                        |                      |
| Balances with banks:  |                        |                      |                        |                      |
| On current account with scheduled banks                     |                        | 688,633.72           |                        | 746,293.72           |
| Cash on hand  |                        | 6,842.00             |                        | 11,292.00            |
| (as certified by the management)                            |                        |                      |                        |                      |
| <b>Total</b>  |                        | <b>695,475.72</b>    |                        | <b>757,585.72</b>    |
| 8. LOANS – CURRENT (UNSECURED AND CONSIDERED GOOD)          |                        |                      |                        |                      |
| (a) Loans and advance to related parties                    |                        |                      |                        |                      |
| Advance Salary paid to KMPs                                 |                        | -                    |                        | 39,000.00            |
| <b>Total</b>  |                        | <b>-</b>             |                        | <b>39,000.00</b>     |
| 9. CURRENT TAX ASSETS (Net)                                 |                        |                      |                        |                      |
| Tax Deducted at Source and Advance Tax(Net of Provisions)   |                        | 69,642.00            |                        | 175,294.00           |
| <b>Total</b>  |                        | <b>69,642.00</b>     |                        | <b>175,294.00</b>    |



**DHAVAL EXPORTS LIMITED**

**NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020**

|  | March 31, 2020<br>Amount (₹) | March 31, 2019<br>Amount (₹) |
|--|------------------------------|------------------------------|
| <b>10. EQUITY SHARE CAPITAL</b>                                  |                              |                              |
| <b>Authorised Shares</b>   |                              |                              |
| 10,00,000 (10,00,000) Equity shares of ₹ 10/- each               | 10,000,000.00                | 10,000,000.00                |
|  | <u>10,000,000.00</u>         | <u>10,000,000.00</u>         |
| <b>Issued, Subscribed and fully paid-up Shares</b>               |                              |                              |
| 99,60,000 (99,60,000) Equity shares of ₹ 10/- each fully paid up | 9,960,000.00                 | 9,960,000.00                 |
| <b>Total issued, subscribed and fully paid-up share capital</b>  | <u>9,960,000.00</u>          | <u>9,960,000.00</u>          |

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

|   | March 31, 2020 |                     | March 31, 2019 |                     |
|---|----------------|---------------------|----------------|---------------------|
|   | No. of shares  | Amount (₹)          | No. of shares  | Amount (₹)          |
| <b>Equity Shares</b>                      |                |                     |                |                     |
| At the beginning of the year              | 996,000        | 9,960,000.00        | 996,000        | 9,960,000.00        |
| <b>Outstanding at the end of the year</b> | <u>996,000</u> | <u>9,960,000.00</u> | <u>996,000</u> | <u>9,960,000.00</u> |

**b) Terms and Rights attached to Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholder.

**c) Details of shareholders holding more than 5% shares in the Company**

| Equity shares of Rs. 10/- each fully paid up | March 31, 2020 |           | March 31, 2019 |           |
|--|----------------|-----------|----------------|-----------|
|  | No. of shares  | % holding | No. of shares  | % holding |
| Bhag Chand Jain                              | 180,000        | 18.07     | 180,000        | 18.07     |
| Nitesh Jain                                  | 90,000         | 9.04      | 90,000         | 9.04      |
| Vikash Jain                                  | 145,000        | 14.56     | 145,000        | 14.56     |
| Ekta Jain                                    | 79,970         | 8.03      | 79,970         | 8.03      |
| Vidhya Devi Jain                             | 60,000         | 6.02      | 60,000         | 6.02      |

**11. OTHER EQUITY**

|  | March 31, 2020<br>Amount (₹) | March 31, 2019<br>Amount (₹) |
|--|------------------------------|------------------------------|
| <b>Retained Earnings</b>                               |                              |                              |
| Balance as per the last financial statements           | 22,585,611.21                | 20,548,637.28                |
| Profit / (Loss) for the year                           | 2,519,565.07                 | 2,036,973.93                 |
| Less: Appropriations                                   | -                            | -                            |
| <b>Net Surplus in the Statement of Profit and Loss</b> | <u>25,105,176.28</u>         | <u>22,585,611.21</u>         |
| <b>Total</b>   | <u>25,105,176.28</u>         | <u>22,585,611.21</u>         |

