

30th Annual Report

2015-2016



DHANADA

DHANADA CORPORATION LTD.

Our Mission

Create financial wealth for our shareholders,

Act with integrity, competence and dignity,

Practise and encourage others to practise
in a professional and ethical manner.

Use reasonable care and exercise
independent professional judgement.

COMPANY PROFILE

BOARD OF DIRECTORS

Ramesh Havele, *Chairman and Managing Director* (DIN: 00007580)

Veena Havele, *Director* (DIN: 00007593)

Shreeniwas Kale, *Director* (DIN: 00150957)

Ramesh Pradhan, *Chief Financial Officer*

AUDITORS

G. K. Chandavarkar & Co. Chartered Accountants

BANKERS

HDFC Bank Ltd.

Axis Bank Ltd.

IDBI Bank Ltd.

ICICI Bank Ltd.

State Bank of India

Bank of Maharashtra

REGISTERED AND CORPORATE OFFICE

‘Dhanada’ 16/6, Erandawana Housing Society,

Plot No. 8, Patwardhan Baug,

Pune 411004, Maharashtra, India

Telefax: +91 20-25462408 / 25460661

Email: dhanada@ghanadacorp.com

Website: dhanadacorp.com

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.

Pune Office:

Block No. 202, 2nd Floor,

Akshay Complex, Near Ganesh Temple,

Off. Dhole Patil Road, Pune 411001.

Tel.: +91 20-26161629

Mumbai Office:

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (West)

Mumbai 400078

Tel.: +91 22-25963838

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SUMMARY OF SELECTED FINANCIAL DATA

(Rs. in Cr.)

