

22ND ANNUAL REPORT
OF
DHANUKA
COMMERCIAL LTD
2015-16
A
NON-BANKING FINANCE COMPANY

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22 ND ANNUAL GENERAL MEETING	
DAY:-	MONDAY
DATE:-	11 TH JULY, 2016
TIME:-	11:30 A.M.
VENUE:-	AT THE REGD. OFFICE OF THE COMPANY AT 61, VATS MARKET, NEAR SHIVA MARKET, PITAMPURA, DELHI-110034.

CHAIRMAN'S MESSAGE



We take pleasure in reaching you through our annual report for the financial year 2015-16. Another eventful year has passed by and we are glad to share thoughts with you on our performance and prospects through this annual report.

In the last two years, the SME sector had gone through some testing times. And yet, your company has remained profitable. I remain hopeful as we have been through recessions twice before and each time we have emerged stronger. We learnt our best lessons from such difficult times, and hence are today in a position to truly evolve and grow. Our company is becoming bigger each day, and I am confident of not only the potential of the SME segment but also of our capability to serve this segment.

I believe there are several reasons to be optimistic. The economy today is much better than what it was a year ago. The present government has taken a lot of measures towards improving the business sentiments and removing the hurdles in the economic growth. Also, the declining commodity prices, especially that of crude, will further strengthen our macroeconomic fundamentals. It will also help in reducing inflation and drive the interest cost down and improve the profitability of business entities as well.

At this exciting juncture, DCL is positioned to partner the country's next phase of economic growth. The government's unveiling multiple new initiatives like Startup India, Standup India and Digital India in addition to its focus on Make in India and Ease of Doing Business. Also, the Reserve Bank of India (RBI) has cut the benchmark repo rate by 75 bps during FY 2015-16 and another 25 bps in April 2016 coupled with other measures to improve the liquidity in the economy. These initiatives are expected to come together and provide impetus to the Indian economy. Improvement in the economy will also provide support to the Non-Banking & Financial Services industry especially to the NBFC's. DCL has always believed that good and effective Corporate Governance plays a significant role in achieving the corporate goals of the organization. Corporate Governance at DCL transcends beyond just adherence to rules and regulations.

While the turnover of the company shows a negative growth of 50.25% during the year under review but the company shows net profit after tax of Rs. 20,61,133.97/-. The company has made Loss after tax of Rs. 769757.02/- in the last year. I would request you to please go through the Management Discussion and Analysis Report for better understanding of the company's operations.

I extend my sincere appreciation to my colleagues on the Board for their wise and matured counsel for the smooth functioning of the Company. I would like to express my profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

With Best Wishes

-Sd-

Sanjeev Mittal

Chairman

CORPORATE INFORMATION

BOARD MEMBERS

Mr. Sanjeev Mittal
Chairman

Mr. Mahesh Kumar Dhanuka
Managing Director

Mr. Gopal Krishan Bansal
Executive Director

Non-Executive Independent Director

Mr. Mukesh Bansal
Mr. Surinder Kumar Bangia

Non-Executive Independent Woman Director

Mrs. Rajni Garg

CHIEF FINANCIAL OFFICER

Mr. Vinod Kumar Aggarwal

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Sunil Jain

STATUTORY AUDITORS

M/s DSP & Associates

201, 2nd Floor, Himland House, Karam pura
Commercial Complex, Delhi-110015

INTERNAL AUDITORS

M/S Naresh K. Sharma & Associates

208, Vats Market (Shiva Market) Pitampura,
Delhi-110034; Ph. 01147597304

SECRETARIAL AUDITOR

M/S Kumar Arun & Associates

G-71, Gulshan Park, (Near Sonia Hospital)
Nangloi, Delhi-110041; TEL: 011-64658696,
Mail ID:- csarunsharma@gmail.com

BANKERS

HDFC BANK LTD.

5, Community Centre, Garg Plaza, Sector-8,
Rohini, Delhi-110085

REGISTRAR & SHARE TRANSFER AGENTS

MAS Services Ltd.