**12. OTHER CURRENT LIABILITIES**

|                  | March 31, 2020    | March 31, 2019   |
|------------------|-------------------|------------------|
| Other Payables * | 120,450.00        | 29,610.00        |
|                  | <u>120,450.00</u> | <u>29,610.00</u> |

\* Other Payables include Liability for expenses



**DHAVAL EXPORTS LIMITED****NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020**

|                                      | March 31,2020       | March 31,2019     |
|--------------------------------------|---------------------|-------------------|
|                                      | Amount (₹)          | Amount (₹)        |
| <b>13. REVENUE FROM OPERATIONS</b>   |                     |                   |
| Brokerage & Commission               | 1,409,609.00        | -                 |
|                                      | <u>-</u>            | <u>-</u>          |
|                                      | <b>1,409,609.00</b> | <b>-</b>          |
| <b>14. OTHER INCOME</b>              |                     |                   |
| Consultancy Fees                     | 350,000.00          | 960,000.00        |
| Interest on IT Refund                | 6,355.00            | 1,440.00          |
|                                      | <u>356,355.00</u>   | <u>961,440.00</u> |
| <b>15. EMPLOYEE BENEFITS EXPENSE</b> |                     |                   |
| Salaries                             | 950,000.00          | 533,000.00        |
| <b>Total</b>                         | <u>950,000.00</u>   | <u>533,000.00</u> |
| <b>16. OTHER EXPENSES</b>            |                     |                   |
| Advertisement                        | 25,754.00           | 23,168.00         |
| Bank charges                         | 1,062.00            | 855.50            |
| Custodian Fees                       | 56,640.00           | 20,240.00         |
| Conveyance Expenses                  | 8,750.00            | 5,600.00          |
| Filing Fees                          | 15,352.00           | 10,973.00         |
| General Expenses                     | 29,144.00           | 27,340.00         |
| Interest on TDS                      | 230.00              | -                 |
| MCX Fees                             | 64,900.00           | 64,900.00         |
| Payment to Auditor                   | 89,680.00           | 70,800.00         |
| Postage & Courier                    | 4,906.00            | -                 |
| Printing and Stationary              | 900.00              | 850.00            |
| Professional Fees                    | 114,370.00          | 117,270.00        |
| Rates and Taxes                      | 4,650.00            | 4,650.00          |
| Retainership Fees                    | 37,000.00           | 37,000.00         |
| Website Expenses                     | -                   | 9,800.00          |
| <b>Total</b>                         | <u>453,338.00</u>   | <u>393,446.50</u> |
| <b>16.1 Payment to Auditor as:</b>   |                     |                   |
| <b>Auditor</b>                       |                     |                   |
| Statutory Audit Fees                 | 29,500.00           | 29,500.00         |
| Other Services                       | 60,180.00           | 44,840.00         |
|                                      | <u>89,680.00</u>    | <u>74,340.00</u>  |

**17. EARNING PER SHARE (EPS)**

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share.

|   | March 31,2020 | March 31,2019 |
|---|---------------|---------------|
| (a) Profit after tax (Profit attributable to ordinary share holders- for Basic and Diluted EPS) | 2,519,565.07  | 2,036,973.93  |
| (b) Weighted average number of Ordinary Shares for Basic & Diluted -EPS                         | 996,000.00    | 996,000.00    |
| (c) Nominal value of Ordinary Shares (₹)  | 10.00         | 10.00         |
| (d) Basic and Diluted Earnings per Ordinary Share (₹)   | 2.53          | 2.05          |



**DHAVAL EXPORTS LIMITED**

**NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020**

**18 SEGMENT REPORTING**

the Company's operation predominantly comprises of only one segment "Brokerage & Commission" and therefore segment reporting as per Ind As 108 "Operating Segments", is not applicable to the company.

**19 Related Party Disclosures**

(i) Related party relationship

(i) Key Management Personnel (KMP):

- (a) Nitesh Jain- Director
- (b) Ashok Kumar - Director
- (c) Pradeep Kumar Bhawsinghka - Director
- (d) Sima Devi More - Director
- (e) Ashish More-Whole Time Director
- (f) Manish Harsh-CFO
- (g) Dipti Jain-Company Secretary
- (h) Rohit Jain

(ii) Associate

- (a) M R Tex Pvt. Ltd.
- (b) Chandan Fabrics Pvt. Ltd.

