



DHANADA
DHANADA CORPORATION LTD.

33rd Annual Report 2018-2019



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, Managing Director and CEO* (DIN: 00007580)

Veena Havele, *Director* (DIN: 00007593)

Shreeniwas Kale, *Director* (DIN: 00150957)

Dilip Prabhune, *Director* (DIN: 01779383)

Ramesh Pradhan, *Chief Financial Officer*

Smita Mishra, *Company Secretary and Compliance Officer*

AUDITORS

Shashank Patki & Associates, *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

FL - D2, Jaiprakash Apt., SN 54/6,

Wadgaon Budruk, Near Garve Hyundai,

Near Tol Naka, Pune - 411041.

Tel.: +91 9822037104.

Email: dhanada@dhanadacorp.com

Website: www.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 / 26163503

Mumbai Office:

C-101, 247, Park,

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

Mumbai 400083

Tel.: +91 22-49186000 / 49186060

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LAST 10 YEAR'S SUMMARY OF SELECTED FINANCIAL DATA

(Rs. in Cr.)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	AAGR* %	Standard Deviation
Total Income from Operations	5.35	11.19	12.03	11.27	9.60	8.77	8.60	9.10	11.01	11.37	13	38
Profit Before Interest, Depreciation & Tax	0.30	2.66	1.88	1.77	1.53	1.72	2.09	1.47	0.83	2.38	98	267
Financial Charges	2.04	2.14	2.18	2.20	2.23	2.28	2.56	2.90	2.62	3.05	5	8
Depreciation	1.90	2.09	2.04	2.01	1.95	2.64	2.55	2.11	1.20	0.98	(5)	21
Profit / (Loss) Before Tax	(3.64)	(1.57)	(2.34)	(2.44)	(2.65)	(3.20)	(3.02)	(3.54)	(2.99)	(1.65)	(3)	33
Profit / (Loss) After Tax	(3.64)	(0.87)	(2.59)	(1.75)	(2.67)	(3.10)	(3.01)	(3.57)	(2.99)	(1.65)	(7)	80
Minority Interest in Net Income/ (Loss)	(0.58)	(0.17)	(0.29)	(0.62)	(0.77)	(0.16)	(0.12)	(0.12)	-	-	-	-
Net Profit / (Loss) After Minority Interest	(3.06)	(0.70)	(2.30)	(1.13)	(1.90)	(2.94)	(2.89)	(3.45)	(2.99)	(1.65)	20	92
Cash Profit / (Loss)	(1.74)	0.52	(0.30)	(0.43)	(0.70)	(0.56)	(0.47)	(1.43)	(1.79)	(0.67)	(6)	109
Basic Earning per Share Rs.	(0.86)	(0.14)	(0.47)	(0.20)	(0.34)	(0.53)	(0.52)	(0.62)	(0.53)	(0.30)	0	95
Book Value per Share Rs.	4.60	4.70	4.87	5.89	5.79	4.80	4.01	3.35	2.85	2.56	(6)	13
Market Value per Share (Rs.)	8.59	8.65	14.30	13.05	5.55	6.00	6.10	4.51	3.44	2.36	(8)	34
Market Capitalisation as at 31 st March	38.14	42.47	72.22	72.95	31.02	33.54	34.10	25.21	19.23	13.19	(5)	36
EQUITY AND LIABILITIES												
Shares Capital:												
- Equity Shares	4.44	4.91	5.05	5.59	5.59	5.59	5.59	5.59	5.59	5.59		
- Convertible Preference Shares	-	-	-	-	-	-	-	-	-	-		
Reserves and Surplus	20.27	18.50	19.54	27.36	26.79	21.23	16.80	13.13	10.35	8.70		
Minority Interest	1.00	0.83	0.65	0.03	-	0.04	-	-	-	-		
Non-Current Liabilities	14.87	13.52	15.78	7.64	5.83	4.58	3.53	2.21	0.64	0.72		
Current Liabilities	6.73	9.92	8.96	12.12	15.21	16.48	19.98	23.71	20.31	23.34		
Total	47.31	47.68	49.98	52.74	53.42	47.92	45.90	44.64	36.89	38.35		
ASSETS												
Non-Current Assets												
Net Fixed Assets	42.29	41.86	40.11	38.74	37.35	34.26	32.57	30.68	27.15	26.23		
Goodwill on Consolidation	1.32	0.71	2.93	4.31	6.46	4.39	3.17	3.08	-	-		
Non-Current Investments	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003	-		
Deferred Tax Asset	0.21	0.91	1.31	2.00	2.01	2.10	2.10	2.11	-	-		
Other Non-Current Assets	0.35	0.68	0.96	5.28	5.47	5.37	5.18	4.93	4.87	4.77		
Current Assets												
Current Investments	-	-	-	-	-	-	-	-	-	-		
Other Current Assets	3.14	3.52	4.67	2.41	2.13	1.80	2.88	3.84	4.87	7.35		
Total	47.31	47.68	49.98	52.74	53.42	47.92	45.90	44.64	36.89	38.35		
Financial Results and Statistics											Average	Standard Deviation
Profit before depreciation and interest as a percentage of Total Income	6	24	16	16	16	20	24	16	8	21	17	6
Profit after Tax as % of Total Income	(68)	(8)	(22)	(16)	(28)	(35)	(35)	(39)	(27)	(15)	(29)	17
Price / Book Value Ratio	2	2	3	2	1	1	2	1	1	1	2	1
Corporate Performance vs BSE Index												
1) Annual Percentage change in Book Value	95	2	4	21	(2)	(17)	(17)	(16)	(15)	(10)	4	34
2) Annual Percentage change in BSE Index	82	11	(10)	8	19	25	(9)	17	11	17	17	25
3) Relative Performance (1) - (2)	13	(9)	14	13	(20)	(42)	(7)	(33)	(26)	(28)	(13)	21