T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi - 110 020 ;
Ph:- 011-26387281/82/83

Registered Office

61, Vats Market, Near Shiva Market, Pitampura,
Delhi-110034;
CIN: U30007DL1994PLC260191;
www.dhanukacommercial.com
dhanukacommercialtd@gmail.com;
info@dhanukacommercial.com;

COMMITTEES OF THE BOARD:

Audit Committee

- Mr. Surinder Kumar Bangia - Chairman
- Mr. Mukesh Bansal - Member
- Mr. Mahesh Kumar Dhanuka- Member

Stakeholders Relationship Committee

- Mr. Mukesh Bansal - Chairman
- Ms. Rajni Garg - Member
- Mr. Gopal Krishan Bansal - Member

Nomination And Remuneration Committee

- Ms. Rajni Garg -Chairman
- Mr. Mukesh Bansal - Member
- Mr. Surinder Kumar Bangia- Member

NOTICE OF THE 22ND ANNUAL GENERAL MEETING (22ND AGM)

Notice is hereby given that the 22nd Annual General Meeting of the Members of '**Dhanuka Commercial Limited**' will be held on **MONDAY 11TH DAY OF JULY, 2016 AT 11.30 AM** at the registered office of the company at 61, Vats Market, Near Shiva Market, Pitampura, Delhi-110034, to transact the following businesses:

ORDINARY BUSINESSSES

- 1) To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2016 and the Statement of Profit and Loss Account and Cash Flow Statement for the year ended on 31st March, 2016 together with notes to accounts, Director's Report and Auditor's Report thereon.
- 2) To re-appoint Mr. Gopal Krishan Bansal (DIN-**00073139**), who retires from office by rotation, but being eligible, offers himself for re-appointment.
- 3) **Ratification of the appointment of M/s DSP & Associates, as Statutory Auditors of the Company:**
To consider, and if thought fit, to pass with or without modification(s), as an Ordinary Resolution, the following:

"RESOLVED THAT pursuant to section 139 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, and other applicable provisions (if any) of the said Act and pursuant to the recommendations of Audit Committee of the Board of Directors, the appointment of M/s. DSP & Associates, Chartered Accountants (FRN-006791N) be and is hereby ratified as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 24th AGM of the Company subject to ratification at every AGM during the continuation of their tenure and that the Board of Directors of the company be and is hereby authorized to fix the remuneration considering the recommendations of the Audit Committee.

RESOLVED FURTHER THAT Mr. Gopal Krishan Bansal and/or Mr. Sanjeev Mittal directors of the Company or Mr. Sunil Jain, Company Secretary of the company be and are hereby jointly and/or severally authorized to do all such acts deeds and things as may be required in this regard including to file necessary forms with the concerned ROC and to sign the certified copy of this resolution and / or otherwise to do such further acts, deeds, matters, and things to give effect to this Resolution."

SPECIAL BUSINESS

- 4) **Appointment of Mr. Mahesh Kumar Dhanuka as Managing Director of the Company:**
To consider, and if thought fit, to pass with or without modification(s), as a Special Resolution, the following:

"RESOLVED THAT pursuant to the provisions of section 2(54), 196, 203 and any other applicable provisions of the Companies Act, 2013 along with other applicable provisions, if any, and rules & regulations made there under (including any statutory modification or re-enactment thereof for the time being in force) and Article of Association of the Company, Mr. Mahesh Kumar Dhanuka (**DIN-00069473**), Managing Director of the Company be and is hereby Re-appointed as a Managing Director of the Company for further period of 3 years effective from 17-02-2017.

RESOLVED FURTHER THAT Mr. Mahesh Kumar Dhanuka is hereby authorised to act on behalf of the Company in various matters relating to the day to day affairs and operations of the Company and further perform such other duties and functions and carry out such responsibilities as has been or may be assigned to him by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company, or Nomination & Remuneration Committee or any other Committee thereof, be and is hereby authorised from time to time to determine or revise the amount of salary, commission and remuneration as may be agreed with Mr. Dhanuka.