(iii) Relatives of Director

- (a) Vikash Jain - Brother of Director
- (b) Ashish Harsh- Brother of CFO
- (c) Rabindra Kumar More- Father of Whole time Director

(iv) Promoter Group

- (a) M R Business Pvt. Ltd.
- (b) M R Creation Pvt. Ltd.
- (c) M R Emporium Pvt. Ltd.
- (d) M.R. Fabrics (Ranchi) Pvt. Ltd.
- (e) M.R. Manokamna Pvt. Ltd.
- (f) M. R. Selection Pvt. Ltd.
- (g) M R Silk Emporium Pvt. Ltd.
- (h) Shama Synthetics Pvt. Ltd.
- (i) Recon Marketing Pvt. Ltd.
- (j) Phymax Developers Pvt. Ltd.
- (k) Zulex Merchandise Pvt. Ltd.



## (iii) Related Party Transactions between the company and related parties and status of outstanding balances:

| Transactions                                     | KMP               | Associate           | Relatives of KMP  | Promoter Group | Grand Total         |
|--|-------------------|---------------------|-------------------|----------------|---------------------|
| <b>(a) Remunerations</b>                         |                   |                     |                   |                |                     |
| Ashish More                                      | 240,000.00        | -                   | -                 | -              | 240,000.00          |
| Dipti Jain                                       | 50,000.00         | -                   | -                 | -              | 50,000.00           |
| Manish Harsh                                     | 260,000.00        | -                   | -                 | -              | 260,000.00          |
| Rohit Jain                                       | 40,000.00         | -                   | -                 | -              | 40,000.00           |
| Rabindra Kumar More                              | -                 | -                   | 132,000.00        | -              | 132,000.00          |
| Ashish Harsh                                     | -                 | -                   | 108,000.00        | -              | 108,000.00          |
| <b>Total</b>                                     | <b>590,000.00</b> | <b>-</b>            | <b>240,000.00</b> | <b>-</b>       | <b>830,000.00</b>   |
| <b>Previous Year</b>                             |                   |                     |                   |                |                     |
| Ashish More                                      | 204,000.00        | -                   | -                 | -              | 204,000.00          |
| Manish Harsh                                     | 219,000.00        | -                   | -                 | -              | 219,000.00          |
| Rohit Jain                                       | 110,000.00        | -                   | -                 | -              | 110,000.00          |
| <b>Total</b>                                     | <b>533,000.00</b> | <b>-</b>            | <b>-</b>          | <b>-</b>       | <b>533,000.00</b>   |
| <b>(b) Brokerage &amp; Commission</b>            |                   |                     |                   |                |                     |
| Deshna Creation (Prp. M. R. Creation Pvt Ltd)    | -                 | -                   | -                 | 1,339,119.00   | 1,339,119.00        |
| <b>Previous year</b>                             |                   |                     |                   |                |                     |
|  | -                 | -                   | -                 | 1,339,119.00   | 1,339,119.00        |
| <b>(c) Advance Salary Paid</b>                   |                   |                     |                   |                |                     |
| <b>Total</b>                                     | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>-</b>       | <b>-</b>            |
| <b>Previous Year</b>                             |                   |                     |                   |                |                     |
| Manish Harsh                                     | 39,000.00         | -                   | -                 | -              | 39,000.00           |
| <b>Total</b>                                     | <b>39,000.00</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>       | <b>39,000.00</b>    |
| <b>(d) Office Expenses/General Expenses</b>      |                   |                     |                   |                |                     |
| M.R. Tex (P) Ltd.                                | -                 | 20,000.00           | -                 | -              | 20,000.00           |
| <b>Total</b>                                     | <b>-</b>          | <b>20,000.00</b>    | <b>-</b>          | <b>-</b>       | <b>20,000.00</b>    |
| <b>Previous Year</b>                             |                   |                     |                   |                |                     |
| M.R. Tex (P) Ltd.                                | -                 | 20,000.00           | -                 | -              | 20,000.00           |
| <b>Total</b>                                     | <b>-</b>          | <b>20,000.00</b>    | <b>-</b>          | <b>-</b>       | <b>20,000.00</b>    |
| <b>Balance Outstanding as on 31st March 2020</b> |                   |                     |                   |                |                     |
| <b>Loans &amp; Advances</b>                      |                   |                     |                   |                |                     |
| <b>(a)</b>                                       |                   |                     |                   |                |                     |
| Manish Harsh                                     | -                 | -                   | -                 | -              | -                   |
| <b>Total</b>                                     | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>-</b>       | <b>-</b>            |
| <b>Previous Year</b>                             |                   |                     |                   |                |                     |
| Manish Harsh                                     | 39,000.00         | -                   | -                 | -              | 39,000.00           |
| <b>Total</b>                                     | <b>39,000.00</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>       | <b>39,000.00</b>    |
| <b>(b) Liability for expenses</b>                |                   |                     |                   |                |                     |
| Ashish Harsh                                     | -                 | -                   | 9,000.00          | -              | 9,000.00            |
| Ashish More                                      | 20,000.00         | -                   | -                 | -              | 20,000.00           |
| Dipti Jain                                       | 15,000.00         | -                   | -                 | -              | 15,000.00           |
| Manish Harsh                                     | 22,870.00         | -                   | -                 | -              | 22,870.00           |
| Rabindra Kumar More                              | -                 | -                   | 11,000.00         | -              | 11,000.00           |
| <b>Total</b>                                     | <b>57,870.00</b>  | <b>-</b>            | <b>20,000.00</b>  | <b>-</b>       | <b>77,870.00</b>    |
| <b>Previous Year</b>                             |                   |                     |                   |                |                     |
| <b>Total</b>                                     | <b>-</b>          | <b>-</b>            | <b>-</b>          | <b>-</b>       | <b>-</b>            |
| <b>(c) Investment</b>                            |                   |                     |                   |                |                     |
| Chandan Fabrics Private Limited                  | -                 | 2,447,000.00        | -                 | -              | 2,447,000.00        |
| M. R. Tex Private Limited                        | -                 | 7,480,000.00        | -                 | -              | 7,480,000.00        |
| <b>Total</b>                                     | <b>-</b>          | <b>9,927,000.00</b> | <b>-</b>          | <b>-</b>       | <b>9,927,000.00</b> |
| <b>Previous Year</b>                             |                   |                     |                   |                |                     |
| Chandan Fabrics Private Limited                  | -                 | 2,447,000.00        | -                 | -              | 2,447,000.00        |
| M. R. Tex Private Limited                        | -                 | 7,480,000.00        | -                 | -              | 7,480,000.00        |
| <b>Total</b>                                     | <b>-</b>          | <b>9,927,000.00</b> | <b>-</b>          | <b>-</b>       | <b>9,927,000.00</b> |





