



32nd Annual Report 2017-2018



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)

Dilip Prabhune, Director (DIN: 01779383)

Ramesh Pradhan, Chief Financial Officer

Smita Mishra, Company Secretary

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

Deutsche Bank

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@dhanadacorp.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 101, 247 Park,

L B S Marge, Vikhroli (West),

Mumbai - 400083

Tel.: +91 2249186000

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SUMMARY OF SELECTED FINANCIAL DATA

(Rs. in Cr.)

Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	AAGR* %	Standard Deviation
Total Income from Operations	0.00	3.74	2.62	2.83	4.49	6.36	5.35	11.19	12.03	11.27	9.60	8.77	8.60	9.10	11.01	13	37
Profit Before Interest, Depreciation & Tax	(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	1.47	0.83	48	225
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	2.90	2.62	58	173
Depreciation	0.00	0.72	0.72	0.71	0.43	0.78	1.90	2.09	2.04	2.01	1.95	2.64	2.55	2.11	1.20	12	50
Profit / (Loss) Before Tax	(1.11)	0.97	1.61	1.57	3.33	(1.72)	(3.64)	(1.57)	(2.34)	(2.44)	(2.65)	(3.20)	(3.02)	(3.54)	(2.99)	12	69
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)	(3.57)	(2.99)	-26	121
Minority Interest in Net Income/(Loss)	0.00	0.00	0.00	0.00	0.00	(0.31)	(0.58)	(0.17)	(0.29)	(0.62)	(0.77)	(0.16)	(0.12)	(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)	(3.45)	(2.99)	27	95
Cash 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)	(1.43)	(1.79)	6	99
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)	(0.62)	(0.53)	19	109
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	4.01	3.35	2.85	29	76
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	4.51	3.44	-2	36
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	25.21	19.23	37	136
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	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	16.80	13.13	10.35		
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	3.53	2.21	0.64		
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	19.98	23.71	20.31		
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	45.90	44.64	36.89		
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	32.57	30.68	27.15		
Goodwill on Consolidation	-	-	-	-	-	-	1.32	0.71	2.93	4.31	6.46	4.39	3.17	3.08	-		
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	0.003	0.003		
Deferred Tax Asset	-	-	-	-	-	0.07	0.21	0.91	1.31	2.00	2.01	2.10	2.10	2.11	-		
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	5.18	4.93	4.87		
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	2.88	3.84	4.87		
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	45.90	44.64	36.89		
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	16	8	35	32
Profit after Tax as % of Total Income	-	-	61	52	64	(27)	(68)	(8)	(22)	(16)	(28)	(35)	(35)	(39)	(27)	-9	40
Price / Book Value Ratio	-	N.A.	N.A.	N.A.	2	3	2	2	3	2	1	1	2	1	1	2	1
Corporate Performance vs BSE Index																	
1) Annual Percentage change in Book Value	-	-	247	28	80	(32)	95	2	4	21	(2)	(17)	(17)	(16)	(15)	27	73
2) Annual Percentage change in BSE Index	-	-	75	17	21	(36)	82	11	(10)	8	19	25	(9)	17	11	16	31
3) Relative Performance (1) - (2)	-	-	172	11	59	4	13	(9)	14	13	(20)	(42)	(7)	(33)	(26)	11	53

*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 to 2016-17, Consolidated figures are given.

NOTICE OF ANNUAL GENERAL MEETING

The 32nd Annual General Meeting of DHANADA CORPORATION LIMITED will be held on Saturday, 29th September 2018 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 2018 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 an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI (LODR) Regulations, 2015") and pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent / approval of the members be and is hereby accorded for all material related party transactions entered into / to be entered with related parties as defined under Section 2(76) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company."

By order of the Board of Directors
DHANADA CORPORATION LIMITED

Place : Pune
 Date : 13th August 2018

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 22nd September 2018 to 29th September 2018, 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. 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.
10. Members may also note that, the Notice of 32nd Annual General Meeting and the Annual Report for the year ended 31st March 2018 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 the registered office of the Company 'Dhanada', 16/6, Erandawana Housing Society, Plot No. 8, Patwardhan Baug, Pune – 411004 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 2018 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. 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.
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 21st September 2018. 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. 21st September 2018 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 2017 – 2018 and Notice of Annual General Meeting to be held on 29th September 2018 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 2017 – 2018 will be sent to them at their registered address.

Members are requested to register their email id by sending an email to cs@ghanadacorp.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 registered office of the Company 'Dhanada', 16/6, Erandawana Housing Society, Plot No. 8, Patwardhan Baug, Pune – 411004.

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

The Board of Directors proposes to enter into certain transactions with related parties.

Pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI (LODR) Regulations, 2015") and pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made thereunder, all material related party transactions are required to be approved by the members in general meeting.

The particulars of the transactions are as stated below:

Name of the related party	Nature of relationship	Nature of transaction	Material terms	Monetary Value	Whether approval of Audit Committee & Board is obtained?	Any other relevant information
Mr. Ramesh R. Havele	Managing Director	Unsecured Loan Taken	Interest – As may be decided by the Board, but not exceeding prevailing Bank lending rate. Tenure: No fixed tenure. To be mutually decided by the Board and Mr. Havele depending on the Company's needs. Can run as a Running Current account.	Upto an amount of Rs. 11 Crores.	Yes	Considering the present difficult financial position of the Company, the Managing Director advances funds to the Company from time to time to repay the loans obtained by the Company from banks and to meet immediate requirements. The Company returns the same in part or full whenever the liquidity position allows doing so.

Further, as per Regulation 23 of SEBI (LODR) Regulations, 2015, related parties shall abstain from voting on said resolution

The Board of Directors recommends the above resolution for your approval.

None of the other Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution except Mr. Ramesh R. Havele, Mrs. Veena R. Havele, Dhanada Holdings Private Limited and Ms. Gautami R. Havele.

Details of the Directors seeking 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, Managing Director and CEO of the Company.

Number of meeting of the Board attended during the year:

Mrs. Veena R. Havele has attended all 4 (Four) Board Meetings held during the financial year 2017 – 18.

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.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, 26th September 2018 at 9.00 a.m. (IST) and ends on Friday, 28th September 2018 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is printed on the Attendance Slip in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	<ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

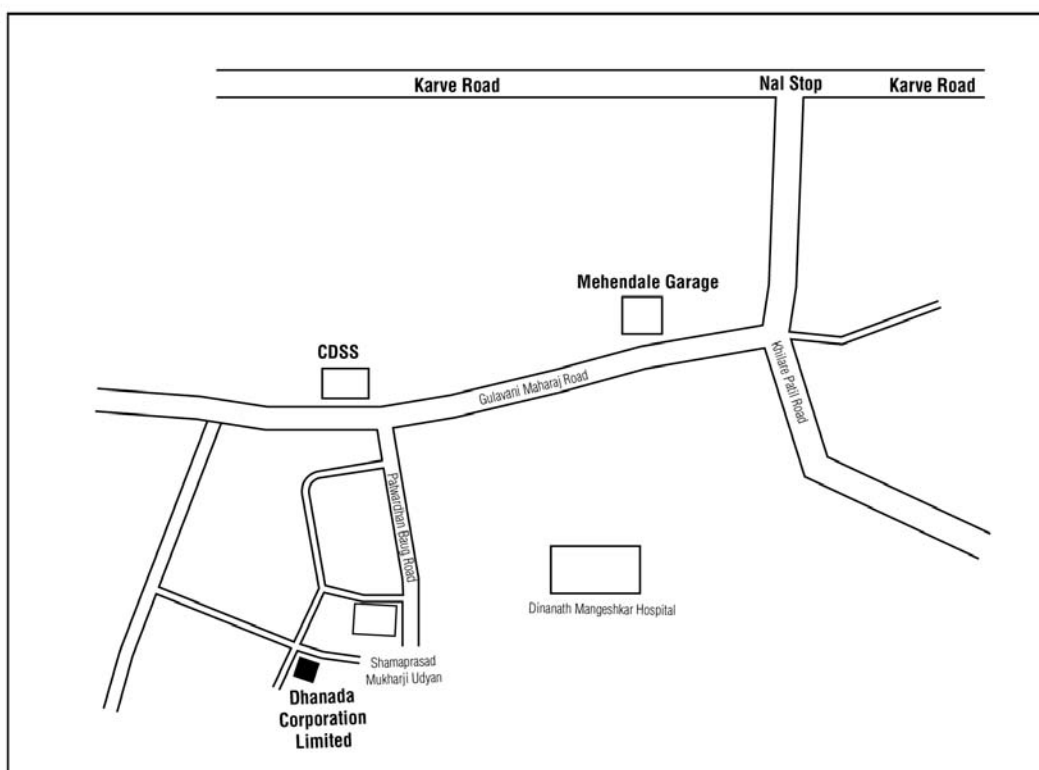
- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN namely, Dhanada Corporation Limited.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile**

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or you may contact Mrs. Smita A. Mishra, Company Secretary and Compliance Officer, Dhanada Corporation Limited on (020) 25462408 or at email id ghanada@ghanadacorp.com.

Route map of venue of meeting



DIRECTORS' REPORT

To,
 The Members,
DHANADA CORPORATION LIMITED

The Board of Directors of your Company has pleasure in presenting the 32nd Annual Report of the Company together with the Audited statements of accounts for the year ended on 31st March 2018.

1. Financial summary or highlights / Performance of the Company:

Your Company's financial summary / performance during the year under review as compared to the previous year is summarized below:

(Rs. in Crores)

Particulars	2017 – 2018	2016 – 2017
Turnover	10.93	8.83
Profit/(Loss) before Finance charges, Tax, Depreciation / Amortization	(0.82)	0.33
Finance Charges	2.61	2.14
Profit/(Loss) before Tax, Depreciation / Amortization	(1.79)	(1.81)
Depreciation	1.20	1.73
Profit/(Loss) before Tax	(2.99)	(3.54)
Provision for Tax	Nil	Nil
Profit/(Loss) after Tax	(2.99)	(3.54)
Proposed Dividend	Nil	Nil

2. Dividend:

In view of the losses, the Board of Directors does not recommend any dividend for the year ended on 31st March 2018.

3. Reserves:

No amount is proposed to be transferred to the Reserves.

4. State of Affairs:

During the year under review, the turnover of the Company increased by 24% as compared to the previous year. This was a result of increased occupancy achieved through marketing tie-ups and other initiatives taken by the management. The Average Room Revenue (ARR) also registered a reasonable increase. The Food & Beverages Segment also contributed significantly to the revenues.

However, operating margins were under pressure due to substantial increase in operating costs especially employee benefit cost. As a result the Company could not register profit.

Finance

The shortage of finance continues to be the major challenge before the Company. The parent company was not able to extend its helping hand due to its own problems.

Due to the NPA status, all the sources of raising further finance are blocked. The Promoters are doing whatever is possible in their individual capacity to remedy the situation.

The Company somehow managed its working capital needs through internal resources.

Current Year Prospects

The fortune of the hospitality industry has always been linked to the prospects of the tourism industry and general economic growth. On both fronts, the current year seems to be positive. The first quarter of the current year registered higher occupancy rate as compared to the corresponding period in previous year. Barring unforeseen difficulties, the

Hotel is expected to keep up its performance. However, due to reasons explained earlier, margins are likely to remain under pressure.

The chances of improvement in financial situation during the year look dim.

5. Change(s) in the nature of business, if any:

There is no change in the nature of business of the Company.

6. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

Nil. No such material changes and commitments have occurred.

7. Details of significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future:

Nil. No such orders are passed during the year under review.

Ongoing Cases

The Pune District Court and Aurangabad District Court have passed orders for attachment of the assets of the Company under The Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (MPID Act) on 30 January 2018 and 26 April 2018 respectively. The management has challenged both the Orders in the respective High Courts and obtained a Stay thereon. The management has also made a Writ to quash the Notification dated 7th May 2016 and Corrigendum Notification dated 8th June 2017 being ultra-virus the MPID Act.

8. Statement in respect of adequacy of internal financial controls with reference to the Financial Statements:

Internal Financial controls are adequate and operating effectively commensurate with the size, nature of operations of the Company.

The separate report of the Auditors about the existence of internal financial controls system and its operations is attached to the Auditor's Report as an Annexure B to the Auditor's Report.

Explanation of Auditors' comment on Internal Financial Controls:

The management has noted the discrepancies pointed out by the Auditor and is taking steps to strengthen the controls in those areas.

9. Details of Subsidiary / Associate Companies / Joint Ventures:

Nil. The Company has disposed of / sold out / transferred its entire shareholding in non – material and non – operating subsidiary companies on 14th November 2017. Now, the Company has no Subsidiary / Associate Company / Joint Venture.

10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement:

Not Applicable.

11. Particulars of loans / advances / guarantees / investments outstanding during the financial year:

The particulars of loans / advances / guarantees / investments covered under Section 186 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the notes to the financial statements provided in the Annual Report.

12. Deposits:

The Company has not accepted deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the rules framed there under.

13. Loan from Directors:

The Company has from time to time accepted unsecured loans from its Managing Director, Mr. Ramesh Havele bearing no interest. The outstanding balance of such loans on 31st March 2018 was Rs.3,33,872/-.

14. Auditors:Statutory Auditors

M/s. Shashank Patki and Associates, Chartered Accountants, Pune were appointed as Statutory Auditors of the Company in the 30th Annual General Meeting held on 30th September 2016 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 May 7, 2018, issued by the Ministry of Corporate Affairs.

Secretarial Auditor

Mr. R. V. Pore, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2017 – 2018, as required under Section 204 of the Companies Act, 2013 and rules made there under. The Secretarial Audit Report for the financial year 2017 – 2018 in Form MR-3 is attached as Annexure 1 to this Report.

15. Explanations or comments on qualification, reservation or adverse remark or disclaimer in Auditor's Report:

The Audit Report contains certain observations and we offer our comments in this regard as under:

- a. *Auditor's Comment – As mentioned in note no. m of Note – 23 B : Other Notes On Accounts, the accounts have been compiled on the basis of the records and documents available with the Company due to seizure of records and documents by Police authorities, now partially released. The impact on accounts (financial as well as disclosure) due to such non-availability of the records is not ascertainable.*

The management believes that there will be no significant impact on accounts (financial as well as disclosure) of the Company.

- b. *Auditor's comment: As mentioned in foot note no. 1 of Note no. 1 : Property, Plant & Equipments, pending conveyance of land at Nande, pending payment of stamp duty applicable to scheme of arrangement & amalgamation sanctioned by Hon'ble Bombay High Court vide their judgement dated 16th July 2009 and pending legal formalities of allotment of shares (the subject matter of the aforesaid scheme), accounting has been done of Fixed Assets (Land) of Rs. 1,59,65,999.74, Issued, Subscribed and Paid up Share Capital of Rs. 17,96,254, Share Premium of Rs. 1,06,69,748.76 and Current Liabilities (Amount payable to Dr. Laxman V. Kulkarni) of Rs. 34,99,996.98. Pending completion of all legal formalities, the respective amounts as aforesaid accounts are overstated to that extent.*

The Company has acquired land at Nande from Dr. Laxman V. Kulkarni pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court, Mumbai. As per the Scheme, the Company was required to allot 17,96,254 Equity Shares and pay Rs. 34,99,996.98, additionally, as a consideration for the said land to Dr. Kulkarni, by executing separate Conveyance Deed. However, the management was advised that the allotment is required to be made before the execution of the Conveyance Deed. Accordingly, in good faith the Board allotted the necessary shares to Dr. Kulkarni and prepared the deed for registration. However, Dr. Kulkarni, expressed his desire for upward revision of the total consideration, as the prices of the land have gone up considerably since 01.04.2008 i.e. the appointed date and the market price of the equity shares of the Company have not appreciated in line with the same. Due to this, the conveyance deed with Dr. Laxman V. Kulkarni is not yet done. The management is exploring ways and means to sort out the issue and hopes that the same will be resolved amicably. However, until the financial difficulties are resolved, a solution to this issue appears remote. After settlement of the issue and completion of all legal formalities, the aforesaid amounts accounted for under Fixed Assets, Share Capital, Share Premium and Current Liabilities will stand confirmed.