Particulars	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	AAGR* %	Standard Deviation
Total Income from Operations	0.002	3.74	2.62	2.83	4.49	6.36	5.35	11.19	12.03	11.27	9.60	8.77	8.60	13	41
Profit Before Depreciation and Interest	(0.03)	2.28	2.39	2.39	4.02	0.90	0.30	2.66	1.88	1.77	1.53	1.72	2.09	64	243
Financial Charges	1.08	0.59	0.07	0.11	0.26	1.84	2.04	2.14	2.18	2.20	2.23	2.28	2.56	69	187
Gross Profit / (Loss)	(1.11)	1.69	2.32	2.29	3.76	(0.94)	(1.74)	0.52	(0.30)	(0.43)	(0.70)	(0.56)	(0.47)	(14)	86
Depreciation	-	0.72	0.72	0.71	0.43	0.78	1.90	2.09	2.04	2.01	1.95	2.64	2.55	20	51
Profit / (Loss) Before Tax	(1.11)	0.97	1.61	1.57	3.33	(1.72)	(3.77)	(1.57)	(2.34)	(2.44)	(2.65)	(3.20)	(3.02)	15	76
Profit / (Loss) After Tax	(1.11)	0.97	1.61	1.46	2.87	(1.73)	(3.64)	(0.87)	(2.59)	(1.75)	(2.67)	(3.10)	(3.01)	(31)	132
Minority Interest in Net Income/(Loss)	- #	- #	-	-	-	(0.31)	(0.58)	(0.17)	(0.29)	(0.62)	(0.77)	(0.16)	(0.12)	-	-
Net Profit / (Loss) After Minority Interest	(1.11)*	0.97*	1.61	1.46	2.87	(1.42)	(3.06)	(0.70)	(2.30)	(1.13)	(1.90)	(2.94)	(2.89)	31	104
Cash Profit / (Loss)	(1.11)	1.69	2.32	2.29	3.76	(0.94)	(1.87)	0.52	(0.30)	(0.43)	(0.70)	(0.56)	(0.47)	(13)	88
Basic Earning per Share Rs.	(1.33)	1.17	0.97	0.42	1.55	(1.14)	(0.86)	(0.14)	(0.47)	(0.20)	(0.34)	(0.53)	(0.52)	21	119
Book Value per Share Rs.	(0.73)	0.44	1.53	1.95	3.50	2.36	4.60	4.70	4.87	5.89	5.79	4.80	4.05	37	80
Market Value per Share (Rs.)	N.T.	N.T.	N.T.	N.T.	8.08	5.95	8.59	8.65	14.30	13.05	5.55	6.00	6.10	3	38
Market Capitalisation as at 31st March	N.A.	N.A.	N.A.	N.A.	10.10	7.44	38.14	42.47	72.22	72.95	31.02	33.54	34.10	53	150
EQUITY AND LIABILITIES															
Shares Capital:															
- Equity Shares	8.31*	8.31*	1.25	1.25	1.25	1.25	4.44	4.91	5.05	5.59	5.59	5.59	5.59		
- Convertible Preference Shares	-	-	10.00	10.00	10.00	10.00	-	-	-	-	-	-	-		
Reserves and Surplus	(8.92)	(7.95)	0.66	1.18	3.11	15.83	20.27	18.50	19.54	27.36	26.79	21.23	17.05		
Minority Interest	-	-	-	-	-	1.58	1.00	0.83	0.65	0.03	-	0.04	-		
Non-Current Liabilities	13.74	1.00	-	5.00	11.07	13.74	14.87	13.52	15.78	7.64	5.83	4.58	3.74		
Current Liabilities	3.26	14.13	10.92	11.21	16.88	3.42	6.73	9.92	8.96	12.12	15.21	16.48	19.53		
Total	16.39	15.50	22.83	28.64	42.31	45.82	47.31	47.68	49.98	52.74	53.42	47.92	45.91		
ASSETS															
Non-Current Assets															
Net Fixed Assets	15.60	14.89	14.18	13.58	16.94	39.25	42.29	41.86	40.11	38.74	37.35	34.26	31.78		
Goodwill on Consolidation	-	-	-	-	-	-	1.32	0.71	2.93	4.31	6.46	4.39	3.17		
Non-Current Investments	0.03	0.03	4.86	4.45	4.98	0.31	0.003	0.003	0.003	0.003	0.003	0.003	0.003		
Deferred Tax Asset	-	-	-	-	-	0.07	0.21	0.91	1.31	2.00	2.01	2.10	2.10		
Other Non-Current Assets	0.09	0.09	0.08	5.19	11.19	0.32	0.35	0.68	0.96	5.28	5.47	5.37	5.44		
Current Assets															
Current Investments	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Current Assets	0.67	0.49	3.71	5.42	9.20	5.87	3.14	3.52	4.67	2.41	2.13	1.80	3.42		
Total	16.39	15.50	22.83	28.64	42.31	45.82	47.31	47.68	49.98	52.74	53.42	47.92	45.91		
Financial Results and Statistics														Average	Standard Deviation
Profit before depreciation and interest as a percentage of Total Income	-	61	91	85	90	14	6	24	16	16	16	20	24	40	34
Profit after Tax as % of Total Income	-	-	61	52	64	(27)	(68)	(8)	(22)	(16)	(28)	(35)	(35)	(3)	43
Price / Book Value Ratio	-	N.A.	N.A.	N.A.	2	3	2	2	3	2	1	1	2	2	1
Corporate Performance vs BSE Index															
1) Annual Percentage change in Book Value	-	-	247	28	80	(32)	95	2	4	21	(2)	(17)	(16)	34	77
2) Annual Percentage change in BSE Index	-	-	75	17	21	(36)	82	11	(10)	8	19	25	(9)	17	33
3) Relative Performance (1) - (2)	-	-	172	11	59	4	13	(9)	14	13	(20)	(42)	(6)	17	54

*Average Annual Growth Rate

N.T.: Not Traded (as trading was suspended since 2nd July 2002 to 7th May 2007)

N.A. : Not Available/Applicable

Face value of equity shares of Rs. 10/- each. Face Value reduced to Re. 1/- on 25th October 2005.

From the year 2008-09 Consolidated figures are given.

NOTICE OF ANNUAL GENERAL MEETING

The 30th Annual General Meeting of DHANADA CORPORATION LIMITED will be held on Friday, 30th September 2016 at 4.00 p.m. at the registered office of the Company at 'Dhanada', 16/6, Erandawana Housing Society, Plot No. 8, Patwardhan Baug, Pune – 411004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended on 31st March 2016 and the Balance Sheet as on that date together with Report of Auditors and Directors thereon and annexures thereto.
2. To appoint a Director in place of Mrs. Veena Ramesh Havele (DIN 00007593) who retires by rotation and being eligible offers herself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder M/s. Shashank Patki and Associates, Chartered Accountants, having Firm Registration No. 122054W of Pune, be and are hereby appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the 35th Annual General Meeting of the Company (subject to ratification of the appointment by members at every Annual General Meeting, if required) at a remuneration as may be mutually decided by the Chairman and Managing Director of the Company in negotiation with the said M/s. Shashank Patki and Associates plus Service Tax as applicable and re-imbursment of actual out-of-pocket expenses incurred by them.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT subject to the provisions of Sections 149 and 152 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Dilip Arvind Prabhune (DIN 01779383), in respect of whom the Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing candidature for the office of a Director, be and is hereby appointed as the Non – Executive Independent Director of the Company for a term of 5 (Five) consecutive years with effect from 30th September 2016 and whose office shall not be liable to determination by retirement by rotation.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“WHEREAS Shri. Ramesh R. Havele (DIN 00007580), Managing Director of the Company was re-appointed as Managing Director of the Company by the Board of Directors w.e.f. 25th October 2015,