**DHAVAL EXPORTS LIMITED**

**NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020**

**20 MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

| Particulars   | As at March 31, 2020 |                      |                      | As at March 31, 2019 |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | within 12 month      | After 120 month      | Total                | within 12 month      | After 120 month      | Total                |
| <b>Assets</b>   |                      |                      |                      |                      |                      |                      |
| <b>Financial Assets</b>   |                      |                      |                      |                      |                      |                      |
| Cash and cash equivalents   | 695,475.72           | -                    | 695,475.72           | 757,585.72           | -                    | 757,585.72           |
| Trade Receivables   | 575,210.00           | -                    | 575,210.00           | -                    | -                    | -                    |
| Loans   | -                    | -                    | -                    | 39,000.00            | -                    | 39,000.00            |
| Investments   | -                    | 33,842,783.56        | 33,842,783.56        | -                    | 31,600,465.49        | 31,600,465.49        |
| <b>Non-Financial Assets</b>   |                      |                      |                      |                      |                      |                      |
| Current Tax assets  | 69,642.00            | -                    | 69,642.00            | 175,294.00           | -                    | 175,294.00           |
| Deferred Tax assets   | -                    | 1,173.00             | 1,173.00             | -                    | 1,534.00             | 1,534.00             |
| Property, plant & equipment   | -                    | 1,342.00             | 1,342.00             | -                    | 1,342.00             | 1,342.00             |
| <b>Total Assets</b>   | <b>1,340,327.72</b>  | <b>33,845,298.56</b> | <b>35,185,626.28</b> | <b>971,879.72</b>    | <b>31,603,341.49</b> | <b>32,575,221.21</b> |
| <b>Liabilities</b>  |                      |                      |                      |                      |                      |                      |
| <b>Financial Liabilities</b>  |                      |                      |                      |                      |                      |                      |
| Payables  | -                    | -                    | -                    | -                    | -                    | -                    |
| Other Payables  | -                    | -                    | -                    | -                    | -                    | -                    |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                    | -                    | -                    | -                    | -                    | -                    |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 120,450.00           | -                    | 120,450.00           | 29,610.00            | -                    | 29,610.00            |
| <b>Non-Financial Liabilities</b>  | -                    | -                    | -                    | -                    | -                    | -                    |
| <b>Total Liabilities</b>  | <b>120,450.00</b>    | <b>-</b>             | <b>120,450.00</b>    | <b>29,610.00</b>     | <b>-</b>             | <b>29,610.00</b>     |
| <b>Net</b>  | <b>1,219,877.72</b>  | <b>33,845,298.56</b> | <b>35,065,176.28</b> | <b>942,269.72</b>    | <b>31,603,341.49</b> | <b>32,545,611.21</b> |