- c. *Auditor's comment: As mentioned in foot note no. 2 of Note no. 1 : Property, Plant & Equipments, In the absence of the records, the nature of Capital Work in Progress (pending since long) could not be ascertained. As such the probable accounting thereof, capital or revenue, is pending. Further, the impairment of Assets (including Capital Work in Progress), if any, as per the requirements of Ind AS 36 has not been ascertained, and as such, the consequent impact on accounts is not ascertainable.*

Capital Work in Progress includes total expenditure of Rs. 181.43 lakhs incurred for proposed hotel project at Nande, Pune and out of this, cost of development of land is Rs. 87.69 lakhs, cost of various professional charges Rs. 66.13 lakhs and cost of construction of compound wall Rs. 26.12 lakhs. After sorting out various legal and funding issues the Company will act upon the said project and aforesaid amount will be capitalized in respective heads of accounts.

- d. *Auditor's comment: Details and supporting documents of the amount of Rs. 3,91,00,000/- paid as Advance to Dr. Laxman V. Kulkarni are not available with the Company. As such, we are unable to express our opinion on the genuineness of the payment, recoverability thereof and correctness of the accounting treatment.*

The Company has acquired land at Nande from Dr. Laxman V. Kulkarni pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court, Mumbai. As per the Scheme, the Company was required to allot 17,96,254 Equity Shares and pay Rs. 34,99,996.98, additionally, as a consideration for the said land to Dr. Kulkarni, by executing separate Conveyance Deed. However, Dr. Kulkarni, expressed his desire for upward revision of the total consideration, as the prices of the land have gone up considerably since 01.04.2008 i.e. the appointed date and the market price of the equity shares of the Company have not appreciated in line with the same. The Company has paid Rs.3,91,00,000/- to Dr. Kulkarni as Advance against the said land. However, due to financial difficulties, the Company is not able to pay the balance amount as desired by Dr. Kulkarni. Due to this, the conveyance deed with Dr. Laxman V. Kulkarni is not yet done. The management is exploring ways and means to sort out the issue and hopes that the same will be resolved amicably. However, until the financial difficulties are resolved, a solution to this issue appears remote. After settlement of the issue, the amount of Rs. 3,91,00,000/- will be added to the Fixed Assets under Land.

- e. *As mentioned in foot note no. 2 of Note no. 4 : Other Assets, Capital advances include Rs. 18.85 lakhs, balance amount of advance given to M/s Prabhune Management Consultancy Company for mobilisation and sourcing of funds for the purpose of proposed hotel project at Nande, Pune for last couple of years. As such, we are unable to express our opinion on the genuineness of the payment, recoverability thereof and correctness of the accounting treatment.*

Advance given to M/s. Prabhune Management Consultancy Company is for mobilization and sourcing of funds for the purpose of proposed hotel project at Nande, Pune. The management has taken possible efforts to execute the said hotel project but due to various legal issues and lack of availability of funds, the Company could not move forward on the said hotel project till date.

- f. *Auditor's Comment: As mentioned in foot note no. 5 of Note no. 7 : Cash and Bank Balances, Balances with Banks in current account include as amount of Rs. 102.50 lakhs kept in bank account in the individual name of director. As informed to us, this amount has been kept in No Lien Account as part of the negotiation with a lender bank for One Time Settlement.*

The Company has received a proposal from Bank of Maharashtra to avail the "MAHA MUKTI YOJANA" Scheme introduced by it for One Time Settlement (OTS) of outstanding dues of the Company. A No Lien Escrow Account was opened in the name of Director of the Company and the amount of Rs. 1,02,50,000/- was deposited in the said account as a part of the negotiation with a lender bank. After finalization of OTS proposal, this amount of Rs. 1,02,50,000/- will be adjusted by the Bank against its dues. As a result the amount will be reduced from Current assets and Current liabilities. The management hopes that this OTS will be completed by end of current year.

- g. *Auditor's comment: As mentioned in foot note no. g of Note no. 23 B : Other Notes on Account, the outstanding balances of sundry creditors, sundry debtors, and advances (taken or given) are subject to reconciliation, confirmations and consequent adjustment if any.*

Outstanding balances of Sundry Creditors and Sundry Debtors are the normal course of business. Advances taken from customers are adjusted on billing/invoicing to customers and advances given to vendors are adjusted on approval of bills/Invoices accepted from vendors and statutory deductions if any.

- h. *Auditor's comment: As mentioned in various notes, no provision has been made for interest on Sales Tax Deferment and interest / penalties for non-payment / late payment of statutory dues and for non-compliance of legal formalities etc., if any. The amount is not ascertainable.*

The Company has paid Rs. 5,00,000/- out of the total deferred sales tax dues, The remaining balance is Rs.5,04,188.02. The Company would clear all the dues shortly. The delay was occurred due to financial difficulties. In case interest on Sales Tax Deferral loan, interest is not provided as the quantum of interest could not be ascertained.

- i. *Auditors' Comment: The Company's gross investments in equity shares of three subsidiary companies of Rs. 883.13 lakhs were sold during the year for an amount of Rs. 0.48 lakh only. The value of these investments was diminished progressively by charging to profit and loss accounts for the years from 2014-15 onwards. We have not examined the propriety of this sale, which is based on the management's assessment on the recoverability of these financial assets and of the consequent loss.*

These three subsidiary companies are non-operational. Their net-worth is completely eroded. They did not contribute anything to the Company but added the work of consolidation. The Company is not in a position to infuse funds in these companies for their revival. The management has chopped of some dead wood from its Balance Sheet.

- j. *Auditor's Comment: In the absence of the records, seized by Police authorities, the correctness of the amounts written off is not ascertainable.*

The management is unable to estimate the impact of audit qualification. However, it believes that there will be no significant impact on accounts (financial as well as disclosure) of the Company.

k. *Statutory Dues:*

The delay was also occurred in payment of certain statutory dues due to financial difficulties.

Rest of the Auditor's observations are either self explanatory or are dealt with in the above comments.

16. *Explanations or comments on qualification, reservation or adverse remark or disclaimer in Secretarial Audit Report:*

Non – publishing notices etc. in the newspapers as required under Listing Regulations:

The Company has submitted notices, quarterly unaudited financial results and audited financial statements etc. required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Bombay Stock Exchange Ltd. within the prescribed time and the same were also made available on the website of the Company. However, due to financial difficulties, the Company did not publish notices, results and statements etc. in the newspapers.

Discrepancies in the issued share capital and listed share capital:

Due to technical issues and financial difficulties, some formalities in respect of issue of shares made under the Scheme of Arrangement and Amalgamation are not yet completed; hence those shares and the shares further issued by the Company through private placement are yet to be listed. The Company would like to resolve the issue. However, until the financial difficulties are resolved, a solution to this issue appears remote.

Non – filing of Form PAS – 3 (earlier Form-2) for allotment of Equity shares made on 30th April 2010:

In respect of allotment of Equity shares against consideration other than cash, the Company has to file stamped document with the Registrar of Companies along with Form PAS – 3 (earlier Form 2) i.e. Return of Allotment. Due to the pendency of payment of stamp duty on High Court Order dated 16th July 2009, the Company is not able to file the said form with the Registrar of Companies in respect of Equity Shares allotted to Dr. Laxman V. Kulkarni.

Hundred percent of shareholding of promoters and promoters group is not in dematerialized form:

As explained earlier, due to technical issues, some formalities in respect of 29,00,879 Equity shares issued under the Scheme of Arrangement and Amalgamation to promoter are not yet completed; hence those shares and 54,17,000 Equity shares further issued by the Company through private placement to promoter are yet to be listed. As the allottee cannot dematerialize the securities issued to him before listing of the same on the relevant stock exchange, the 83,17,879 Equity shares held by the promoter(s) / promoter group are in physical form. The Company would like to resolve the issue. However, until the financial difficulties are resolved, a solution to this issue appears remote.

Complaints against Chairman, Directors and the Company:

The complaints and cases are still pending in the respective court/s. The Chairman and the Directors are not yet convicted.

Execution of contra trade / opposite transactions by a designated person in violation of restriction prescribed under Code formulated by the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015

The contra trade / opposite transactions were executed by the designated person inadvertently / unintentionally. The transaction were not material.

Non – disclosure of certain non – material related party transactions in the quarterly Compliance Report on Corporate Governance

The subject transaction was non-material and at arm's length pricing, hence not disclosed. In future, the Company will take due care in this regard.

Statutory Auditors did not hold Peer Review Certificate on the date of appointment:

The Certificate of Peer Review is issued on 20th April 2018.

Rest of the Secretarial Auditor's observations are self explanatory or dealt with/replied earlier in this Report.

17. Share Capital:

There were no changes in the share capital during the year under review.

18. Extract of the Annual Return:

The extract of annual return as on the financial year ended on 31st March 2018 in Form No. MGT-9 is enclosed as Annexure 2 and forms part of the Directors' Report. The Company has placed copy of the annual return on its website i.e. www.dhanadacorp.com. The web link thereto is <http://dhanadacorp.com/pdf/Form-No-MGT-9-Extract-of-Annual-Return-31-03-18.pdf>.

19. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The Company through constant monitoring, selection of energy saving equipments and education of staff and guests endeavors to conserve and optimize the use of energy.

The Company does not undertake any research and development activity neither does it use any imported technology.

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

20. Corporate Social Responsibility (CSR):

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

21. Directors:

Change in Directors and Key Managerial Personnel (KMP)

No changes were made during the year under review.

Appointments

Mrs. Veena R. Havele (DIN 00007593) retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Your Directors recommend her re-appointment.

None of the independent directors will retire at the ensuing Annual General Meeting.

Statement on declaration given by Independent Directors

The Company has received necessary declaration from Independent Directors under Section 149(7) of the Companies Act, 2013 that they meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Relationship between directors inter-se

Mr. Ramesh R. Havele (DIN 00007580) and Mrs. Veena R. Havele (DIN 00007593) are related to each other as husband and wife.

Formal Annual Evaluation

The evaluation of the Board and its committees, evaluation of performance of individual directors and independent directors in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Schedule IV and other applicable provisions of the Companies Act, 2013 was conducted based on the criteria such as the Board composition and structures, effectiveness of board processes, information and functioning, contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The performance of independent directors was evaluated by the entire Board of Directors.

Details of familiarisation programmes of Independent Directors

The Company has a policy to keep the Independent Directors informed and updated about the business and the operations of the Company, on a continuous / as needed basis. In order to familiarise the Independent Directors with the Company and to inform them about their roles, rights and responsibilities, the Company conducts the orientation programs for them.

The Company conducts an induction program for every new Independent Director joining the Company's Board covering the organization structure, Company's business and its subsidiaries.

The Company issues detailed letter of appointment to the Independent Directors detailing their roles and duties to be performed as an Independent Director on the Board of the Company.

The details of familiarisation programmes are available on the website of the Company. The web link thereto is [http://dhanadacorp.com/pdf/Details%20of%20Familiarisation%](http://dhanadacorp.com/pdf/Details%20of%20Familiarisation%20programme%20for%20IDs.pdf)

[20programme%20for%20IDs.pdf](http://dhanadacorp.com/pdf/Details%20of%20Familiarisation%20programme%20for%20IDs.pdf)

22. Number of meetings of Board of Directors:

During the financial year 2017 – 2018, 4 (Four) meetings of the Board of Directors were held.

23. Audit Committee:

The Audit Committee consists of three members i.e. Mr. Dilip A. Prabhune (DIN 01779383), Chairman of the Committee and Mr. Shreeniwas G. Kale (DIN 00150957) and Mrs. Veena R. Havele (DIN 00007593).

All recommendations made by the Committee during the year were accepted by the Board.

24. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee consists of three members i.e. Mr. Shreeniwas G. Kale (DIN 00150957), Chairman of the Committee and Mrs. Veena R. Havele (DIN 00007593) and Mr. Dilip A. Prabhune (DIN 01779383).

The Committee reviews and ensures redressal of investor grievances. No investor complaints were received during the year under review.

25. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee consists of three members i.e. Mr. Shreeniwas G. Kale (DIN 00150957), Chairman of the Committee and Mrs. Veena R. Havele (DIN 00007593) and Mr. Dilip A. Prabhune (DIN 01779383).

The Committee has formulated policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees including criteria for determining qualifications, positive attributes and independence of director, performance evaluation and other matters in compliance with Section 178 of the Companies Act, 2013 read with rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

The said policy is also available on the website of the Company. A web link thereto is <http://dhanadacorp.com/pdf/Nomination%20and%20Remuneration%20Policy.pdf>.

The Committee operates as per the policy adopted by the Board. All recommendations made by the Committee were accepted by the Board.

26. Details of establishment of vigil mechanism for directors and employees:

The Company has established Whistle Blower / Vigil Mechanism Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics. The said policy is also available on the website of the Company. A web link thereto is <http://dhanadacorp.com/pdf/Vigil%20Mechanism%20Policy.pdf>.

27. Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties are disclosed in Form No. AOC-2 attached and forms part of the Directors' Report as Annexure 3.

The Company has formulated policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions in compliance with SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

The said policy is available on the website of the Company. A web link thereto is http://dhanadacorp.com/pdf/Related_Party_Transactions_Policy.pdf.

28. Managerial Remuneration:

No director draws any remuneration from the Company.

Remuneration of Key Managerial Personnel (KMP)

Name of KMP	Designation	Remuneration in 2017- 18	Remuneration in 2016 – 17	% Increase of remuneration
		(Rs.)	(Rs.)	
Mr. Ramesh Pradhan	Chief Financial Officer	5,71,350/-	3,33,000/-	71.58%
Mrs. Smita Mishra	Company Secretary	1,97,750/-	67,800/-*	94.44%

**Appointed on 12th August 2016, the remuneration is for the period from 12th August 2016 to 31st March 2017. However, the percentage of increase is calculated on annual basis.*

Median Remuneration of Employees (MRE) was Rs. 11,910/- and Rs. 10,035/- in the financial year 2017 – 18 and 2016 – 17 respectively. The increase in MRE in the financial year 2017 - 18, as compared to financial year 2016 - 17 is 18.38%.

The number of permanent employees on the rolls of the Company as on 31.03.2018 and 31.03.2017 are 25 and 36 respectively.

The revenue of the Company has gone up by 24%. The Company has suffered losses. The remuneration of the employees has increased by 25%.

The closing price of the Company's equity shares on BSE as of 31.03.2018 was Rs. 3.44 representing a 65.60% decrease over IPO price.

It is affirmed that the remuneration of employees and KMPs is as per the remuneration policy of the Company.

No employee of the Company is receiving remuneration exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

29. Risk Management Policy:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board of Directors has also framed Risk Management Policy / Plan. The said policy is available on the website of the Company. A web link thereto is <http://dhanadacorp.com/pdf/Risk%20Management%20Policy.pdf>.

30. Corporate Governance and Management Discussion and Analysis Report:

The Company is committed to achieve business excellence and stakeholders' welfare through good corporate governance and adhere to the corporate governance requirements set out by SEBI. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report and Report on Corporate Governance along with Certificate of Compliance from Auditors are annexed and form part of the Directors' Report.

31. Directors' Responsibility Statement:

The Directors of the Company hereby state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint was received or filed under the Act during the year.

33. Maintenance of Cost Records:

The Company is not required to maintain cost records pursuant to Section 148(1) of the Companies Act, 2013 read with rules made thereunder. Hence, no such accounts and records are maintained.

34. General Information:

On 20th December 2016, the registered office of the Company was sealed by the Investing Officer of Economic Offices Wing (EOW), Pune illegally and without court permission. The action taken by EOW was challenged by the Company in the Hon'ble High Court, Mumbai. On 27th April 2018, Hon'ble High Court, Mumbai has passed an order to de-seal the registered office of the Company.