*Average Annual Growth Rate

From the year 2009-10 to 2016-17, Consolidated figures are given.

NOTICE OF ANNUAL GENERAL MEETING

The 33rd Annual General Meeting of DHANADA CORPORATION LIMITED will be held on Saturday, 28th September 2019 at 4.00 p.m. at Tejas Bhavan, Tejas Society, Kothrud Pune – 411038 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 2019 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 R. Havele (DIN 00007593) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special 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 regulation 25(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommendation of the Nomination and Remuneration Committee and the Board of Directors, Shri. Shreeniwas G. Kale (DIN 00150957), Director, be and is hereby re-appointed as the Non – Executive Independent Director of the Company for a further term of 5 (Five) consecutive years with effect from 30th September 2019 and whose office shall not be liable to determination by retirement by rotation henceforth.”

By order of the Board of Directors
DHANADA CORPORATION LIMITED

Place : Pune
 Date : 13th August 2019

Ramesh Havele
 Chairman, Managing Director & CEO
 (DIN 00007580)

NOTES:

1. At the 30th Annual General Meeting held on 30th September 2016, M/s. Shashank Patki and Associates, Chartered Accountants, having Firm Registration No. 122054W of Pune were appointed as Statutory Auditors of the Company to hold office till the conclusion of 35th Annual General Meeting. The ratification of their appointment pursuant to Section 139 of the Companies Act, 2013 is not required, in terms of Notification No. S.O. 1833(E) dated 07.05.2018 issued by the Ministry of Corporate Affairs and accordingly the item has not been included in the Ordinary Business of the Notice.
2. 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.
3. 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.
4. 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.
5. Members are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agent.
6. Members kindly note that shares of the Company can be dematerialized at National Securities Depository Ltd. and Central Depository Services Ltd.