WHEREAS pursuant to the provisions of Sections 196 read with Schedule V and other applicable provisions of the Companies Act, 2013, the re-appointment of Managing Director shall be approved by the shareholders of the Company,

NOW THEREFORE IT IS RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, consent of the Company be and is hereby given for re-appointment of Shri. Ramesh R. Havele (DIN 00007580) as Managing Director of the Company with effect from 25th October 2015 for a further period of 5 (Five) years.

RESOLVED FURTHER THAT Shri. Ramesh R. Havele (DIN 00007580) shall be entitled to such remuneration and perquisites that the aggregate of remuneration and value of perquisites and allowances shall not exceed 5% of the net profits of the Company at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide and approve the manner of payment of remuneration and perquisites.”

By order of the Board of Directors
DHANADA CORPORATION LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT, ONE OR MORE PROXIES, TO ATTEND AND VOTE AT MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days notice in writing is given to the Company.
4. Members are requested to notify immediately any change in their address to the Company's Registered Office.
5. Members kindly note that shares of the Company can be dematerialized at National Securities Depository Ltd. and Central Depository Services Ltd.
6. Members / Proxies should bring the attached attendance slip / proxy form duly filled in, stamped and signed for attending the meeting. The member should invariably write his / her name, address, email id, Folio No. / DP Identity No. and Client Identity No. and name, address and email id of proxy.
7. The Registers of the Members, Share Transfer Register and shareholders book of the Company will remain closed from 24th September 2016 to 30th September 2016, both days inclusive.
8. PURSUANT TO THE PROVISIONS OF SECTION 108 OF THE COMPANIES ACT, 2013 AND RULE 20 AND 21 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 AND REGULATION 44 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, THE COMPANY IS PLEASED TO PROVIDE ITS MEMBERS THE ELECTRONIC FACILITY TO EXERCISE THEIR RIGHT TO VOTE IN RESPECT OF BUSINESS MENTIONED IN THE NOTICE. FOR THIS PURPOSE, THE COMPANY HAS ENTERED INTO AN AGREEMENT WITH M/S. CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL) FOR FACILITATING E-VOTING FACILITY TO ENABLE THE MEMBERS TO CAST THEIR VOTES ELECTRONICALLY. E-VOTING IS OPTIONAL. A MEMBER MAY AVAIL OF THE FACILITY AT HIS / HER / ITS DISCRETION. THE INSTRUCTIONS AS REGARDS AVAILING E-VOTING FACILITY ARE ANNEXED.
9. Members may also note that, additionally, the Notice of 30th Annual General Meeting and the Annual Report for the year ended 31st March 2016 will be available on the Company's website www.dhanadacorp.com.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar and Transfer Agent.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
12. Members holding shares in identical order or names in more than one folio are requested to write to the company to consolidate their shares and send relevant share certificates for consolidation. This would facilitate the member in one point tracking of his/her holding and corporate benefits.
13. All relevant documents referred in the Notice shall be open for inspection by the members at the Registered Office of the Company during the normal business hours (10 A.M to 6 P.M) on all working days (except Sunday) upto the date of Annual General Meeting of the Company.
14. MEMBERS REQUIRING INFORMATION ON THE AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016 AND THE BALANCE SHEET AS AT THAT DATE ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST SEVEN (7) DAYS BEFORE THE DATE OF THE MEETING TO ENABLE THE COMPANY TO FURNISH THE INFORMATION.