35. Acknowledgements:

The Directors express their sincere thanks to Dhanada Holdings Private Limited, the parent company, the Bankers, employees and stakeholders for their continued support and the faith and belief shown by them.

For and on behalf of the Board of Directors

DHANADA CORPORATION LIMITED

Place : Pune
 Date : 13th August 2018

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

Veena R. Havele
 Director
 (DIN 00007593)

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

[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]

To,
The Members,
DHANADA CORPORATION LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DHANADA CORPORATION LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my 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:

I 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 thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (**SCRA**) and the rules made thereunder;
- 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 (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
 - d. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI (LODR) Regulations, 2015).
- v. The following laws / regulations / guidelines, though prescribed by the Government in the format of Secretarial Audit Report, **were not applicable** to the Company during the audit period under review as no event took place under these regulations during the audit period:
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - f. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

vi. Other laws specifically applicable to the Company:

- a. Food Safety and Standards Act, 2006 and Food Safety and Standards Rules, 2011;
- b. Food Safety and Standards (Licensing & Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging & Labelling) Regulations, 2011;

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

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

1. There has been occasional delay in filing certain forms with Registrar of Companies, Pune.
2. The Company has not published notices of meetings, book closure, quarterly unaudited financial results and audited financial statements etc. in the newspapers as required under SEBI (LODR) Regulations, 2015.
3. There are certain discrepancies in the issued share capital and listed share capital of the Company as reported in Reconciliation of Share Capital Audit Report submitted quarterly to the Bombay Stock Exchange Limited.
4. The Company has not yet filed Form PAS – 3 (erstwhile Form-2) for allotment of Equity shares made on 30th April 2010 to Dr. Laxman V. Kulkarni against the land acquired from him pursuant to the Scheme of Arrangement and Amalgamation sanctioned by Hon'ble High Court, Bombay dated 16th July 2009.
5. Only 77.36% of shareholding of promoters and promoters group is in dematerialized form and not 100% as required under Regulation 31(2) of SEBI (LODR) Regulations, 2015.
6. There was delay in submission of Compliance Certificate for the half year ended on 31st March 2017 as required under Regulation 7(3) of SEBI (LODR) Regulations, 2015.
7. There was delay of 4 days in submission of Audited financial results for the quarter and year ended on 31st March 2017 along with Auditors Report and Statement on Impact of Audit Qualifications as required under Regulation 33 of SEBI (LODR) Regulations, 2015.
8. There has been delay in submitting unaudited financial results to Bombay Stock Exchange Ltd. in Ind-AS format as per Schedule III format of Companies Act, 2013, for the quarter ended on 30th June 2017.
9. During the audit period, one of the designated persons has executed contra trade / opposite transactions, in violation of restriction placed in the Code of Conduct to Regulate, Monitor and Report Trading by Insiders formulated by the Company.
10. The Company has not disclosed certain related party transactions in the quarterly Compliance Report on Corporate Governance pursuant to Regulation 27 of SEBI (LODR) Regulations, 2015. The said transactions were not material.
11. The Statutory Auditors M/s. Shashank Patki and Associates did not hold a Certificate issued by a Peer Review Board of The Institute of Chartered Accountants of India on the date of appointment.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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.

Majority decision of the Board of Directors is carried through and are captured and recorded as part of the minutes. There were no dissenting views.

I 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.

I further report that during the audit period there were no specific events / actions occurred in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. having a major bearing on the Company's affairs.

However, the following matters, though some of them have not occurred during the audit period or related to the above referred laws, can have a major bearing on the Company's affairs:

1. The Company was not able to service its bank loans which ultimately turned into NPAs. The Bankers have taken symbolic possession of the assets of the Company under SARFAESI Act and passed it over to an Asset Reconstruction Company.
2. There are civil and criminal cases filed against the directors of the Company. However, the matters are still pending with respective Court/s. The Company is an accused in one case.
3. The Aurangabad District Court and Pune District Court have passed orders under The Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (MPID Act) for attachment of the assets of the Company on 30th January 2018 and 26th April 2018 respectively. The management has challenged both the Orders in the respective High Courts and obtained a Stay thereon. The management has also made a Writ to quash the Notification dated 7th May 2016 and Corrigendum Notification dated 8th June 2017. The appeals are pending to be heard.
4. The Company was unable to pay stamp duty on the Order passed by the High Court for sanctioning the Scheme of Arrangement and Amalgamation against the Demand Notice received from Collector of Stamps, Mumbai. The Company has received Final Notice dated 15th December 2017 from the said authority under Section 46 of the Maharashtra Stamp Act, 1958 regarding execution of the warrant of distraint of movable property, attachment of immovable property or warrant of arrest under Section 179 to 184 and / or other relevant provisions of Maharashtra Land Revenue Code, 1966. No attachment is yet made as per the information of the management.
5. Dhanada Engineering Pvt. Ltd., Dhanada Education Pvt. Ltd. & Dhanada Clean Energy (India) Pvt. Ltd. ceased to be subsidiaries w.e.f. 14th November 2017.

Date : 30th July 2018
Place : Pune

R. V. Pore
Practicing Company Secretary
FCS: 6485 CP: 1913

Note:

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

Annexure A to Secretarial Audit Report

To,
The Members,
DHANADA CORPORATION LIMITED

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **DHANADA CORPORATION LIMITED** ('the Company') is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to me by the Company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to me. I believe that the processes and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
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 : 30th July 2018
Place : Pune

R. V. Pore
Practicing Company Secretary
FCS: 6485 CP: 1913

Annexure 2
Form No. MGT-9
**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2018**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

i	CIN	L55101PN1986PLC133909
ii	Registration Date	14.07.1986
iii	Name of the Company	DHANADA CORPORATION LIMITED
iv	Category / Sub-Category of the Company	Public Company / Limited by shares / having share capital
v	Address of the Registered office and contact details Name of the person Designation Tele No. Email id	Dhanada, 16/6, Erandwana Hsg. Soc., Plot No. 8, Patwardhan Baug, Pune – 411004. Ramesh R. Havele Managing Director (020) 25462408 dhanada@dhanadacorp.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited Head Office: C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083. (022) 49186000 Pune Office: Block No. 201, 2nd Floor, Akshay Complex, Off. Dhole Patil Road, Near Ganesh Temple, Pune – 411001. (020) 26161629

II. Principal business activities of the Company:

Company is exclusively engaged in the business of Hospitality / Hotel.

All the Business activities contributing 10% or more of the total turnover of the Company are:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Short term accommodation	551	59.03 %
2.	Food & Beverage Services	561	30.92 %

III. Particulars of holding, subsidiary and associate companies:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dhanada Holdings Private Ltd. Deep, 16/6, Erandwana Hsg. Soc. Plot No. 8, Patwardhan Baug, Pune – 411004.	U67190PN1994PTC083166	Holding	60.46%	2(46)

IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	25881	2900879	2926760	5.23%	30121	2900879	2931000	5.24%	+0.01%
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	28399271	5417000	33816271	60.46%	28398271	5417000	33815271	60.46%	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	28425152	8317879	36743031	65.69%	28428392	8317879	36746271	65.70%	+0.01%
(2) Foreign									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	28425152	8317879	36743031	65.69%	28428392	8317879	36746271	65.70%	+0.01%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	127500	127500	0.23%	Nil	127500	127500	0.23%	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	127500	127500	0.23%	Nil	127500	127500	23%	Nil
2. Non-Institutions									
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Indian	145761	21100	166861	0.30%	109348	21100	130448	0.23%	-0.07%
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4824242	2833879	7658121	13.69%	4927306	2825979	7753285	13.86%	+0.17%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7829459	2902369	10731828	19.19%	7805849	2902369	8911964	15.93%	-3.26%
c) Others (specify)									
Clearing Member	8431	Nil	8431	0.01%	1135	Nil	1135	0.00%	-0.01%
Non Resident Indians	24350	89800	114150	0.20%	24950	89800	114750	0.21%	+0.01%
Hindu Undivided Family (HUF)	358760	24899	383659	0.69%	327075	24899	351974	0.63%	-0.06%
Sub-total (B)(2):-	13191003	5872047	19063050	34.08%	13195663	5864147	19059810	31.08%	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	13191003	5999547	19190550	34.31%	13195663	5991647	19187310	34.30%	-0.01%
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	41616155	14317426	55933581	100%	41624055	14309526	55933581	100%	

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Dhanada Holdings Private Limited	33816271	60.46%	Nil	33815271	60.46%	Nil	Nil
2	Mr. Ramesh R. Havele	2908754	5.20%	Nil	2908754	5.20%	Nil	Nil
3	Mr. Ramesh R. Havele J/w Mrs. Veena R. Havele	18006	0.03%	Nil	18006	0.03%	Nil	Nil
4	Ms. Gautami R. Havele	Nil	Nil	Nil	4240	0.01%	Nil	Nil
	Total	36743031	65.69%	Nil	36746271	65.70%	Nil	Nil

iii) Change in Promoters' Shareholding (please specify, if there is no change) –

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Dhanada Holdings Private Limited				
	At the beginning of the year	33816271	60.46%		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-1000 (Sale of shares on 19.01.2018)	60.46%	33815271	60.46%
	At the end of the year	33815271	60.46%		
2.	Gautami R. Havele				
	At the beginning of the year	Nil	Nil		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	+2000 (Purchase of shares on 05.05.17)	0.00%	2000	0.00%
		+100 (Purchase of shares on 30.06.17)	0.00%	2100	0.00%
		+700 (Purchase of shares on 13.07.17)	0.00%	2800	0.00%
		+500 (Purchase of shares on 14.07.17)	0.00%	3300	0.00%
		-50 (Sale of shares on 13.10.17)	0.00%	3250	0.00%
		-200 (Sale of shares on 25.10.17)	0.00%	3050	0.00%
		-100 (Sale of shares on 27.10.17)	0.00%	2950	0.00%
		-510 (Sale of shares on 30.10.17)	0.00%	2440	0.00%
		+1300 (Purchase of shares on 27.12.17)	0.00%	3740	0.00%

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		+500 (Purchase of shares on 03.01.18)	0.00%	4240	0.00%
	At the end of the year	4240	0.01%		

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name	Shareholding at the beginning of the year		Date	Increase / (Decrease) during the year	Reason	Cumulative Shareholding during the year / at the end of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Luxman V. Kulkarni	6371692	11.39%	Nil	Nil	Nil	6371692	11.39%
2	Mr. Sudhir T. Deshpande	1264769	2.26%	Nil	Nil	Nil	1264769	2.26%
3	Mr. Prafulla A. Madiwale	401695	0.72%	07-04-2017	212	Purchase of Shares	401907	0.72%
4	Mr. Kurian Joy Chittate	360000	0.64%	Nil	Nil	Nil	360000	0.64%
5	Mr. Suresh I. Talele	249517	0.45%	12-05-2017	(1000)	Sale of Shares	248517	0.44%
				18-08-2017	(100)	Sale of Shares	248417	0.44%
				24-08-2017	(250)	Sale of Shares	248167	0.44%
				01-09-2017	(939)	Sale of Shares	247228	0.44%
				08-09-2017	(300)	Sale of Shares	246928	0.44%
				15-09-2017	(400)	Sale of Shares	246528	0.44%
				29-09-2017	(1363)	Sale of Shares	245165	0.43%
				03-11-2017	(2059)	Sale of Shares	243106	0.43%
				10-11-2017	(2407)	Sale of Shares	240699	0.43%
				17-11-17	(499)	Sale of Shares	240200	0.43%
				24-11-2017	(599)	Sale of Shares	239601	0.43%
				08-12-2017	(1000)	Sale of Shares	238601	0.43%
				22-12-2017	(800)	Sale of Shares	237801	0.43%
				29-12-2017	(825)	Sale of Shares	236976	0.42%
				05-01-2018	(700)	Sale of Shares	236276	0.42%
				12-01-2018	(200)	Sale of Shares	236076	0.42%
				19-01-2018	(295)	Sale of Shares	235781	0.42%
				26-01-2018	(960)	Sale of Shares	234821	0.42%
				16-02-2018	(5)	Sale of Shares	234816	0.42%
				23-02-2018	(100)	Sale of Shares	234716	0.42%
				02-03-2018	(1801)	Sale of Shares	232915	0.42%
				09-03-2018	(3680)	Sale of Shares	229235	0.41%
				16-03-2018	(3473)	Sale of Shares	225762	0.40%
				23-03-2018	(100)	Sale of Shares	225662	0.40%
6	Anilkumar B. Parikh (HUF)	200000	0.36%	Nil	Nil	Nil	200000	0.36%
7	Mr. Sanjay S. Diwanji J/w Mrs. Suvama S. Diwanji	229200	0.41%	Nil	Nil	Nil	229200	0.41%

Sl. No	Name	Shareholding at the beginning of the year		Date	Increase / (Decrease) during the year	Reason	Cumulative Shareholding during the year / at the end of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
8	Mrs. Manisha M. Suryavanshi	199187	0.36%	Nil	Nil	Nil	199187	0.36%
9	Mrs. Kavita S. Waidande	169835	0.30%	Nil	Nil	Nil	169835	0.30%
10	Mr. Prashant P. Gune	168285	0.30%	26-10-2017	245	Purchase of Shares	168530	0.30%

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Ramesh R. Havele At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	2926760 2926760	5.23% 5.23%	Nil	N.A.
2	Mrs. Veena R. Havele At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	Nil Nil	N.A. N.A.	Nil	N.A.
3	Mr. Shreeniwas G. Kale At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	Nil Nil	N.A. N.A.	Nil	N.A.
4	Mr. Dilip A. Prabhune At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	Nil Nil	N.A. N.A.	Nil	N.A.

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	Mr. Ramesh M. Pradhan At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	97989 97989	0.18% 0.18%	Nil	N.A.
6.	Mrs. Smita A. Mishra At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	Nil 145 (Purchase of shares on 08.11.17) 145	N.A. 0.00% 0.00%	145	0.00%

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payments:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,03,27,429	10,20,973	Nil	10,13,48,402
ii) Interest due but not paid	6,24,65,972	Nil	Nil	6,24,65,972
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	16,27,93,401	10,20,973	Nil	16,38,14,374
Change in Indebtedness during the financial year				
• Addition	2,60,29,450	3,17,087	Nil	2,63,46,537
• (Reduction)	Nil	(5,00,000)	Nil	(5,00,000)
Net Change	2,60,29,450	(1,82,913)	Nil	2,58,46,537
Indebtedness at the end of the financial year				
i) Principal Amount	10,03,27,429	8,38,060	Nil	10,11,65,489
ii) Interest due but not paid	8,84,95,422	Nil	Nil	8,84,95,422
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	18,88,22,851	8,38,060	Nil	18,96,60,911

VI. Remuneration of directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total amount
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify		
5.	Others, please specify Total (A) Ceiling as per the Act		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
	Independent Directors Fee for attending board / committee meetings Commission Others, please specify Total(1)	Nil	
	Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify Total(2)		
	Total(B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Ramesh Pradhan CFO	Mrs. Smita Mishra CS	
1.	Gross salary Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under Section 17(3) Income tax Act, 1961	5,71,350	1,97,750	7,69,100

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Ramesh Pradhan CFO	Mrs. Smita Mishra CS	
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify.			
5.	Others, please specify			
	Total	5,71,350	1,97,750	7,69,100

VII. Penalties / Punishment / Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For & on behalf of the Board of Directors
DHANADA CORPORATION LIMITED

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

Veena R. Havele
Director
(DIN 00007593)

Annexure 3**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the financial year ended on 31st March 2018, which were not at arm's length basis.

