

MMJC & Associates LLP

Company Secretaries

Ecstasy, 803/804, 9th Floor, City of Joy, J.S.D Road, Mulund (West), Mumbai- 400080, (T) 21678100

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2019

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

Dhanvarsha Finvest Limited

B-Wing, 813/2, Mondeal Square

Opp. Karnavati Club, S G Highway

Ahmedabad - 380015

We have conducted the secretarial audit of the compliance of 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, 2019 (hereinafter called the 'Audit Period') 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, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings; (Not Applicable during the Audit Period);

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(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified on 11th September, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018 **(Not Applicable to the Company during the Audit Period);**

(vi) The rules, regulations and guidelines issued by the Reserve Bank of India as are applicable to Non-Systematic, Non-Deposit taking Non-Banking Financial Company with Classification as 'Investment & Credit Company' which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to "LODR")

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc except as mentioned below:

1. The Company has submitted the proceedings of Extra Ordinary General Meeting held on 29th of May, 2018 to Stock Exchange in delay.

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2. *Haribhakti & Co. LLP, Statutory Auditors of the Company have been appointed at the Annual General Meeting held on 28th August, 2017 for a term of two years.*
3. *The Company, under Section 179 read with Section 117 of the Act, has not filed e-form MGT - 14.*

We further report that, having regard to the compliance system prevailing in the company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with NBFC to the extent applicable.

We further report that

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

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

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the Audit Period the Company has:

- (a) Increased the limits under Section 180(1)(a) and Section 180(1)(c) to Rs. 200,00,00,000 (Rupees Two Hundred Crores) and further to Rs. 2000,00,00,000 (Rupees Two Thousand Crores) in EGM held on 28th May, 2018 and AGM Held on 28th September, 2018 respectively.
- (b) Increased its Authorized Share capital from Rs. 13,50,00,000 (divided into 1,35,00,000 equity shares of Rs.10/- each) to Rs. 50,00,00,000 (divided into 5,00,00,000 Equity shares of Rs.10/- each), by creation of 3,65,00,000 Equity shares of Rs.10/- each.
- (c) Adopted a new Articles of Association.
- (d) Issued 7,75,200 convertible warrants on preferential basis as per the terms of issue and further allotted 57,42,200 Equity shares on preferential basis to Wilson Holdings Private Limited (formerly known as "Truvalue Agro Ventures Private Limited).
- (e) Pursuant to Reserve Bank of India approval for the change in management and shareholding, Wilson Holdings Private Limited completed Open Offer under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and categorised as Promoter of the Company.

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(f) Pursuant to approval accorded by BSE Limited on February 26, 2019, Mrs. Aarti Jagdishkumar Thakkar and Mr. Malay Rohitkumar Bhow were reclassified from 'Promoter Category' to 'Public Category' under Regulation 31A of LODR.

We further report that the company is in process of Shifting of Registered Office of the Company from the State of Gujarat to the State of Maharashtra.

For MMJC & Associates LLP
Practising Company Secretaries



Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346

Place: Mumbai

Date: 21st May, 2019

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

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

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

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

For MMJC & Associates LLP
Practising Company Secretaries


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Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346



Place: Mumbai
Date: 21st May, 2019