RESOLVED FURTHER THAT the other terms of employment of Mr. Mahesh Kumar Dhanuka, to the extent not amended or modified herein, shall remain unchanged, and further, Mr. Sanjeev Mittal and/or Mr. Gopal Krishan Bansal, Directors of the Company and Mr. Sunil Jain Company Secretary of the company be and are hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question or doubt that may arise in relation thereto."

Regd. office:

61, Vats Market, Near Shiva
Market, Pitampura, Delhi - 110034

Date: 30-05-2016
Place: Delhi

By order of the Board of
Dhanuka Commercial Limited'

-Sd-
Company Secretary
(SUNIL JAIN)

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. Proxies in order to be effective, should be duly completed, stamped and must be deposited at the office of the Company's registrar & share transfer agent- MAS Services Limited having its office situated at T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, not less than forty-eight hours before the time for commencement of the meeting or with the company at its registered office.

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto, if any.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **05th July, 2016 to 11th July, 2016** (both days inclusive) for the purpose of AGM.
4. Members are requested to notify immediately changes in their respective address, if any, to the Company's Registered Office quoting their Folio No.
5. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the 22nd Annual General Meeting.

6. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.
8. The Directors have furnished the requisite consents/declarations for their appointment/reappointment.
9. **Payment of dividend through ECS/NECS:** - Not Applicable (Dividend is not declared by the company).
10. Pursuant to Rule 18(3) of The Companies (Management and Administration) Rules, 2014, you are requested to provide your e-mail id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.
11. Copies of Notice of 22nd AGM along with attendance slip & proxy form and Annual Report 2016 are being sent by electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
12. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners, whose name will appear in the register of members/list of beneficiaries received from the depositories as on **27th May, 2016**.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
14. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date was required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has not unpaid and unclaimed dividend amount.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has not uploaded the information in respect of the Unclaimed Dividends, as on the date of this notice because the company has not any amount of dividend being unpaid and unclaimed, on the website of the IEPF viz. www.iepf.gov.in.

15. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
17. As per the provisions of SEBI (LODR) Regulations, 2015, particulars of Directors to be appointed/re-appointed at the 22nd Annual General Meeting are given in the Explanatory Statement to the Notice and Report on Corporate Governance.
18. Members may also note that the Notice of the 22nd Annual General Meeting and the Annual Report for the financial year ended on 31.03.2016 will also be available on the Company's website www.dhanukacommercial.com for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: info@dhanukacommercial.com; and dhanukacommercialtd@gmail.com.
19. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: dhanukacommercialtd@gmail.com and info@dhanukacommercial.com

Regd. office:

61, Vats Market, Near Shiva Market,
Pitampura, Delhi - 110 034

Date: 30-05-2016
Place: Delhi

By order of the Board of
'Dhanuka Commercial Limited'

-Sd-
Company Secretary
(SUNIL JAIN)

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

ITEM NO. – 4

Mr. Mahesh Kumar Dhanuka (DIN 00069473) was appointed as the Managing Director of the Company for a period of three years effective from 17th February, 2014. Further, the appointment of Mr. Mahesh Kumar Dhanuka was approved by the Members of the Company.

Since his appointment, the Company has made significant progress under the leadership of Mr. Mahesh Kumar Dhanuka. The Company's operations have grown multi fold during this period, and has also achieved profitability.

The Nomination Committee of the Board, at its Meeting held on 11-05-2016, has considered his candidature for re-appointment as Managing Director of the Company, and keeping in view his achievements and contributions, recommended to the Board for re-appointment of Mr. Dhanuka as Managing Director for a further period of 03 years w. e. f. February 17, 2017. Based on the same, the Board has approved the proposal, and recommended the same for Members' approval.

It may be noted that the Companies Act, 2013 permits re-appointment of Managing Director for further term, one year prior to expiry of his tenure.