2. Details of contracts or arrangement or transactions at arm's length basis:

a	Name(s) of the related party and nature of relationship	Ms. Gautami R. Havele Relative of Directors
b	Nature of contracts / arrangements / transactions	Salary paid
c	Duration of the contracts / arrangements / transactions	01.04.2017 to 31.03.2018
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Appointed as HR Executive of the Company. Her services are beneficial for the Company. <u>Value of transaction</u> Rs. 1,96,000/-
e	Date(s) of approval by the Board	12.08.2016
f	Amount paid as advances, if any	Nil

For & on behalf of the Board of Directors
DHANADA CORPORATION LIMITED

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

Veena R. Havele
Director
(DIN 00007593)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry structure and developments

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. During January-April 2018, FEEs from tourism increased 17.4 per cent year-on-year to US\$ 10.62 billion.

Total contribution by travel and tourism sector to India's GDP is expected to increase from Rs. 15.24 trillion (US\$ 234.03 billion) in 2017 to Rs. 32.05 trillion (US\$ 492.21 billion) in 2028. India ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017. Travel and tourism is the third largest foreign exchange earner for India. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.

The Government has also been making serious efforts to boost investments in tourism sector. In the hotel and tourism sector, 100 per cent FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai). The launch of several branding and marketing initiatives by the Government of India such as 'Incredible India!' and 'Athiti Devo Bhava' has provided a focused impetus to growth. The Indian government has also released a fresh category of visa - the medical visa or M visa, to encourage medical tourism in the country.

Some of the major initiatives planned by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

- The Government of India is working to achieve one per cent share in world's international tourist arrivals by 2020 and two per cent share by 2025.
- Under Budget 2018-19, the government has allotted Rs 1,250 crore (US\$ 183.89 million) for Integrated development of tourist circuits under Swadesh Darshan and Pilgrimage Rejuvenation and Spiritual Augmentation Drive.

Online hotel bookings in India have increased due to the growing penetration of the internet and smart phones. With the rise in the number of global tourists and realizing India's potential, many companies have invested in the tourism and hospitality sector.

The long term outlook for the Indian hospitality business continues to be positive, both for the business as well as the leisure segments, with potential for economic growth, increase in disposable incomes and the burgeoning middle class.

Overall, the hospitality industry would see better growth in the years to come.

2. Opportunities and Threats

The steady rise in tourism and prospects of better economic growth in the years to come hold lot of promises for the hospitality industry.

However, there are some basic challenges. The first being constant pressure to lower room rates to maintain occupancy levels. The second being the tightening margins with room rates not going up and operating costs sky-rocketing. Exchange rate volatility is the third challenge. And lastly, high interest rates affecting the debt servicing capacity of hospitality industry.

Talent management is also a key challenge for the sector. Inadequate supply of quality talent and increased competition for talent within the sector and from competing service sectors has made attrition a significant issue for the industry. On the other hand, the expectations of the guests of the level of service gone up immensely due to competition.

Lack of training, man power, political turbulence, changes in government norms and policies and high tax structure makes the industry worse off.

3. Finance

The Company continued to face paucity of funds during the year 2017 – 18. However, the working of the hotel has not suffered. The management is taking every effort to remedy the situation as early as possible.

4. Segment-wise or product-wise performance

The Company works in Hospitality segment. During the year under review, the sales / turnover of Dhanada Corporation Ltd. have increased as compared to the previous year. However, operating margins continued to be under pressure. The Company has suffered losses.

5. Outlook

Barring unforeseen difficulties, the hospitality sector looks forward to keep up its performance.

6. Risks and concerns

Apart from the general economic situation, seasonality, growing competition, the socio-political situation, governmental restrictions, changes in government norms and policies, power and water shortages and lack of infrastructure facilities, high interest rate and borrowing cost, fluctuation in foreign exchange rates, global recession and natural calamities are some of risks, which could affect the performance of the Company.

The stagnancy of ARR also remains an area of concern. Paucity of funds remains the main concern.

7. Internal control systems and their adequacy

Internal Control Systems are adequate and operating effectively commensurate with the size, nature of operations of the Company.

8. Discussion on financial performance with respect to operational performance

The operational performance of the Company has increased as compared to the previous year.

The financial performance declined due to increase in employee benefit costs, finance costs and other expenses. The Company has suffered losses.

9. Material developments in Human Resources / Industrial Relations front, including number of people employed

The Company under the guidance of VITIZEN Hotels Limited has appointed the necessary staff required for the Hotel. The training and development of the personnel is looked after by Vits Hotels Worldwide Private Limited. The Company has 78 employees as on 25th May 2018.

10. Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include unavailability of finance at competitive rates, competition, significant changes in economic environment in India, regulatory provisions, tax laws, litigations, exchange rate fluctuations, interest and other costs.

REPORT ON CORPORATE GOVERNANCE

1. Philosophy on Corporate Governance

The Company's philosophy on corporate governance is to achieve business excellence and stakeholders' welfare through good corporate governance. Corporate Governance is a set of principles, processes and systems to be followed by the directors, management and all employees of the Company for enhancement of shareholders value, keeping in view interest of other stake holders. Your Company strives to embody these principles and practices in its philosophy on corporate governance and endeavors to practice Good Corporate Governance. The Board of Directors fully supports and endorses corporate governance practices.

2. Board of Directors

a. Composition of Board:

The Board consists of 4 Directors. Mr. Ramesh R. Havele (DIN 00007580) is the Chairman and Managing Director of the Company. All Directors except Managing Director are Non-executive Directors. Mr. Shreeniwas G. Kale (DIN 00150957) and Mr. Dilip A. Prabhune (DIN 01779383) are independent Directors.

Name of Director	DIN	Category
Mr. Ramesh R. Havele	00007580	Executive Director
Mrs. Veena R. Havele	00007593	Non – executive Director
Mr. Shreeniwas G. Kale	00150957	Independent Director
Mr. Dilip A. Prabhune	01779383	Independent Director

b. Attendance of each Director at the Board meetings and the last Annual General Meeting:

The details of the attendance of the Directors in their meeting and in the last Annual General Meeting are given below:

Sr. No.	Name of Director	Category	Attendance	
			Board Meeting	AGM
1.	Ramesh R. Havele	Executive	4	Yes
2.	Mrs. Veena R. Havele	Non –Executive	4	Yes
3.	Shreeniwas G. Kale	Independent	4	No
4.	Dilip A. Prabhune	Independent	4	Yes

c. Number of other Boards or Board Committees in which director is a member or Chairperson:

Sr. No.	Name of Director	Category	Other Directorship/ Committee membership	
			Other Directorship*	Committee Chairmanship / Membership*
1.	Ramesh R. Havele	Executive	Nil	Nil
2.	Mrs. Veena R. Havele	Non –Executive	Nil	2
3.	Shreeniwas G. Kale	Independent	Nil	2
4.	Dilip A. Prabhune	Independent	Nil	2

**Excluding directorships in Private Limited Companies, Membership of Nomination and Remuneration Committee of various bodies.*

d. Number of Board Meetings held, dates on which held:

During the financial year 2017 – 2018, your Board met 4 (Four) times on following dates:

30th May 2017, 14th August 2017, 14th November 2017, 14th February 2018.

e. Disclosure of relationship between directors inter-se:

Mr. Ramesh R. Havele (DIN 00007580) and Mrs. Veena R. Havele (DIN 00007593) are related to each other as husband and wife.

- f. Number of shares and convertible instruments held by non – executive directors:

Name of Director	Category	Number of shares held Equity shares of Re.1/- each
Mrs. Veena R. Havele	Non-Executive	NIL
Shreeniwas G. Kale	Independent	NIL
Dilip A. Prabhune	Independent	NIL

- g. Web link where details of familiarisation programmes imparted to independent directors is disclosed <http://www.dhanadacorp.com/pdf/Details%20of%20Familiarisation%20programme%20for%20IDs.pdf>.

3. Audit Committee

- a. Terms of reference:

The terms of reference of Audit Committee are as specified under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and Section 177 of the Companies Act, 2013.

- b. Composition, name of members and Chairperson:

The Audit Committee consists of 3 members. Mr. Dilip A. Prabhune, Independent Director, is the Chairman of the Committee. The composition of Audit Committee is as under:

Name of Director	DIN	Member / Chairman
Mr. Dilip A. Prabhune	01779383	Chairman
Mrs. Veena R. Havele	00007593	Member
Mr. Shreeniwas G. Kale	00150957	Member

- c. Meetings and attendance during the year:

During the financial year 2017 – 18, 4 (Four) Audit Committee meetings were held on the following dates, including those before finalization of Accounts and adoption of the Quarterly financial results by the Board.

30th May 2017, 14th August 2017, 14th November 2017, 14th February 2018.

The attendance of the members is as follows:

Sr. No.	Name of Directors	Held during the year	Attended
1.	Mrs. Veena R. Havele	4	4
2.	Shreeniwas G. Kale	4	4
3.	Dilip A. Prabhune	4	4

4. Nomination and Remuneration Committee

- a. Terms of reference:

The terms of reference of the Nomination and Remuneration Committee are as prescribed under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and Section 178 of the Companies Act, 2013.

- b. Composition, name of members and Chairperson:

The Nomination and Remuneration Committee consists of 3 members. Mr. Shreeniwas G. Kale, Independent Director, is the Chairman of the Committee. The composition of Nomination and Remuneration Committee is as under:

Name of Director	DIN	Member / Chairman
Mr. Shreeniwas G. Kale	00150957	Chairman
Mrs. Veena R. Havele	00007593	Member
Mr. Dilip A. Prabhune	01779383	Member

c. Meetings and attendance during the year:

During the financial year 2017 – 18, Nomination and Remuneration Committee did not meet.

d. Performance evaluation criteria for independent directors:

The Committee has formulated policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees including criteria for determining qualifications, positive attributes and independence of director, performance evaluation and other matters in compliance with Section 178 of the Companies Act, 2013 read with rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

The said policy is also available on the website of the Company. A web link thereto is: <http://dhanadacorp.com/pdf/Nomination%20and%20Remuneration%20Policy.pdf>.

5. Remuneration of Directors:

None of the directors draws any remuneration from the Company.

6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted under the Chairmanship of Mr. Shreeniwas G. Kale (DIN 00150957), Non – executive Director.

Mrs. Smita A. Mishra, Company Secretary, is Compliance Officer.

There are no investor complaints pending as on 31st March 2018.

7. General Body Meetings

The details of Annual General Meeting held during the last 3 years are as follows:

AGM/Year	Venue	Date	Time
2014 – 2015	"Dhanada", 16/6, Erandwana Hsg. Soc., Plot No.8, Patwardhan Baug, Pune – 411004.	30th September 2015	4.00 p.m.
2015 – 2016	"Dhanada", 16/6, Erandwana Hsg. Soc., Plot No.8, Patwardhan Baug, Pune – 411004.	30th September 2016	4.00 p.m.
2016 --2017	"Gautami", 16/6, Erandwana Hsg. Soc., Plot No.12, Patwardhan Baug, Pune – 411004.	29th September 2017	4.00 p.m.

Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of Annual General Meeting	Details of Special Resolution passed
30th September 2015	Following special resolution was passed in the meeting with requisite majority: 1. Alteration of Articles of Association of the Company.
30th September 2016	Nil
29th September 2017	Nil

8. Means of Communication

The Company has been sending the quarterly / half yearly reports to Bombay Stock Exchange, the principal Stock Exchange where the shares of the Company are listed, immediately after approval by the Board.

The Company puts forth vital information about it on its website www.dhanadacorp.com regularly for the benefit of its shareholders and public at large.

9. Disclosures

- (a) Audit Committee reviews periodically the significant related party transactions. There were no materially significant transactions by the Company, during the financial year, with its related parties such as promoters, directors, key

managerial personnel, relatives or subsidiaries that could have potential conflict of interest with the Company. Details of related party transactions are provided in Note 23 B - k of the Notes forming part of the Financial Statements in accordance with provisions of Accounting Standard 18, issued by the Institute of the Chartered Accountants of India.

- (b) No penalty or strictures were imposed on the Company by Stock Exchange, SEBI or any statutory body on any matter related to Capital Market during the last three years.
- (c) The Company has a Vigil Mechanism and Whistle Blower Policy in place which can be accessed on the Company's website www.dhanadacorp.com. It is affirmed that no personnel has been denied access to the Chairman of the audit committee in terms of the policy. During the year, no complaints were filed under the said policy.
- (d) The details of non-compliance of certain mandatory requirements are given in Point No. 14 below. Also, the extent to which non-mandatory requirements are adopted by the Company is given in Point No. 15 below.
- (e) Web link where policy for determining 'material' subsidiaries is disclosed http://dhanadacorp.com/pdf/Policy_for_determining_Material_Subsiidiary.pdf.

The Company has no subsidiary w.e.f. 14th November 2017.

- (f) Web link where policy on dealing with related party transactions is disclosed http://dhanadacorp.com/pdf/Related_Party_Transactions_Policy.pdf.
- (g) The Company's financial statements are prepared in accordance with Generally Accepted Accounting Principles and comply with the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 which are in line with the Accounting Standards recommended by the Institute of the Chartered Accountants of India. No accounting treatment was different from that prescribed in the Accounting Standards.
- (h) The declaration by the Chief Executive Officer stating that all the Board Members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended 31st March 2018 is annexed to the Corporate Governance Report.

10. Management Discussion and Analysis

The Management Discussion and Analysis given separately and the same is annexed and forms part of Directors' Report.

11. Compliance Certificate of the Auditors

The Company has obtained a Certificate from the Statutory Auditors confirming compliance with conditions of Corporate Governance and the same is annexed and forms part of Directors' Report.

12. General Shareholders Information

- (i) Date of meeting of the Board of Directors in which Accounts for the year 2017 – 2018 were approved 25th May 2018
- (ii) Date of Annual General Meeting 29th September 2018
Venue "Dhanada", 16/6, Erandwana Hsg. Soc., Plot No. 8 Patwardhan Baug, Pune – 411004.
Time 4.00 p.m.
- (iii) Financial Calendar for 2018 – 19 (Tentative)

1 st quarterly results	Second Week of August 2018
2 nd quarterly results	Second Week of November 2018
3 rd quarterly results	Second Week of February 2019
4 th quarterly results	Last Week of May 2019
Annual results for the year ending 31 st March 2019	Last Week of May 2019

- (iv) No dividend is recommended for the Equity shareholders of the Company.
- (v) Book Closure for Annual General Meeting: The book closure is from 22nd September 2018 to 29th September 2018 (Both days inclusive).

(vi) Listing

Shares are listed on Bombay Stock Exchange (BSE).

Stock Code: 531198

The listing fee of Bombay Stock Exchange is paid up-to-date.

(vii) Dematerialization

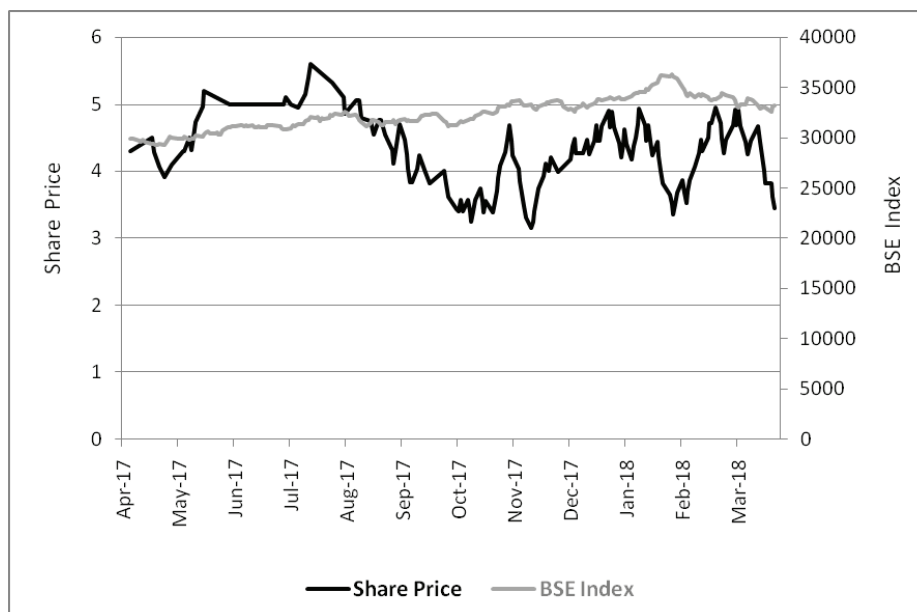
The Company has entered into dematerialization agreements with NSDL and CDSL. (ISIN: INE041F01015). The shareholders are welcome to send their shares to any of the depositories for dematerialization. As on 31st March 2018, 74.42% (41624055) shares are held in demat form.