**21 Disclosure under the MSME Act 2006, (as per the intimation received from the vendor)**

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED ') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

| Particulars   | As at March 31, 2020 | As at March 31, 2020 |
|---|----------------------|----------------------|
|   | Amount (₹)           | Amount (₹)           |
| The principal amount remaining unpaid to supplier as at the end of the year   | -                    | -                    |
| The interest due thereon remaining unpaid to supplier as at the end of the year   | -                    | -                    |
| The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year  | -                    | -                    |
| The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act   | -                    | -                    |
| The amount of interest accrued during the year and remaining unpaid at the end of the year  | -                    | -                    |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006 | -                    | -                    |



**DHAVAL EXPORTS LIMITED****NOTES to the Consolidated Financial Statements for the year ended 31st March, 2020****22 Adoption of Indian Accounting Standards (IND AS)****A. Mandatory exceptions to retrospective application**

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

**(i) Estimates**

On assessment of estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates under Ind AS, as there is no objective evidence of an error in those estimates.

**(ii) Classification and measurement of financial assets**

The classification of financial assets to be measured at historical cost or amortised cost or fair value through other comprehensive income is made on the basis of facts and circumstances that existed on the date of transaction to Ind AS.

**23 Reconciliation under Ind AS 101****i) Reconciliation of Equity as at 1st April, 2018**

| Particulars                           | Note Ref. | As at 1st April, 2018 |             |                      |
|---------------------------------------|-----------|-----------------------|-------------|----------------------|
|                                       |           | Previous GAAP         | Adjustments | IND AS               |
| <b>ASSETS</b>                         |           |                       |             |                      |
| <b>Non Current Assets</b>             |           |                       |             |                      |
| a) Property, plant & equipment        |           | 1,342.00              | -           | 1,342.00             |
| <b>Financial Assets</b>               |           |                       |             |                      |
| i) Investments                        |           | 29,583,411.06         | -           | 29,583,411.06        |
| b) Deferred Tax Assets (Net)          |           | 1,743.00              | -           | 1,743.00             |
| <b>Current Assets</b>                 |           |                       |             |                      |
| <b>Financial assets</b>               |           |                       |             |                      |
| i) Trade Receivable                   |           | 548,500.00            | -           | 548,500.00           |
| ii) Cash & Cash equivalents           |           | 231,158.22            | -           | 231,158.22           |
| iii) Loans                            |           | 64,000.00             | -           | 64,000.00            |
| Current Tax Assets(Net)               |           | 108,093.00            | -           | 108,093.00           |
| <b>Total Assets</b>                   |           | <b>30,538,247.28</b>  | <b>-</b>    | <b>30,538,247.28</b> |
| <b>EQUITY &amp; LIABILITIES</b>       |           |                       |             |                      |
| <b>Equity</b>                         |           |                       |             |                      |
| i) Equity Share Capital               |           | 9,960,000.00          | -           | 9,960,000.00         |
| ii) Other Equity                      |           | 20,548,637.28         | -           | 20,548,637.28        |
| <b>Current Liabilities</b>            |           |                       |             |                      |
| i) Other current liabilities          |           | 29,610.00             | -           | 29,610.00            |
| <b>Total Equity &amp; Liabilities</b> |           | <b>30,538,247.28</b>  | <b>-</b>    | <b>30,538,247.28</b> |