Further, the Remuneration Committee, vide its resolution dated 11-05-2016, and the Board, has approved the proposal of revision in the remuneration of Mr. Mahesh Kumar Dhanuka with effect from February 17, 2016 as part of usual annual compensation review. The revised remuneration, or any further modification or revision thereof, will automatically apply also for his new tenure / re-appointment as above.

The resolution with regards to the re-appointment of Mr. Mahesh Kumar Dhanuka for a period of 3 years (i.e. from 17.02.2017 to 16.02.2020) and revision in his remuneration is hence being placed before the Members for approval.

The Directors recommend the Resolution proposed vide Item no 04 of the Notice be passed and approved as a Special Resolution by the Members.

Mr. Mahesh Kumar Dhanuka is not disqualified from being appointed as Managing Director in terms of Section 196 & 164 of the Companies Act, 2013 and has given his consent to act as Managing Director.

STATEMENT CONTAINING REQUIRED INFORMATION AS PER CATEGORY (IV) OF PART-II OF SECTION II OF SCHEDULE-V OF THE COMPANIES ACT, 2013 FOR ITEM NO.-4

1. GENERAL INFORMATION

- i. Nature of Industry : Non-Banking Financial Company
- ii. Date of Incorporation : 16-11-1994
- iii. Date of Commencement of Commercial Production : 16-11-1994
- iv. Financial Performance based on given indicators :

Particulars	FY 2015-16
Sales	10,990,129.23
Profit Before Tax	2,939,214.97
Profit after Tax	2,061,133.97
Net worth	190,018,066.24
EPS	0.12

- v. Foreign Investments : No Foreign Investments in the Company

2. INFORMATION ABOUT APPOINTEE

i. BACKGROUND DETAILS

Mr. Mahesh Kumar Dhanuka aged 58 years is the promoter of our company and is a Managing Director of the Company since 17th February 2014. He has 25+ years of working experience in Accounts & Cash Management field.

ii. PAST REMUNERATION

He is drawing Remuneration of Rs. 15000/- (Fifteen Thousand only) per month since his appointment as Managing Director of the Company.

iii. JOB PROFILE & SUITABILITY

Mr. Mahesh Kumar Dhanuka has been serving the company since 17th February, 2014 as a managing director and under his leadership the company has performed immensely. The Board of directors is confident that, with his extensive business knowledge, experience and expertise Mr. Mahesh Kumar Dhanuka would definitely continue to enhance the Board's strength and dynamism.

iv. PROPOSED REMUNERATION

Mr. Mahesh Kumar Dhanuka is entitled for fixed Remuneration of Rs. 15000/- (Rupees Fifteen Thousand only) in consideration of services rendered by him in the capacity of Managing Director of the company which shall be subject to the ceilings/limits provided under section 197 & Schedule-V of the Companies Act, 2013.

v. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION & PERSON

The Proposed Remuneration is much below the prevailing remuneration in the industry of similar size or similarly placed persons.

vi. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY, RELATIONSHIP WITH MANAGERIAL PERSONAL, IF ANY

Mr. Mahesh Kumar Dhanuka has no pecuniary relationship directly or indirectly with the company or its managerial personnel other than his remuneration in the capacity of Managing Director. As on date he holds 508875 equity shares of the company.

3. OTHER INFORMATION

a. Reason for Inadequate Profits: - NA

b. Steps taken or proposed to be taken for improvement: - The Company Plans to improve its product mix to maximize the profits.

c. Expected increase in productivity and profit in measurable terms: - With suggestions above, the company expects to improve its Revenue by 10% and improve of margin accordingly.

Mr. Mahesh Kumar Dhanuka is interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment. The relatives of Mr. Mahesh Kumar Dhanuka may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives is, in anyway, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Special Resolutions set out at Item No. 4 of the Notice for approval by the shareholders.

Regd. office:

61, Vats Market, Near Shiva Market,
Pitampura, Delhi - 110 034
Date: 30-05-2016
Place: Delhi

By order of the Board of
Dhanuka Commercial Limited'
-Sd-
Company Secretary
(SUNIL JAIN)