7. Members / Proxies should bring the attached attendance slip 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. etc.
8. The Registers of the Members, Share Transfer Register and shareholders book of the Company will remain closed from 21st September 2019 to 28th September 2019, both days inclusive.
9. 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 FACILITY TO EXERCISE THEIR RIGHT TO VOTE IN RESPECT OF BUSINESS MENTIONED IN THE NOTICE BY ELECTRONIC MEANS OF REMOTE E-VOTING. FOR THIS PURPOSE, THE COMPANY HAS ENTERED INTO AN AGREEMENT WITH M/S. LINK INTIME INDIA PRIVATE LIMITED (LIPL) 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.
10. Members may also note that, the Notice of 33rd Annual General Meeting and the Annual Report for the year ended 31st March 2019 will be available on the Company's website www.dhanadacorp.com.
11. 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.
12. 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.
13. 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.
14. All relevant documents referred in the Notice shall be open for inspection by the members at FL - D2, Jaiprakash Apt., SN 54/6, Near Garve Hyundai, Near Tol Naka, Wadgaon Budruk, Pune – 411041 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.
15. MEMBERS REQUIRING INFORMATION ON THE AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019 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.
16. 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.
17. Ms. Sanjana Hinge, Practicing Company Secretary is appointed as Scrutinizer to scrutinise the e-voting and ballot process in a fair and transparent manner.
18. 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.
19. The cut-off date (record date) shall be 20th September 2019. 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.
20. 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. 20th September 2019 may refer instructions kit attached to the notice for e-voting.

21. In case of the members holding shares of the Company in electronic form and having registered their email id with Depository Participant (DP), the Annual Accounts for the financial year 2018 – 2019 and Notice of Annual General Meeting to be held on 28th September 2019 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 2018 – 2019 will be sent to them at their registered address.

Members are requested to register their email id by sending an email to cs@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 FL - D2, Jaiprakash Apt., SN 54/6, Near Garve Hyundai, Near Tol Naka, Wadgaon Budruk, Pune – 411041.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Company, in the 28th Annual General Meeting held on 30th September 2014, had appointed Shri. Shreeniwas G. Kale (DIN 00150957) as the Non – Executive Independent Director of the Company for a term of 5 (Five) consecutive years with effect from 30th September 2014.

Pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and regulation 25(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Independent Director shall hold office for a term up to 5 (Five) consecutive years on the Board of the Company. However, the Company by passing a special resolution can re-appoint him for a further term of 5 (Five) consecutive years. However, Independent Director shall not hold office for more than two consecutive terms.

The first consecutive term of Mr. Shreeniwas Kale would be completed on 29th September 2019.

Hence, the Nomination and Remuneration Committee and the Board of Directors recommends to re-appoint him as an Independent Director for another term of 5 consecutive years w.e.f. 30th September 2019.

The Company has received the following documents from him:

- a. Intimation in Form DIR-8 to the effect that he is not disqualified under Section 164 (2) of the Companies Act, 2013; and
- b. A declaration to the effect that he meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI LODR Regulations.

In the opinion of the Nomination and Remuneration Committee and the Board of Directors, Shri. Shreeniwas G. Kale (DIN 00150957) fulfils the conditions specified in the Act and Rules made there under and is a person of integrity, possesses relevant expertise and experience and he is independent of the Management.

The approval of shareholders is solicited for the resolution at Item No. 3 by a Special Resolution.

Except, Shri. Shreeniwas G. Kale (DIN 00150957), no other Director or Key Managerial Personnel, or their respective relatives is in any way, concerned or interested, financial or otherwise, in the resolution.

Details of the Directors seeking re-appointment 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
FL - D2, Jaiprakash Apt., SN 54/6, Near Garve Hyundai,
Near Tol Naka, Wadgaon Budruk, Pune – 411041.

Dhanada Engineering Private Limited
FL - D2, Jaiprakash Apt., SN 54/6, Near Garve Hyundai,
Near Tol Naka, Wadgaon Budruk, Pune – 411041.

Dhanada Education Private Limited
FL - D2, Jaiprakash Apt., SN 54/6, Near Garve Hyundai,
Near Tol Naka, Wadgaon Budruk, Pune – 411041.

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, Managing Director and CEO of the Company.

Number of meeting of the Board attended during the year:

Mrs. Veena R. Havele (DIN 00007593) has attended all 5 (Five) Board Meetings held during the financial year 2018 – 19.

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. Shreeniwas Gajanan Kale (DIN 00150957)

Date of Birth: 29th October 1963

Date of Appointment: 25th October 2005

Nature of experience:

He holds Diploma in Mechanical Engineering and has served Bajaj Auto Limited during 1984 to 1992 in various capacities. During this period, he contributed significantly in the field of Quality Management and ISO 9000. He has long experience in the field of marketing of investment instruments and concept of Portfolio Management. He has also provided consultancy to small industries in the field of Quality management. He is actively involved with social and cultural organizations.