(viii) Market Price data

The monthly high / low prices of share of the Company on BSE from 1st April 2017 to 31st March 2018 are given below:

Sr. No.	Month	High (Rs.)	Low (Rs.)	Volume of Shares
1	April 2017	4.50	3.91	3302
2	May 2017	5.20	4.25	17304
3	June 2017	5.10	5.00	1390
4	July 2017	5.60	4.95	3060
5	August 2017	5.10	3.91	4299
6	September 2017	4.93	3.61	3714
7	October 2017	4.49	3.22	13755
8	November 2017	4.69	3.00	21498
9	December 2017	4.90	3.80	15182
10	January 2018	4.93	3.35	28749
11	February 2018	5.19	3.19	19773
12	March 2018	5.15	3.44	18394

Performance in comparison to broad-based indices such as BSE Sensex for the period 1st April 2017 to 31st March 2018.



(ix) Share transfer system

The Company has appointed M/s. LINK INTIME INDIA PRIVATE LIMITED as Registrar & Transfer Agents for both physical and demat mode. Applications for transfer of shares in physical form are processed and registered within 15 days from the date of receipt, if the applications are in order.

(x) Share holding pattern as on 31st March 2018

Distribution of share holding as on 31st March 2018

No. of Equity Shares	No. of Members	% to total Members	No. of Shares	% to total Shares
Upto 10000	3804	95.18	2470889	4.42
10001 – 50000	126	3.21	2930986	5.24
50001 & above	62	1.61	50531706	90.34
Total	3992	100.00	55933581	100.00

(xi) Categories of shareholders as on 31st March 2018

Category	No. of shares Held	Percentage of Shareholding
Promoter's Holding		
Indian Promoters	36746271	65.70
Non-promoter's Holding		
Institutional Investors	Nil	N.A.
Mutual Funds and UTI	127500	0.23
Banks, Financial Institutions, Insurance Companies	Nil	N.A.
(Central/State Govt. Institutions/ Non- govt. Institutions)	Nil	N.A.
FII's	Nil	N.A.
Other Corporate Bodies	130448	0.23
Indian Public	18461503	33.00
NRIs / OCBs	114750	0.21
HUF	351974	0.63
Any Other	1135	0.00
TOTAL	55933581	100.00

(xii) Location of Plant (Hotel):

Hotel VITS, Aurangabad
 S. No. 18349/1/1+2+3,
 Station Road,
 Aurangabad – 431005.

(xiii) Address for Correspondence:

Dhanada Corporation Limited
 "Dhanada", 16/6, Erandwana Hsg. Soc.,
 Plot No. 8, Patwardhan Baug,
 Pune – 411004.
 Email: ghanada@ghanadacorp.com

(xiv) Share Transfer Agents:

Link Intime India Private Ltd.

Head Office:

C 101, 247 Park, L B S Marg, Vikhroli West,
 Mumbai – 400083.

Pune Address:

Block No. 202, 2nd Floor, Akshay Complex,
 Off. Dhole Patil Road, Near Ganesh Temple, Pune – 411001.

13. Non – compliance of any requirement of sub – paras (2) to (12) above, with reasons thereof

- a. The Company did not publish notices of meetings, book closure, quarterly unaudited financial results and audited financial statements etc. in the newspapers, due to financial difficulties.

14. Non – mandatory / Discretionary Requirements

a. The Board

Whether Chairman of the Board is entitled to maintain a Chairman's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.	Not Applicable. As the Chairman of the Board is Executive
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b. Shareholder Rights

The half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of shareholders.	No. The Company's half yearly financial results are displayed on its website i.e. www.dhanadacorp.com
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c. Modified opinion(s) in audit report

The Company may move towards a regime of financial statements with unmodified audit opinion.	Due to financial difficulties the Company is unable to remove certain qualification by the Auditor.
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d. Separate posts of chairman and chief executive officer

The Company may appoint separate persons to the post of Chairman and Chief Executive Officer.	No. The Company has appointed same person as Chairman, Managing Director and Chief Executive Officer.
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e. Reporting of Internal Auditor

The internal auditor may report directly to the Audit Committee.	Yes. The internal auditor has direct access to the Audit Committee's Chairman and members and is also an invitee for audit committee meetings.
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**DECLARATION UNDER REGULATION 34(3) READ WITH CLAUSE D OF SCHEDULE V TO SEBI
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015**

I, Ramesh Ramchandra Havele (DIN 00007580), Managing Director and Chief Executive Officer of Dhanada Corporation Limited hereby confirm that:

The Board of Directors of Dhanada Corporation Limited has laid down a Code of Conduct for all Board members and senior management of the Company. The said Code of Conduct has also been posted on the Company's website www.dhanadacorp.com.

All the Board members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended on 31st March 2018.

Date : 13th August 2018
Place : Pune

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

**ANNEXURE TO THE REPORT OF THE DIRECTORS
CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To the Shareholders of Dhanada Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Dhanada Corporation Limited, for the year ended on 31st March 2018, as prescribed in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned LODR subject to the exceptions as detailed in Point No. 13 of Report on Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Shashank Patki & Associates
Chartered Accountants
Firm's registration number: 122054W

Place : Pune
Date : 13th August 2018

Shashank Patki
Partner
Membership number: 035151

INDEPENDENT AUDITORS' REPORT

To
The Members of
DHANADA CORPORATION LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Dhanada Corporation Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income) and the cash flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures

that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

- a. As mentioned in note no. m of Note – 23 B : Other Notes On Accounts, the accounts have been compiled on the basis of the records and documents available with the Company due to seizure of records and documents by Police authorities, now partially released. The impact on accounts (financial as well as disclosure) due to such non-availability of the records is not ascertainable.
- b. As mentioned in foot note no. 1 of Note no. 1 : Property, Plant & Equipments, pending conveyance of land at Nande , pending payment of stamp duty applicable to scheme of arrangement & amalgamation sanctioned by Hon'ble Bombay High Court vide their judgement dated 16th July 2009 and pending legal formalities of allotment of shares (the subject matter of the aforesaid scheme), accounting has been done of Fixed Assets (Land) of Rs. 1,59,65,999.74, Issued, Subscribed and Paid up Share Capital of Rs. 17,96,254, Share Premium of Rs. 1,06,69,748.76 and Current Liabilities (Amount payable to Dr. Laxman V. Kulkarni) of Rs. 34,99,996.98. Pending completion of all legal formalities, the respective amounts as aforesaid accounts are overstated to that extent.

- c. As mentioned in foot note no. 2 of Note no. 1 : Property, Plant & Equipments, in the absence of the records, the nature of Capital Work in Progress (pending since long) could not be ascertained. As such the probable accounting thereof, capital or revenue, is pending. Further, the impairment of Assets (including Capital Work in Progress), if any, as per the requirements of Ind AS 36 has not been ascertained, and as such, the consequent impact on accounts is not ascertainable.
- d. Details and supporting documents of the amount of Rs. 3,91,00,000/- paid as Advance to Dr. Laxman V. Kulkarni are not available with the Company. As such, we are unable to express our opinion on the genuineness of the payment, recoverability thereof and correctness of the accounting treatment.
- e. As mentioned in foot note no. 2 of Note no. 4 : Other Assets, Capital advances include Rs. 18.85 lakhs, balance amount of advance given to M/s Prabhune Management Consultancy Company for mobilisation and sourcing of funds for the purpose of proposed hotel project at Nande, Pune for last couple of years. As such, we are unable to express our opinion on the genuineness of the payment, recoverability thereof and correctness of the accounting treatment.
- f. As mentioned in foot note no. 5 of Note no. 7 : Cash and Bank Balances, Balances with Banks in current account include as amount of Rs. 102.50 lakhs kept in bank account in the individual name of director. As informed to us, this amount has been kept in No Lien Account as part of the negotiation with a lender bank for One Time Settlement.
- g. As mentioned in foot note no. g of Note no. 23 B : Other Notes on Account, the outstanding balances of sundry creditors, sundry debtors, and advances (taken or given) are subject to reconciliation, confirmations and consequent adjustment if any.
- h. As mentioned in various notes, no provision has been made for interest on Sales Tax Deferment and interest / penalties for non-payment / late payment of statutory dues and for non-compliance of legal formalities etc., if any. The amount is not ascertainable.
- i. The company's gross investments in equity shares of three subsidiary companies of Rs. 883.13 lakhs were sold during the year for an amount of Rs. 0.48 lakh only. The value of these investments was diminished progressively by charging to profit and loss accounts for the years from 2014-15 onwards. We have not examined the propriety of this sale, which is based on the management's assessment on the recoverability of these financial assets and of the consequent loss.
- j. In the absence of the records, seized by Police authorities, the correctness of the amounts written off is not ascertainable.

Subject to foregoing, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- i. in case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2018;
- ii. in case of the Statement of Profit & Loss including other comprehensive income, of the Loss of the Company for the year ended on that date and
- iii. in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
- iv. In case of the Statement of Changes in Equity, of such changes in the equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

Subject to notes in Opinion hereinabove,

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss (including other comprehensive income) and the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

-
- (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, subject to Note a in Opinion hereinabove :
- i. the Company has disclosed the fact of pending litigations against the Company. However, financial impact thereof on its financial position has not been ascertained.
 - ii. As informed to us, there was no derivative contract outstanding on the date of Balance Sheet. As informed to the Company has not ascertained the material foreseeable losses, if any, on long-term contracts for proposed project and consultancy for financial arrangements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Shashank Patki & Associates
Chartered Accountants
Firm's registration number: 122054W

Shashank Patki
Partner
Membership number: 035151

Pune, 25th May 2018

ANNEXURE-A TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- (i) (a) In view of the seizure of the records of the Company by the Police authorities, the Fixed Assets Register could not be verified.
- (b) As informed to us, the physical verification of fixed assets was not carried out during the year.
- (c) As mentioned in footnote 2 of Note no.8 of Property, Plant & Equipments, the land at Nande has not yet been transferred in the name of the Company. According to the information and explanations given to us and on the basis of our examination of the available records of the Company, the title deeds of other immovable properties are held in the name of the Company.
- (ii) (a) As informed to us, the inventories were physically verified by the management at reasonable interval.
- (b) As informed to us, the discrepancies noticed on physical verification of inventories were not material and the same have properly been dealt with in the accounts.
- (iii) The Company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public during the year. As such, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable..
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there have been delays in payment of amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues with the appropriate authorities.

Sale Tax Deferment of Rs. 5,04,188/- are outstanding for a period of more than six months from the date they became payable. Except this, according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Disputed income tax liability against income tax assessment order passed by Income Tax officer.

Name of the statute	Nature of dues	Amount	F.Y.	Forum where dispute is pending
Income Tax Act, 1961	Assessment dues	1,96,01,345	2011-12	Commissioner of Income Tax (Appeals) – Aurangabad
Income Tax Act, 1961	Assessment dues	74,34,315	2012-13	Commissioner of Income Tax (Appeals) – Aurangabad
Income Tax Act, 1961	Assessment dues	49,75,050	2013-14	Commissioner of Income Tax (Appeals) – Aurangabad

- (viii) In our opinion and according to the information & explanations given to us, the company has defaulted in repayment of dues to the following parties :

Name of Financial institution/ Govt. Authority	Amount defaulted as at the balance sheet date	Period of default	Remarks
Bank of Maharashtra	7,12,79,164.30	Since 2014-15	Symbolic possession has been taken on mortgaged Asset
Phoenix ARC Pvt. Ltd	10,94,78,948.44	Since 2012-13	Symbolic possession has been taken on mortgaged Asset
Sales Tax Deferment	5,04,188.00	Since 2004	-
Special Incentive	25,00,000.00	Since 2008	-

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not, during the year, entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Shashank Patki & Associates
Chartered Accountants
Firm's registration number: 122054W

Shashank Patki
Partner

Pune, 25th May 2018

Membership number: 035151

ANNEXURE-B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Dhanada Corporation Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects except i. Control over inventories, ii. reconciliation of debtors accounts and iii. reconciliation of creditors accounts, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shashank Patki & Associates
Chartered Accountants
Firm's registration number: 122054W

Shashank Patki
Partner
Membership number: 035151

Pune, 25th May 2018

FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	March 31, 2018	March 31, 2017	April 1, 2016
ASSETS				
Non-current assets				
Property, Plant and Equipment	1	253,341,994.60	263,582,197.36	279,798,990.69
Capital Work in Progress	1	18,142,796.40	18,107,796.40	16,831,111.40
Intangible Assets	1	57,626.38	148,178.75	241,996.78
		271,542,417.38	281,838,172.51	296,872,098.87
<u>Financial Assets:</u>				
Investments	2	30,000.00	11,069,186.74	22,108,373.49
Other Financial Assets	3	-	-	-
Tax Assets (Net)		3,159,149.79	2,847,978.39	2,540,160.09
Other Non Current Assets	4	45,512,377.52	45,150,771.16	47,394,371.16
		48,701,527.31	59,067,936.29	72,042,904.74
Current Assets				
Inventories	5	1,197,551.73	817,616.84	866,380.66
<u>Financial Assets:</u>				
Trade Receivable	6	8,385,011.54	9,063,474.81	10,071,994.64
Cash and Cash Equivalents	7	12,956,959.88	3,457,907.40	857,661.26
Bank Balances other than Cash and Cash Equivalents	7	23,923,949.98	12,909,705.57	5,170,229.30
Other Financial Assets	3	99,122.38	905.50	444.50
Other Current Assets	4	2,106,356.03	5,995,747.23	6,438,689.51
		48,668,951.54	32,245,357.35	23,405,399.87
TOTAL ASSETS		368,912,896.23	373,151,466.15	392,320,403.48
EQUITY AND LIABILITIES				
Equity				
Equity Shares Capital	8	55,933,581.00	55,933,581.00	55,933,581.00
Other Equity	9	103,475,302.24	133,413,057.26	168,857,057.37
Total Equity		159,408,883.24	189,346,638.26	224,790,638.37
Non-Current Liabilities				
<u>Financial Liabilities:</u>				
Borrowings	10	-	15,050,772.66	27,584,114.20
Other Financial Liabilities	11	3,499,996.98	3,499,996.98	3,799,996.98
Employee Benefit Obligations	12	2,865,950.00	2,309,027.00	2,716,724.00
		6,365,946.98	20,859,796.64	34,100,835.18
Current Liabilities				
<u>Financial Liabilities:</u>				
Borrowings	10	189,660,910.39	148,763,601.01	120,889,910.13
Trade Payables	13	5,494,641.59	5,989,845.18	4,911,775.61
Other Financial Liabilities		-	-	-
Other Current Liabilities	14	7,982,514.03	8,191,585.06	7,627,244.19
		203,138,066.01	162,945,031.25	133,428,929.93
TOTAL EQUITY AND LIABILITIES		368,912,896.23	373,151,466.15	392,320,403.48

As per our report of even date
For M/s. Shashank Patki & Associates
Chartered Accountants
Firm Registration No. 122054W

For and on behalf of the Board of Directors

Shashank Patki
(Partner)
M. No. 035151

Ramesh R. Havele
Managing Director
(DIN: 00007580)

Mrs. Veena R. Havele
Director
(DIN: 00007593)