| ii) Reconciliation of Equity as at 31st March, 2019 |           |                        |             |                      |
|---|-----------|------------------------|-------------|----------------------|
| Particulars   | Note Ref. | As at 31st March, 2019 |             |                      |
|   |           | Previous GAAP          | Adjustments | IND AS               |
| <b>ASSETS</b>                                       |           |                        |             |                      |
| <b>Non Current Assets</b>                           |           |                        |             |                      |
| a) Property, plant & equipment                      |           | 1,342.00               | -           | 1,342.00             |
| <b>Financial Assets</b>                             |           |                        |             |                      |
| i) Investments                                      |           | 31,600,465.49          | -           | 31,600,465.49        |
| b) Deferred Tax Assets (Net)                        |           | 1,534.00               | -           | 1,534.00             |
| <b>Current Assets</b>                               |           |                        |             |                      |
| <b>Financial assets</b>                             |           |                        |             |                      |
| i) Trade Receivable                                 |           | -                      | -           | -                    |
| ii) Cash & Cash equivalents                         |           | 757,585.72             | -           | 757,585.72           |
| iii) Loans  |           | 39,000.00              | -           | 39,000.00            |
| Current Tax Assets(Net)                             |           | 175,294.00             | -           | 175,294.00           |
| <b>Total Assets</b>                                 |           | <b>32,575,221.21</b>   | <b>-</b>    | <b>32,575,221.21</b> |
| <b>EQUITY &amp; LIABILITIES</b>                     |           |                        |             |                      |
| <b>Equity</b>                                       |           |                        |             |                      |
| i) Equity Share Capital                             |           | 9,960,000.00           | -           | 9,960,000.00         |
| ii) Other Equity                                    |           | 22,585,611.21          | -           | 22,585,611.21        |
| <b>Current Liabilities</b>                          |           |                        |             |                      |
| i) Other current liabilities                        |           | 29,610.00              | -           | 29,610.00            |
| <b>Total Equity &amp; Liabilities</b>               |           | <b>32,575,221.21</b>   | <b>-</b>    | <b>32,575,221.21</b> |

24 Additional information as required by Paragraph 2 of the General Instructions for preparation of Consolidated Financial Statements of Schedule III of the Companies Act, 2013

| Name of the Entity              | Net Assets i.e. total assets minus total liabilities |               | Share in profit or (Loss)                 |              |
|---------------------------------|--|---------------|---|--------------|
|                                 | As % of consolidated net assets                      | Amount (Rs.)  | As % of consolidated net Profit or (Loss) | Amount (Rs.) |
| Chandan Fabrics Private limited | 30.79  | 4,635,592.92  | 30.79                                     | 168,324.31   |
| M. R. Tex Private Limited       | 42.56  | 29,207,190.64 | 42.56                                     | 2,073,993.76 |

As per our report of even date attached

For and on behalf of the Board of Directors

For AGRAWAL B. KUMAR & CO.

For DHAVAL EXPORTS LIMITED

For DHAVAL EXPORTS LIMITED

Chartered Accountants

Firm's Registration No. 313100E

Ashish K. More

Director

Director

Director

Director

Gulab Prasad Sharma

(G. P. SHARMA)

Partner

Membership Number: 066536

UDIN: 20066536AAAABL9304

ASHISH MORE  
DIN-07155893

NITESH JAIN  
DIN - 00454763

WHOLE TIME DIRECTOR

Place: Kolkata

Date:

UDIN: 10 SEP 2020

Dipti Jain  
(COMPANY SECRETARY)

For DHAVAL EXPORTS LTD.

Manish Thakur

Compliance Officer



INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)

TO  
THE MEMBERS OF  
DHAVAL EXPORTS LIMITED

1. The Corporate Governance Report prepared by Dhaval Exports Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

#### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.



### Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

### Other Matters and Restriction on use

10. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

Place : Kolkata  
Date : The 31st day of July, 2020



For Agrawal B.Kumar & Co.  
Chartered Accountants  
ICAI Firm Reg. No. 313100E

*Gulab Prasad Sharma*

(G.P.Sharma)  
(Partner)

Membership No. 066536

UDIN: 20066536AAAACJ3286