

FORM NO. MR-3

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

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018**

To,
The Members,
Dhanvarsha Finvest Limited.
B Wing, 813/2, Mondeal Square,
Opp. Karnavati Club, S.G. Highway,
Ahmedabad -380015 (GJ)

We have conducted the secretarial audit with respect of the compliance with applicable statutory provisions and the adherence to good corporate practices by **Dhanvarsha Finvest Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2018** according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (v) The industry specific laws, RBI Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, labour and other applicable laws as provided by the management of the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.



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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review, resolutions were carried through majority. The minutes of the meetings held during the audit period did not reveal any dissenting member's view. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

We further report that during the audit period the Company had following events:

1. Increased its Authorized Capital from Rs.10 Crores to Rs.13.5 Crores by adding 35 lakh equity shares of Rs.10/- each.
2. Passed Special Resolutions for
 - a. Alteration of Articles of Association of the Company w.r.t. increase in Authorized Capital from Rs.10 Crores to Rs.13.5 Crores;
 - b. Preferential Issue of 57,42,200 Equity Shares of Rs. 10/- to Truvalue Agro Ventures Private Limited;
 - c. Reclassification of Promoters under Regulation 31(A) of SEBI (LODR) Regulations 2015;
3. Truvalue Agro Ventures Private Limited has made an open offer for acquisition of upto 35,10,000 Equity Shares representing 26% of the total Expanded Equity Share Capital / Voting Capital of the Company from existing shareholders of the Company at an offer price of Rs.21/- per Equity Share of Rs.10/- each payable in cash.
4. The Company has made application with Reserve Bank of India seeking prior approval for change in management and shareholding of the Company. Prior approval was accorded by Reserve Bank of India on June 18, 2018.
5. 57,42,200 Equity Shares of Rs.10/- were allotted to Truvalue Agro Ventures Private Limited at Rs.21/- per Equity Share on June 29, 2018, within 15 days of receipt of prior approval from Reserve Bank of India.

Date: 10.07.2018
Place: Ahmedabad



Viral Ranpura
(ACS 28496) (COP 10361)
Company Secretary

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

Annexure

To,
The Members,
Dhanvarsha Finvest Limited.
B Wing, 813/2, Mondeal Square,
Opp. Karnavati Club, S.G. Highway,
Ahmedabad -380015 (GJ)

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained management representation about the compliance of applicable laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures of test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 10.07.2018
Place: Ahmedabad



Viral Ranpura
(ACS 28496) (COP 10361)
Company Secretary