Place : Pune
Date : 25th May 2018

Ramesh M. Pradhan
Chief Financial Officer

Mrs. Smita A. Mishra
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2018

Particulars	Note No.	March 31, 2018	March 31, 2017
Revenue from operations	15	109,298,284.45	88,269,372.34
Other Income	16	788,931.20	2,577,249.25
Total Income		110,087,215.65	90,846,621.59
EXPENSES:			
Food and Beverage Consumed	17	14,707,915.81	12,408,791.31
Derivative trading Los and expenses	18	7,966.23	444,941.00
Employee benefit expense	19	21,409,103.97	17,105,489.00
Financial costs	20	26,183,797.72	21,441,269.87
Depreciation and amortization expense	1	11,988,574.53	17,319,794.36
Other Operating and General Expenses	21	54,684,288.73	46,156,329.41
Total Expenses		128,981,646.99	114,876,614.95
Profit/(Loss) before exceptional Item and Tax		(18,894,431.34)	(24,029,993.36)
Exceptional Items	22	11,043,323.68	11,414,006.74
Profit/(Loss) before tax		(29,937,755.02)	(35,444,000.10)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expenses		-	-
Profit/(Loss) after Tax for the period		(29,937,755.02)	(35,444,000.10)
Other Comprehensive Income, (Net of Tax):			
Items that will not be reclassified to profit and loss			
Actuarial Loss/(Gain) on employee gratuity (net of tax)		-	-
Total Comprehensive Income for the period		(29,937,755.02)	(35,444,000.10)
Earnings Per Share:			
No.of equity shares of Re. 1/- each		55,933,581	55,933,581
i) Basic		(0.54)	(0.63)
ii) Diluted		(0.54)	(0.63)

As per our report of even date
 For M/s. Shashank Patki & Associates
 Chartered Accountants
 Firm Registration No. 122054W

For and on behalf of the Board of Directors

Shashank Patki
 (Partner)
 M. No. 035151

Ramesh R. Havele
 Managing Director
 (DIN: 00007580)

Mrs. Veena R. Havele
 Director
 (DIN: 00007593)

Place : Pune
 Date : 25th May 2018

Ramesh M. Pradhan
 Chief Financial Officer

Mrs. Smita A. Mishra
 Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2018

Particulars	March 31, 2018	March 31, 2017
(A) CASH FLOW FROM OPERATING ACTIVITY		
Profit before Tax	(29,937,755.02)	(35,444,000.10)
Adjustments for:		
Depreciation and Amortisation Expenses	11,988,574.53	17,319,794.36
Provision for Diminution in Value of Investment in Subsidiaries	10,991,205.74	11,039,186.74
Bad Debts Written off and Provision for Doubtful debts	5,209,660.62	3,170,653.84
Interest Expenses	26,183,797.72	21,441,269.87
Interest Earned	(479,731.81)	(425,213.00)
Operating profit before Working Capital changes	23,955,751.78	17,101,691.71
Adjustments for:		
Trade Receivables	(4,531,197.35)	(2,162,134.01)
Inventories	(379,934.89)	48,763.82
Non-Current and Current Financial Assets	(11,064,480.29)	(7,739,937.27)
Other Non-current and current assets	3,216,613.44	2,378,723.98
Non-current and current financial liabilities	-	(300,000.00)
Other Current Liabilities	(209,071.03)	564,340.87
Employee benefit obligations	556,923.00	(407,697.00)
Trade payables	(495,203.59)	1,078,069.57
Cash generated from operations	11,049,401.07	10,561,821.67
Taxes Paid	-	-
Net Cash Flow from Operating Activity	11,049,401.07	10,561,821.67
(B) CASH FLOW FROM INVESTING ACTIVITY		
Purchase of Fixed Assets /addition to CWIP	(1,692,819.40)	(2,285,868.00)
Interest Received	479,731.81	425,213.00
Net Cash Flow from Investing Activity	(1,213,087.59)	(1,860,655.00)
(C) CASH FLOW FROM FINANCING ACTIVITY		
Long term loans raised	-	-
Long term loans (repaid)	-	-
Short term loans raised / (repaid)	(15,619.00)	(5,893,250.53)
Interest and Finance charges paid	(321,642.00)	(207,670.00)
Net Cash Flow from Financing Activity	(337,261.00)	(6,100,920.53)
(D) NET INCREASE IN CASH AND CASH EQUIVALENT	9,499,052.48	2,600,246.14
Cash and Cash equivalents as at beginning of the year	3,457,907.40	857,661.26
Cash and Cash equivalents as at end of the year	12,956,959.88	3,457,907.40

As per our report of even date
For M/s. Shashank Patki & Associates
Chartered Accountants
Firm Registration No. 122054W

For and on behalf of the Board of Directors

Shashank Patki
(Partner)
M. No. 035151

Ramesh R. Havele
Managing Director
(DIN: 00007580)

Mrs. Veena R. Havele
Director
(DIN: 00007593)

Place : Pune
Date : 25th May 2018

Ramesh M. Pradhan
Chief Financial Officer

Mrs. Smita A. Mishra
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Statement of Changes in Equity as at March 31, 2018

Particulars	Equity Shares Capital Subscribed	Reserves and Surplus				Total Equity
		Amalgamation Reserve	Security Premium Account	Profit/(Loss) B/F	Total Reserves and Surplus	
Balance at the beginning of the year (April 1, 2016)	55,933,581.00	2,634,000.00	288,864,684.02	(122,641,626.66)	168,857,057.36	224,790,638.36
Profit for the Year	-	-	-	(35,444,000.10)	(35,444,000.10)	(35,444,000.10)
Balance at the beginning of the year (April 1, 2017)	55,933,581.00	2,634,000.00	288,864,684.02	(158,085,626.76)	133,413,057.26	189,346,638.26
Profit for the Year	-	-	-	(29,937,755.02)	(29,937,755.02)	(29,937,755.02)
Other Comprehensive Income for the year:	-	-	-	-	-	-
Balance at the end of the year (March 31, 2018)	55,933,581.00	2,634,000.00	288,864,684.02	(188,023,381.79)	103,475,302.24	159,408,883.24

NOTE - 1 : Property, Plant and Equipment (Owned, unless otherwise Stated) and Intangible Assets

	Free Hold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress	Intangible Assets - Software
Gross Block at Cost:								
At April 1, 2016	44,366,791.00	232,841,587.66	112,059,015.69	48,853,056.85	1,494,921.00	439,615,372.20	16,831,111.40	992,786.00
Additions	-	698,500.00	306,571.00	4,112.00	-	1,009,183.00	1,276,685.00	-
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2017	44,366,791.00	233,540,087.66	112,365,586.69	48,857,168.85	1,494,921.00	440,624,555.20	18,107,796.40	992,786.00
Gross Block at Cost								
At April 1, 2017	44,366,791.00	233,540,087.66	112,365,586.69	48,857,168.85	1,494,921.00	440,624,555.20	18,107,796.40	992,786.00
Additions	-	782,400.00	562,344.90	313,074.50	-	1,657,819.40	35,000.00	-
Transition	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
At March 31, 2018	44,366,791.00	234,322,487.66	112,927,931.59	49,170,243.35	1,494,921.00	442,282,374.60	18,142,796.40	992,786.00
Depreciation								
At April 1, 2016	-	49,164,998.88	74,631,413.80	35,048,845.94	971,122.89	159,816,381.51	-	750,789.22
Charge for the Year	-	3,706,858.09	5,774,355.59	7,550,597.51	194,165.14	17,225,976.33	-	93,818.03
Disposals	-	-	-	-	-	-	-	-
Depreciation								
At April 1, 2017	-	52,871,856.97	80,405,769.39	42,599,443.45	1,165,288.03	177,042,357.84	-	844,607.25
Charge for the Year	-	3,727,701.24	5,880,187.98	2,174,563.37	115,569.57	11,898,022.16	-	90,552.37
Disposals	-	-	-	-	-	-	-	-
At March 31, 2018	-	56,599,558.21	86,285,957.37	44,774,006.82	1,280,857.60	188,940,380.00	-	935,159.62
Net Block								
At March 31, 2018	44,366,791.00	177,722,929.45	26,641,974.22	4,396,236.53	214,063.40	253,341,994.60	18,142,796.40	57,626.38

Foot Notes:

- Free Hold Land includes Cost of Land Rs. 159.66 lakhs As per Clause No. 4.4.5 (b) of the Scheme of Arrangement and Amalgamation sanctioned by Hon'able High Court, Bombay dated 16th July 2009, the Company has acquired land from Dr. Laxman V. Kulkarni and allotted equity shares as a consideration for land so acquired on 30th April 2010. However, execution of the conveyance deed, payment of stamp duty and filing of return of allotment with Registrar of Companies (ROC) is pending.
- Capital WIP includes cost of development of land - Rs. 87.69 lakhs, various Professional Charges - Rs. 66.13 lakhs and Construction of Wall compound Rs. 26.12 lakhs for proposed Hotel project at Nande, Pune

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

- Additions Rs. 7.85 lakhs includes improvements to hotel building constructed on Freehold land.
- Additions to Plant and Equipments includes Purchase of Computer Systems for operations of Hotel Rs. 4.77 lakhs and other items Rs. 0.85 lakhs.
- Addition to Furniture and Fixtures includes purchase of furnishing items of Rs. 1.19 lakhs and other various items of Rs. 1.94 lakhs.
- On transition to Ind AS, the carrying values of all the property, plant and equipment under the previous GAAP have been considered to be the deemed cost under Ind AS.

NOTE - 2 : INESTMENTS

	Face Value Rs.	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Holding	Rs.	Holding	Rs.	Holding	Rs.
INVESTMENT IN EQUITY SHARES							
Investment in Equity Instruments							
Unquoted: in Subsidiary Companies							
1. Dhanada Engineering Pvt. Ltd.	10	-	-	3,381,709	9,216,211.74	3,381,709	18,432,423.49
2. Dhanada Education Pvt. Ltd.	10	-	-	1,294,250	1,617,812.50	1,294,250	3,235,625.00
3. Dhanada Clean Energy (India) Pvt. Ltd.	10	-	-	122,130	205,162.50	122,130	410,325.00
Total	-	-	-	4,798,089	11,039,186.74	4,798,089	22,078,373.49
Unquoted - Others							
Saraswat Co.Op.Bank Ltd.	10	2,500	25,000.00	2,500	25,000.00	2,500	25,000.00
Total	-	2,500	25,000.00	2,500	25,000.00	2,500	25,000.00
OTHER INSTRUMENTS							
National Saving Certificate	-	-	5,000.00	-	5,000.00	-	5,000.00
Total	-	-	5,000.00	-	5,000.00	-	5,000.00
Total Non Current Investments	-	2,500	30,000.00	4,800,589	11,069,186.74	4,800,589	22,108,373.49

Foot Notes :

- The management reviewed about the revieal of the businesses of Engineering, Education and Clean Energy. The network of all the three subsidiary companies is completely eroded and the management was not confident about the recoverability of these financial assets. Therefore, total shares in the these three subsidiary companies has been sold during the year.
- The Company have purchasded 2500 equity shares of Saraswat Co. Op. Bank at the time of Term Loan facility availed from the said Bank.
- The Company invested Rs. 5,000/- in National Saving certificate Scheme for the purpose of Bar Licence and certificate issued in the name of one of the Director of the Company as per requirement of convert bar license authority.

NOTE - 3 : OTHER FINANCIAL ASSETS

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(A) Non Current			
	-	-	-
	-	-	-
(B) Current			
Accrued Interest Receivable	99,122.38	905.50	444.50
	99,122.38	905.50	444.50

Foot Note:

- Accrued interest includes of Rs. 0.98 lakhs on account of interest received on security deposit kept with Maharashtra State Electricity Distribution Company Limited (MSEDCL).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE - 4 : OTHER ASSETS

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(A) Other Non Current Assets			
Capital Advances	40,984,634.60	40,984,634.60	41,728,234.60
Security Deposits	1,861,628.00	957,228.00	957,228.00
VAT Credit Receivable	2,629,885.56	2,629,885.56	2,629,885.56
Part payment of Sales in Appeal	-	377,000.00	377,000.00
GST Credit Receivable	36,229.36	-	-
Payment against sales tax notice - 2007-08	-	202,023.00	202,023.00
Other Advance	-	-	1,500,000.00
	45,512,377.52	45,150,771.16	47,394,371.16
(B) Other Current Assets			
Prepaid Expenses	965,883.50	1,011,279.97	1,027,558.38
Advance to Employee	49,849.00	79,237.00	85,850.00
Loans to Employee	65,822.00	-	-
Security Deposits	383,043.00	383,043.00	520,000.00
Service Tax Credit Receivable	-	15,408.10	394,349.00
Payment against sales tax notice - 2007-08	202,023.00	-	-
Advance to Suppliers	439,735.53	820,123.53	252,179.00
Advance to Visconti Industries, Inc.	3,686,655.63	3,686,655.63	4,158,753.13
	5,793,011.66	5,995,747.23	6,438,689.51
Less: Provision for Doubtfull Recovery	3,686,655.63	-	-
	2,106,356.03	5,995,747.23	6,438,689.51

Foot Note:

- Capital advances includes advance has been given to Laxman V. Kulkarni of Rs. 391/- lakhs for resolve the dispute of effecting conveyance deed of the land as per the Scheme of Arrangement and Amalgamation sanctioned by Hon'able High Court, Bombay dated 16th July 2009. However, the registration of the conveyance deed is still pending therefore the amount is reported as capital advace.
- Capital advances includes Rs. 18.85 lakhs is the balance amount of advance given to M/s Prabhune Management Conculancy Company for mobilisation and sourcing of funds for the purpose of proposed hotel project at Nande, Pune.
- Security Deposits in Non-current assets includes Rs. 12.77 lakhs with MSEDCL towards HT electricity line for hotel operations.
- Security Deposits in Non-current assets includes Rs. 5 lakhs is with Vitizen Hotels Ltd. (Operating Agency) as per term of agreement for day to day operations of the Hotel.
- VAT Credit Receivable represents Rs. 24.69 lakhs for F.Y. 2008-09 and Rs. 1.60 Lakhs for F.Y. 2007-08 and appeal is pending with Dy. Commissioner of Sales Tax, Aurangabad.
- Advance to Visconti Industires, Inc. is for mobilisation and professional fees for sourcing of funds in the form of foreign Equity and ECB. The mangement has taken possible efforts to materialise the said transactions but due to various legal issues, the Company could not execute the same till the end of Financial year 2017-2018 and has made provision for doubtful recovery.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
NOTE - 5 : INVENTORIES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Food and Beverages, Stores and Operating Supply	1,197,551.73	817,616.84	866,380.66
	1,197,551.73	817,616.84	866,380.66

NOTE - 6 : TRADE RECEIVABLES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured			
Outstanding over six months from the date they were due for payment:			
Considered Good	3,482,638.34	2,011,677.01	2,201,184.46
Considered Doubtful	-	-	-
	3,482,638.34	2,011,677.01	2,201,184.46
Add: Others:			
Considered Good	4,902,373.20	7,051,797.80	7,870,810.18
Considered Doubtful	-	-	-
	8,385,011.54	9,063,474.81	10,071,994.64
Less: Provision for doubtful of recovery:			
Over Six Month	-	-	-
Other	-	-	-
	8,385,011.54	9,063,474.81	10,071,994.64

Foot Note :

Trade Receivables includes debts in the ordinary course of business.