15. The Members, who have voted electronically, are not eligible to vote by ballot paper at the meeting. In case, members cast their vote through both the methods the votes cast through e-voting shall prevail and votes cast through ballot paper shall be considered invalid.
16. Mr. R. V. Pore, Practicing Company Secretary is appointed as Scrutinizer to scrutinise the e-voting and ballot process in a fair and transparent manner.
17. The results of e-voting shall be placed on the website of the Company www.dhanadacorp.com and be submitted to the Bombay Stock Exchange Limited.
18. The cut-off date (record date) shall be 23rd September 2016. The members holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) may cast their vote electronically. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
19. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23rd September 2016 may refer instructions kit attached to the notice for e-voting.
20. In case of the members holding shares of the Company in electronic form and registered their email id with Depository Participant (DP), the Annual Accounts for the financial year 2015 – 2016 and Notice of Annual General Meeting to be held on 30th September 2016 of the Company will be sent to them at the respective email id in electronic mode.

In case of the members whose e-mail id is not registered with the Company, a copy of this notice along with the Annual Accounts for the financial year 2015 – 2016 will be sent to them at their registered address.

Members are requested to register their email id by sending an email to greeninitiative@dhanadacorp.com mentioning therein the Name of the Member and / or Joint holder along with Ledger Folio Number.

Members whose e-mail ids are registered with the Company and who wish to receive physical copies of the Annual Report may send their request to the Company at its registered office address.

21. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.

Details of the Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings):

1. Mrs. Veena Ramesh Havele (DIN 00007593)

Date of Birth: 28th August 1965

Date of Appointment: 25th October 2005

Nature of experience:

She is a Bachelor of Commerce (B. COM). She is a promoter director of Dhanada Holdings Private Ltd. (Erstwhile name Dhanada Portfolio Management Ltd.). She has trained individual entrepreneur clients in the field of preparation of Accounts, Balance Sheet and Stock Market investments. She has played a key role in the growth of Dhanada Holdings Private Ltd.

Directorship in other Companies:

Dhanada Holdings Private Limited
 'Deep', 16/6, Erandwana Housing Society, Plot No. 8,
 Patwardhan Baug, Pune – 411004.

Dhanada Engineering Private Limited
 "Dhanada", 16/6, Erandwana Housing Society, Plot No. 8,
 Patwardhan Baug, Pune – 411004.

Dhanada Education Private Limited
"Dhanada" 16/6, Erandwana Housing Society, Plot No. 8,
Patwardhan Baug, Pune – 411004.

Dhanada Clean Energy (India) Private Limited
Kiran 4, Sthairya Society, Karvenagar, Pune – 411052.

Committee Position held:

Membership: Audit Committee of Dhanada Corporation Ltd.

Membership: Stakeholders' Relationship Committee of Dhanada Corporation Ltd.

Membership: Nomination and Remuneration Committee of Dhanada Corporation Ltd.

Relationship with other directors of the Company:

Mrs. Veena R. Havele (DIN 00007593) is wife of Mr. Ramesh R. Havele (DIN 00007580), Chairman and Managing Director of the Company.

Number of meeting of the Board attended during the year:

Mrs. Veena R. Havele has attended all 6 (Six) Board Meetings held during the financial year 2015 – 16.

Details of shares / other instruments held by the Non-executive Director:

Mrs. Veena Ramesh Havele (DIN 00007593) does not hold any shares in the Company.

2. Shri. Dilip Arvind Prabhune (DIN 01779383)

Date of Birth: 28th April 1968

Educational Qualification:

Bachelor of Science

Master in Management Consultancy

L.L.B.

Nature of Experience:

He is working as Management Consultant and Entrepreneurship Trainer from last 22 years. He has trained near about 8500 participants in Entrepreneurship programmes organized under various Government Schemes and consults near about 5000 small and medium scale businesses. He is the Chairman and Managing Director of Prabhune Management Consultancy Private Limited and Prabhune International Pte. Ltd. He is also an Executive Officer of Siddhi Vikas Sanstha's Imcon – Satara, Wai (Training organization).

He also won Indian Achievers Award from Indian Achievers Forum, New Delhi and Rashtriya Gaurav Award from Economic Development Forum, New Delhi in 2010.

Directorship in other Companies:

Prabhune International Pte. Ltd.

28C, Staneley Street, Singapore 68737.

Prabhune Management Consultancy Pvt. Ltd.

1103, Brahminshai, Wai, Satara – 412803.

Relationship with other directors of the Company:

Shri. Dilip Arvind Prabhune (DIN 01779383) is not related with any other director of the Company.