NOTE - 7 : CASH AND BANK BALANCES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash and Cash equivalents			
Cash on Hand	276,563.90	65,360.85	491,917.63
Balances with bank in current account	12,680,395.98	3,392,546.55	365,743.63
	12,956,959.88	3,457,907.40	857,661.26
Bank balances other than cash and cash equivalents			
Emarked balances with bank	23,923,949.98	12,909,705.57	5,170,229.30
	23,923,949.98	12,909,705.57	5,170,229.30

Foot Note :

1. Term deposits with Axis Bank Ltd. of Rs. 10/- lakhs for a period of 5 years from the date of issue. After the expiry of the term, it is renewed for existing period.
2. Term Deposit with Saraswat Bank of Rs. 1.29 lakhs for a period of one year from the date of issue and it is renewed after the expiry of period and the same is for the purpose of Bank Guarantee of Rs. 1/- lakh for the purpose of obtaining bar license.
3. Term deposits with HDFC Bank Ltd. of Rs. 10/- lakhs is kept as lien for Over draft facility against the same.
4. Term deposits with ICICI Bank Ltd. of Rs. 11.50 lakhs kept as lien for Over draft facility against the same.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE 8 : SHARES CAPITAL

	As at 31st March 2018		As at 31st March 2017	
	Nos	Amount	Nos	Amount
(A) Authorised:				
Equity shares of Re. 1/- each with voting rights 8% Cumulative Convertible Preference Shares of Re. 1/- each	108,000,000	108,000,000.00	108,000,000	108,000,000.00
	50,000,000	50,000,000.00	50,000,000	50,000,000.00
(B) Issued, Subscribed & Fully Paid Up:				
Equity shares of Re. 1/- each with voting rights	55,933,581	55,933,581.00	55,933,581	55,933,581.00

(C) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares		Equity Shares	
	As at 31st March 2018		As at 31st March 2017	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	55,933,581	55,933,581.00	55,933,581	55,933,581.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	55,933,581	55,933,581.00	55,933,581	55,933,581.00

(D) Share Capital held by Holding Company

Particulars	Nature of Relationship	As at 31st March 2018 Nos	As at 31st March 2017 Nos
Equity Shares:			
Dhanada Holdings Pvt. Ltd.	Holding Company	33,815,271	33,816,271
Total		33,815,271	33,816,271

(E) Shares in the Company held by each shareholder holding more than 5 % shares:

Name of Shareholder	Equity Shares			
	As at 31st March 2018		As at 31st March 2017	
	No of Shares held	% of holding	No of Shares held	% of holding
Promoter:				
Dhanada Holdings Pvt. Ltd.	33,815,271	60.46	33,816,271	60.46
Ramesh R. Havele	2,926,760	5.23	2,926,760	5.23
Non-Promoter:				
Laxman V. Kulkarni	6,371,692	11.39	6,371,692	11.39
Total	43,113,723	77.08	43,114,723	77.08

Foot Note:

1. Fully paid up equity shares without payment in cash

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	2017-18	2016-17
Equity Shares		
Fully Paid up pursuant to contract(s) without payment being received in cash (See note below)	4,697,133	4,697,133
Fully Paid up by way of bonus shares	Nil	Nil
Share bought back	Nil	Nil

- The Company has one class of equity shares having a par value of Re. 1/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- As per Clause No. 4.4.5 (b) of the Scheme of Arrangement and Amalgamation sanctioned by Hon'able High Court, Bombay dated 16th July 2009, the Company has acquired land from Dr. Laxman V. Kulkarni and allotted 17,96,254 equity shares of Re. 1/- each (alongwith share premium of Rs. 5.94 per share) as a consideration for land so acquired on 30th April 2010. However, execution of the conveyance deed, payment of stamp duty and filing of return of allotment of shares is pending.

NOTE - 9 : OTHER EQUITY

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserves & Surplus:			
Securities Premium Account	288,864,684.02	288,864,684.02	288,864,684.02
Revenue Reserve	2,634,000.00	2,634,000.00	2,634,000.00
Retained Earnings:			
Surplus in the Profit And Loss	(158,085,626.76)	(122,641,626.66)	(81,557,831.43)
Add: Current Year profits	(29,937,755.02)	(35,444,000.10)	(41,083,795.23)
	103,475,302.24	133,413,057.26	168,857,057.37
Other Comprehensive Income (Net of Taxes)	-	-	-
	-	-	-
TOTAL OTHER EQUITY	103,475,302.24	133,413,057.26	168,857,057.37

NOTE - 10 : BORROWINGS

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(A) Long term borrowings - Secured			
Term Loan from ARC			
Phoenix ARC Pvt. Ltd. - I	45,029,990.91	38,602,692.22	33,156,871.55
Phoenix ARC Pvt. Ltd. - II	64,448,957.53	55,249,917.24	47,455,612.66
Term Loan From Bank			
Bank of Maharashtra	71,279,164.30	62,170,864.34	54,309,389.72
HDFC Bank Ltd. - Vehicle Loan	-	-	27,716.74
	180,758,112.74	156,023,473.80	134,949,590.67
Less: Current maturities of Long term borrowings (shown under Other current financial liabilities)	180,758,112.74	140,972,701.14	111,449,435.01
(B) Long term borrowings - Unecured			
Loans from Related Party			
Dhanada Holdings Pvt. Ltd.	-	-	4,083,958.54
Total Long term borrowings	-	15,050,772.66	27,584,114.20

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Short term borrowings			
From Bank - Secured			
Over Draft against Banks Fixed Deposit	1,393,103.00	1,228,576.00	1,930,736.25
Over Draft - Bank of Maharashtra	6,654,724.63	5,527,207.85	5,395,207.85
Current Maturities of Term Loan from Bank, (Transferred from Long Term Borrowings)	180,758,112.74	140,972,701.14	111,449,435.01
From Bank - Unsecured			
HDFC Bank Ltd.	16,910.00	14,143.00	10,343.00
From Director - Unsecured			
Ramesh R. Havele	333,872.00	16,785.00	-
From Others - Unsecured			
Sales Tax Deferment	504,188.02	1,004,188.02	2,104,188.02
Total Short term borrowings	189,660,910.39	148,763,601.01	120,889,910.13

Foot Note :

- Term Loan I and II from Phoenix ARC Pvt. Ltd. are secured by Mortgage of Hotel Property and hypothecation of movable of Assets and personal guarante of Directors and Corporate Guarantee of M/s. Dhanada Holdings Pvt. Ltd. and has taken symbolic possession by an assignment from Saraswat Co.Op. Bank Ltd. of all the mortgaged assets. As the Company is in default of Payments of entire outstanding amount the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 regarding recovery procedure will be applicable. Terms of Repayment - 5 years from 2009-10. Rate of Interest - 15.50% per annum. The entire outstanding balance is due for payment as there is no repayment during the year. In the absence of the statements from the lender, Interest is being accounted for at the original contractual rates.
- Term Loan from Bank of Maharashtra is secured by Mortgage of Land situated at Village Mauje Nande, Pune. Entire outstanding balance is due for payment (including interest). Bank of Maharashtra has issued notice for sale of mortgaged property under Security Interest (Enforcement) Rules, 2002. As the Company is in default of Payments of entire amount, the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 regarding recovery procedure will be applicable. Term of Repayment - 7 years from October 2012. Rate of Interest 13.75% per annum. Interest is being accounted for at the original contractual rates.
- Overdraft from Bank of Maharashtra secured by Mortgage of Land situated at Village Mauje Nande, Pune. Entire outstanding balance is due for payment (including interest).
- Over draft facility availed from HDFC Bank Ltd. against Fixed Deposit of Rs. 10/- lakhs.
- Sales Tax deferment scheme was availed along with Special Capital Incentive scheme. Term of repayment is over and total outstanding balance is payable. Interest on total payable of Rs. 21.04 lakhs is due but not provided for.

NOTE - 11 : OTHER FINANCIAL LIABILITIES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A) Non Current financial liabilities			
Deposits Refundable	-	-	300,000.00
Payable to Dr. Laxman V. Kulkarni	3,499,996.98	3,499,996.98	3,499,996.98
	3,499,996.98	3,499,996.98	3,799,996.98
B) Current financial liabilities			
	-	-	-
	-	-	-

Foot Note:

- As a part of consideration of Land acquired by the Company under the scheme of amalgamation sanctioned by Honourable High Court, Bombay dated 16th July 2009, as referred to in Note 8 (2) - Equity Shares Capital.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
NOTE - 12 : PROVISION FOR EMPLOYEE BENEFITS

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current			
Gratuity	1,588,869.00	1,434,586.00	1,569,722.00
Leave Encashment	1,277,081.00	874,441.00	1,147,002.00
	2,865,950.00	2,309,027.00	2,716,724.00

Foot Note :

- The Company has obtained Valuation of Gratuity and Leave encashment from Actuarial Valuer and provisions of the same are made till the end of Financial Year 2017- 2017-18.

NOTE - 13 : TRADE PAYABLES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Creditors	5,494,641.59	5,989,845.18	4,911,775.61
Total Trade Payables	5,494,641.59	5,989,845.18	4,911,775.61

NOTE - 14 : OTHER CURRENT LIABILITIES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Special Capital Incentive refundable due	2,500,000.00	2,500,000.00	2,500,000.00
Electricity Expenses Payable	1,359,150.00	1,555,710.00	-
Interest payable on Taxes	232,571.19	232,571.19	521,355.19
News Paper Expenses Payable	5,951.00	6,289.00	5,926.00
Salary & Wages Payable	1,101,773.00	943,099.00	765,701.00
Stipend Payable	147,630.00	141,087.00	71,077.00
Bonus Payable	38,185.00	-	55,386.00
Telephone Expenses Payable	10,384.82	12,517.63	1,058.63
Other Payable	18,701.00	7,584.00	7,584.00
GST Payable	783,425.56	-	-
Profession Tax Payable	17,775.00	16,425.00	13,875.00
Luxury Tax Payable	-	493,877.50	990,485.35
Service Tax Payable	-	373,396.91	453,151.34
TDS/Payable	226,072.00	331,203.00	48,300.00
VAT/CST Payable	12,355.68	281,446.62	354,085.72
ESI Payable	60,468.00	57,023.00	39,506.00
Provident Fund Payable	192,803.00	183,228.00	158,560.00
Sales Tax Payable for 1997-98, 1999-00 & 2001-02	356,291.00	-	-
Advance From Customers	918,977.78	1,056,127.21	1,641,192.96
	7,982,514.03	8,191,585.06	7,627,244.19

Foot Note :

- Special Capital incentive Rs. 25/- lakhs was received for construction of Hotel and term of repayment is over. Entire balance is due for repayment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE - 15 : REVENUE FROM OPERATIONS

	Year ended March 31, 2018	Year ended March 31, 2017
Food & Beverage	33,799,882.63	28,624,836.95
Liquor Sale	6,406,919.10	2,683,908.33
Room Revenue	64,516,232.19	49,964,543.82
Banquet Sale	3,917,936.75	6,560,040.62
Sale of Scrap	69,314.60	50,022.88
Other Miscellaneous Income - Hotel Activity	587,999.18	381,957.74
	109,298,284.45	88,265,310.34
Income from Derivative Trading	-	4,062.00
	-	4,062.00
	109,298,284.45	88,269,372.34

NOTE - 16 : OTHER INCOME

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income:		
- On Bank Fixed Deposits	479,731.81	425,213.00
- Other Interest	4,991.00	-
Creditors and Misc. balances written back	304,208.39	2,110,056.12
Other Misc. Income	-	41,980.13
	788,931.20	2,577,249.25

NOTE - 17 : FOOD AND BEVERAGE CONSUMED

	Year ended March 31, 2018	Year ended March 31, 2017
Food, Beverage Liquor Consumed:		
Opening Stock	817,616.84	866,380.66
Add : Purchases	15,087,850.70	12,360,027.49
Less : Closing Stock	1,197,551.73	817,616.84
	14,707,915.81	12,408,791.31

NOTE - 18 : DERIVATIVE TRADING EXPENSES

	Year ended March 31, 2018	Year ended March 31, 2017
Loss from Derivative Trading	7,881.00	437,068.50
Expenses on Derivative Trading	85.23	7,872.50
	7,966.23	444,941.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE - 19 : EMPLOYEE BENEFITS EXPENSES

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Wages and Ex-gratia	18,195,662.00	15,157,427.00
Employers' Contributions to Provident Fund	1,157,104.00	1,056,101.00
Employers' Contributions to ESIC	537,090.00	400,163.00
Gratuity and Leave encashment	626,144.00	-
Staff welfare and Other expenses	893,103.97	491,798.00
	21,409,103.97	17,105,489.00

Foot Note:

1. As per the valuation reports of Acturial Valuer, expenses of Rs. 1.54 lakhs towards Gratuity and Rs. 4.72 lakhs towards Leave encashment are recognised for the f.y. 2017-18.
2. During the year and previous year, the Company has not paid any managerial remuneration and sitting fees.

NOTE - 20 : FINANCIAL COST

	Year ended March 31, 2018	Year ended March 31, 2017
Interest on Bank Overdraft	1,449,158.78	339,221.00
Interest on Vehicle Loan	-	449.00
Interest on Term loan	24,734,638.94	21,101,599.87
	26,183,797.72	21,441,269.87

Foot Note:

1. Interest on Bank Overdraft includes Rs. 11.28 lakhs for F.Y. 2017-18 towards Provision of Interest on Bank Over draft facility availed from Bank of Maharashtra.
2. Interest on Term Loan includes provision of Interest of Rs. 91.08 lakhs for F.Y. 2017-18 towards term loan taken from Bank of Maharashtra.
3. Interest on Term Loan includes provision of Interest of Rs. 156.26 lakhs for F.Y. 2017-18 towards term loan taken from Phoenix ARC Pvt. Ltd. As the said term assigned by Saraswaat Co.Op. Bank Ltd.

NOTE - 21 : OTHER OPERATING AND GENERAL EXPENSES

	Year ended March 31, 2018	Year ended March 31, 2017
Operating Expenses:		
Direct Expenses	1,802,656.18	1,949,616.10
Housekeeping	157,520.17	139,229.00
Linen and Laundry	1,141,824.00	1,228,830.85
Power and Fuel	17,733,514.95	16,249,086.09
Repairs to Building	441,843.56	1,312,119.00
Repairs to Machinery and Others	3,460,921.19	2,890,468.70
Sales Promotion	1,100.00	13,574.00
Security and Labour Hire	2,760,680.10	2,678,642.33

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	Year ended March 31, 2018	Year ended March 31, 2017
Administration and General Expenses:		
Administration Expenses	8,742,821.69	4,424,952.38
Advertisement and Publicity	85,212.00	309,197.00
Auditors Remuneration:		
- Statutory Audit Fee	350,000.00	350,000.00
- Tax Audit Fee and Tax Consultancy	150,000.00	150,000.00
Amounts Written off	5,209,660.62	3,170,653.84
Bank Commission and Charges	591,233.18	481,096.88
Insurance	339,130.00	360,499.00
Interest on Tax Paymets	164,614.00	113,957.00
Licence Fees	647,824.28	810,198.07
Printing and Stationary	235,251.00	466,814.00
Professional Fees	8,197,191.00	6,771,999.25
Rates and Taxes	1,379,765.96	1,101,500.39
Office Rent	720,000.00	540,000.00
Communication Expenses	264,784.85	493,899.53
Travelling and Lodging	106,740.00	149,996.00
	54,684,288.73	46,156,329.41

NOTE - 22 : EXCEPTIONAL ITEMS

	Year ended March 31, 2018	Year ended March 31, 2017
Prior Year Expenses	52,117.94	374,820.00
Provison of Diminution in Value of Investment	10,991,205.74	11,039,186.74
	11,043,323.68	11,414,006.74

Foot Note:

Provison of Rs. 109.91 lakhs for diminution in the value of Investments in equity shares of subsidiary companies has been made for F.Y. 2017-18 (Previous Year Rs. 110.39 lakhs) due to the networth of subsidiary companies are completely eroded.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE – 23: General Information, Significant Accounting Policies and Other Notes.

A. General Information and Significant Accounting Policies

a. General Information:

- i. Dhanada Corporation Ltd. ("the Company") was incorporated on 14th July 1986 in the state of Maharashtra, India. The Company is primarily engaged in the business of Hospitality.
- ii. The statements were authorized for issue in accordance with a resolution of the Board of Directors passed on May 25, 2018.

b. Significant Accounting Policies:

1. Statement of compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirement of previous GAAP, which includes accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended March 31, 2018 are the first financial statements under Ind AS. The date of transition to Ind AS is April 1, 2016 and the Company restated the previous Indian GAAP accounts to Ind AS compliant accounts for the financial year ended March 31, 2017.

The Company has adopted all issued Ind AS standards, as applicable, and the adoption was carried out in accordance with Ind AS 101. The transition was carried out from the Indian GAAP which was the previous GAAP. An explanation of how the transition to Ind AS has affected the reported financial position and financial performance of the Company, the reconciliations of equity and total comprehensive income for comparative years under Indian GAAP to those reported for those years under Ind AS, and details of first-time adoption exemptions availed by the Company are given in the Notes Part B, herein below.

2. Basis of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention on accrual basis except certain financial instruments measured at fair value other than those with carrying amounts that are reasonable approximations of fair values.

3. Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

4. Classification of Assets and Liabilities into current and Non-current:

The company presents its assets and liabilities in the Balance Sheet based on current/noncurrent classification;

An asset is treated as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be realized within twelve months after the reporting period; or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

A liability is treated as current when it is:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. Based on the services rendered and their realizations in cash and cash equivalents, the Company has ascertained its operating cycle is 12 months for the purpose of current - non-current classification of assets and liabilities.

5. Exceptional Items:

Items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

6. Revenue Recognition:

- a) Revenue from Hotel activity (net of Taxes) is recognized on rendering of services and billing to the customer at the rates negotiated with each customer.
- b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- c) Income from Derivative Trading is recognized on settlement of transaction.

7. Property, Plant and Equipment:

- a. Property, Plant and Equipment are stated at cost less accumulated depreciation. The cost includes all direct costs relating to the acquisition and installation of fixed assets. Interest on borrowed funds, if any, used to finance the acquisition of fixed assets, is capitalized up to the date the assets are ready for commercial use. Under-utilized assets are recorded at estimated realizable value.
- b. Direct expenditure during construction period attributable to the cost of assets under construction is considered as capital work in progress and indirect expenditure is included under expenditure during construction period pending allocation.
- c. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

8. Intangible Assets

- a. Intangible assets are carried at cost, net of credit availed in respect of any taxes and duties, less accumulated amortization. Computer software is classified under "Intangible Assets".
- b. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

9. Depreciation and Amortization:

The Company provides depreciation on all its assets on the Straight Line method at the rates and useful life of Assets in the manner specified in Schedule II of the Companies Act, 2013, proportionate from the date they are put to use.

10. Investments:

Long term investments are carried at cost, after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. The determination of carrying amount of such investments is done on the basis of specific identification.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

11. Provisions:

Provisions are recognized when the Company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimates can be made for the amount of the obligation.

12. Retirements Benefits:

i. Gratuity:

The Company provides for gratuity, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to gratuity plan are determined based on actuarial valuation carried out by independent actuary as at the Balance Sheet date.

Actuarial gains and losses are recognized in full in the Profit and Loss account for the year in which they occur.

ii. Provident Fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employee's salary (currently at 12% of the basic salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and are charged to profit or loss account.

iii. Leave Encashment:

Employees are eligible for Leave Encashment. The Company has provided Leave Encashment benefit on the basis of actuarial valuation.

iv. Employees' State Insurance Scheme (ESIS):

Employees' State Insurance Scheme (ESIS) is the defined contribution scheme offered by the Company. The contribution to this scheme is charged to the profit or loss account of the year in which contribution to such scheme becomes due.

13. Inventories:

Stock of food and beverages and operating supplies are carried at weighted average cost or net realizable value whichever is lower.

14. Research and Development:

The Company does not have a separate Research and Development department and has not incurred any expenditure on Research and Development.

15. Taxation on Income:

Deferred tax resulting from timing differences between book profits and taxable profits is accounted for using the tax rates that have been enacted or substantially enacted by the Balance Sheet date to the extent such differences are reversible in subsequent period. Deferred Tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their carrying values at each Balance Sheet date.

16. Earnings per Share:

- a) Basic earnings per share:** Basic earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity share holders by weighted average number of equity shares outstanding during the period.
- b) Diluted earnings per share:** Diluted earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered antidilutive in nature.

 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

17. Contingent Assets and Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable.

18. Financial Assets:**Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

19. Financial liabilities:**Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

20. Significant accounting judgements, estimates and assumptions:

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

B. Other Notes forming part of the Balance Sheet as at 31st March 2018 and Profit and Loss Account for the year ended on that date:

a. Exemptions applied

Ind AS 101 on First Time adoption of Ind AS allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has adopted the following exemptions:

- I. Deemed cost of Property, Plant and Equipment ("PPE")/Capital Work-in-Progress ("CWIP") and Intangible Assets.

There is no change in the functional Currency of the Company and accordingly, it has elected to continue with the carrying values for all of its property, plant and equipment and intangible assets as recognized in its Indian statements as the deemed cost at the transition date. Accumulated depreciation was calculated on that amount as at the date of transition to Ind AS on the basis of the current estimate of the useful life of the asset using the depreciation policy adopted by the company in accordance with Ind AS.

- II Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the transition to Ind AS.

- III. Classification and measurement of financial assets

The Company has classified the financial assets in accordance to Ind AS 109 on the basis of the facts and circumstances that exist on the date of transition to Ind AS.

 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

b. Reconciliation of I GAAP to Ind AS**i. Reconciliation of Total Equity**

Particulars	As at 31.03.2017	As at 01.04.2016
Share Capital	559.34	559.34
Other Equity	1334.13	1688.57
Total Equity under I GAAP	1893.47	2247.91
Ind AS Adjustments:	-	-
Total Adjustment to Equity	-	-
Derived Total	1893.47	2247.91
Share Capital	559.34	559.34
Reserves and Surplus	1334.13	1688.57
Total Equity (shareholders Fund) under Ind AS	1893.47	2247.91

ii. Reconciliation of Profit and Loss for the period

Particulars	Year Ended 31.03.2017
Total comprehensive income under I GAAP	354.44
Less: Other comprehensive income for the year (net of tax)	-
Profit/loss for the year as per I GAAP	354.44
Ind AS Adjustments:	-
Total effect of conversion to Ind AS	-
Profit for the period as per Ind AS	354.44

c. Managerial Remuneration:

No managerial remuneration is paid or payable for the current year.

d. C.I.F. Values of Imports and Expenditure in foreign currency: NIL**e. F.O.B value of Exports and Earning in Foreign Exchange: NIL****f. Provision for Taxation:**

Current Tax: As there is no taxable income or Book Profit; provision for Income Tax has not been made.

Deferred Tax Assets are not recognized as there is no reasonable certainty of realization.

g. The outstanding balances of sundry creditors, sundry debtors, and advances (taken or given) are subject to reconciliation, confirmations and consequent adjustment if any.**h. The Company has not received any information from suppliers or service providers, whether they are covered under the "Micro, Small and Medium Enterprises (Development) Act, 2006". Due to this, the amount unpaid at the year - end together with interest payable, if any, as required under the said Act is not ascertainable.****i. Employee Benefits (As per IND AS 19):**

Following information are based on report of Actuary and relied upon by the Auditors:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

a. Defined benefit plans of Gratuity:

Assumptions	As of 31.03.2018	As of 31.03.2017
Discount Rate	7.60%	7.00%
Expected rate of future salary increase	10.00%	10.00%
Expected Average remaining working lives of employees (years)	9.52	9.84

Change in present value of obligations	01.04.2017 to 31.03.2018
Present Value of Obligation as at the beginning of period	14,34,586
Interest Cost	1,00,421
Current Service Cost	2,42,217
Benefits Paid	0
Re-measurements on obligation - (Gain) / Loss	(1,88,355)
Actuarial (Gain)/Loss on obligations	
Present Value of Obligations at the end of the year	15,88,869

The Amount to recognized in the Balance Sheet	01.04.2017 to 31.03.2018
Present Value of Obligation as at the end of the year	15,88,869
Fair Value of Plan Assets as at the end of the year	Nil
Funded Status	(15,88,869)
Current Liability	1,47,581
Non Current Liability	14,41,288
Unrecognized Actuarial (gain) / Losses	Nil
Net Asset / (Liability) Recognized in the Balance Sheet	(15,88,869)

Expenses recognized in the Statement of Profit and Loss	01.04.2017 to 31.03.2018
Service Cost	2,42,247
Interest (Income)/Expenses	1,00,421
Net periodic benefit cost recognised in the statement of profit & loss at the end of period	3,42,638

b. Employees are eligible for Leave Encashment. The Company has provided Leave Encashment benefit on actuarial value basis. The present Value of Obligation as on 31st March 2018 is Rs. 12,77,081/- (Previous Year Rs. 8,74,441/-).

c. Amount recognized as an expense in respect of defined Contribution plans are as under:

Particulars	2017-18	2016-17
Contribution to Govt. Provident Fund	11,57,104	10,56,101
Employees' State Insurance Scheme (ESIS)	5,37,090	4,00,163

j. The Company has availed Term Loan from Saraswat Co.-Op. Bank Ltd. for refurbishment of hotel and Saraswat Co.-Op. Bank Ltd. has assigned and transferred the said loan in favour of Phoenix ARC Pvt. Ltd. The entire underlying securities such as Land, Building, Plant and Machinery etc. situated at C.T.S. No. 18349/1/1+2+3 at Aurangabad are mortgaged to Phoenix ARC Pvt. Ltd. as per assignment agreement dated 9th April 2014.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
k. Related Party Disclosures:

Disclosures as required under Ind AS 24 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

(Rs. In Lakhs)

Name of Party	Ramesh R. Havele	Gautami R. Havele
Nature of Transaction	Unsecured Loan Taken	Salary
Opening Balance	0.17	0.10
Additions	192.11	1.77*
Repaid/Adjustments	188.94	1.72
Closing Balance – 31.03.2018	3.34	0.15

*Net of Statutory/other deductions (Gross Salary Rs. 1.96 Lakhs)

The unsecured loans have been brought in by the director not out of any borrowings/deposits obtained/accepted by him. No remuneration/sitting fees paid to the Directors of the Company. (Previous Year Rs. Nil).

l. Impairment of Fixed Assets:

The Fixed assets specifically Land, Building, and Plant and Machinery of the Company have been valued by an approved valuer at reasonable interval and there is no impairment of assets in the current year.

m. Compilation of Accounts:

Notification has been published in Official Gazette dated 7th May 2016 under Maharashtra Protection of Interest of Depositors in Financial Establishment Act, 1999 attaching the properties of the Company, its Subsidiary Companies and its Directors. The management is of prima-facie opinion that this notification is not tenable and the Company has challenged the same before appropriate authority. On 20th December, 2016, the Police authorities have seized the records and documents of the Company, now partially released. As such, the accounts have been compiled on the basis of only the information and records currently available with the Company. The impact on accounts (financial as well as disclosure) due to such non-availability of the records is not ascertainable.

n. Provisions, Contingent Liabilities and Contingent Asset:
i. Contingent Liabilities and Contingent Assets:

Contingent Liabilities and Assets not provided for	2017-18	2016-17
Contingent Liability - Income Tax	3,20,10,710	3,20,10,710
Contingent Assets - VAT Refund	20,82,689	20,82,689
Contingent Liability – Interest / Penalties on non-payment / delayed payment of statutory dues and non-compliance of legal compliance and on Sales tax deferment	Not ascertained	Not ascertained

In the opinion of the Management the above legal matters when ultimately concluded will not have material effect on the results of the operations or the financial position of the Company.

- ii. There are civil and criminal cases filed against the directors of the Company. However, the matter still pending with respective courts.
- iii. The Company has defaulted in payment of statutory dues and term loan account; there may be penalties for statutory dues and related recovery actions under provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 in this respect. As financial impact is not certain the amounts are not provided in books of accounts.
- iv. The Company has availed Bank Guarantee of Rs. 1,00,000/- from Saraswat Co-operative Bank for the purpose of Bar License.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

o. Segment Reporting:

(Rs. in Lakhs)

Sr. No.	Particulars	Hospitality		Treasury Operations		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	Segment Revenue						
	a. External	1,100.87	908.42	-	0.04	1,100.87	908.46
	b. Inter-Segment	-	-	-	-	-	-
	c. Total Revenue	1,100.87	908.42	-	0.04	1,100.87	908.46
2	Total Revenue of each segment as a percentage of Total Revenue of all Segments	100.00	100.00	-	-	100.00	100.00
3	Segment Results (Profit/(Loss)) before Interest, Depreciation and Taxes	464.08	205.35	-	4.41	464.08	209.76
4	Interest	261.84	214.41	-	-	261.84	214.41
5	Depreciation / Amortization	119.89	173.20	-	-	119.89	173.20
6	Taxes	-	-	-	-	-	-
7	Segment Result Net Profit/(Loss)	82.35	(182.26)	-	4.41	82.35	(177.85)
8	Segment Assets	3,644.13	3,564.51	13.50	18.60	3,657.63	3,583.11
9	Segment Assets as a percentage of all Segments	99.63	99.48	0.37	0.52	100.00	100.00
10	Segment Liabilities	2,095.04	1,838.05	-	-	2,095.04	1,838.05
11	Capital Expenditure	16.93	22.86	-	-	16.93	22.86
12	Non-Cash Expenses other than Depreciation and Amortization	52.10	31.71	-	-	52.10	31.71

p. Previous year's figures are regrouped, reworked and rearranged wherever necessary.

As per our report of even date Annexed
For Shashank Patki & Associates
Chartered Accountants
(Firm Registration No. 122054W)

For and on behalf of the Board of Directors

Shashank Patki
(Partner)
M. No. 035151

Ramesh R. Havele
Managing Director
(DIN: 00007580)

Mrs. Veena R. Havele
Director
(DIN: 00007593)

Place: Pune
Date: 25th May 2018

Ramesh M. Pradhan
Chief Financial Officer

Mrs. Smita A. Mishra
Company Secretary

DHANADA CORPORATION LIMITED**CIN L55101PN1986PLC133909****Regd. Office:**

'Dhanada', 16/6, Erandwana Housing Society,
 Plot No. 8, Patwardhan Baug, Pune 411004.

Form No. MGT – 11**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L55101PN1986PLC133909
 Name of the Company: DHANADA CORPORATION LIMITED
 Registered Office: 'Dhanada', 16/6, Erandwana Housing Society, Plot No. 8, Patwardhan Baug, Pune – 411004.

Name of the member(s)	
Registered Address	
Email Id	
Folio No. / DP ID & Client Id	

I / We, being the member(s) of _____ shares of the above named Company hereby appoint

Name	
Address	
Email Id	
Signature	

Or failing him

Name	
Address	
Email Id	
Signature	

Or failing him

Name	
Address	
Email Id	
Signature	

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company, to be held on Saturday, 29th September 2018 at 4.00 p.m. at registered office of the Company at 'Dhanada', 16/6, Erandwana Housing Society, Plot No. 8, Patwardhan Baug, Pune 411004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution
Ordinary Business	
1.	Adoption of the Audited Statement of Profit and Loss for the year ended on 31st March 2018 and the Balance Sheet as on that date together with Report of Auditors and Directors of the Company thereon and annexures thereto.
2.	Re-appointment of Mrs. Veena R. Havele (DIN 00007593) as a Director of the Company.
Special Business	
3.	Approval for all material related party transactions entered into / to be entered into by the Company.

Signed this _____ day of _____ 2018

Signature of Shareholder

Affix
Revenue
Stamp of
Re. 1

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. The proxy need not be a member of the Company.



DHANADA

DHANADA CORPORATION LTD.

"Dhanada", 16/6, Erandwana Housing Society,
Plot No.8, Patwardhan Baug, Pune 411 004, India

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Website : www.ghanadacorp.com