

DHANADA CORPORATION LTD.

(CIN: L55101PN1986PLC133909)

Regd. / Corporate Office: Dhanada, 16/6, Erandawana Housing Society,
Plot No. 8, Patwardhan Baug, Pune 411004. Telefax: 020 25462408 / 25460661
Email: dhanada@dhanadacorp.com Website: www.dhanadacorp.com



DHANADA

Date: 14th February 2018

To,
Bombay Stock Exchange Ltd.
Listing Compliance
P. J. Towers, Dalal Street,
Fort, Mumbai – 400001.

Sub: Outcome of the Board Meeting

Dear Sir / Madam,

Enclose please find the outcome of meeting of the Board of Directors for your information and record.

Thanking you,

Yours faithfully,
For Dhanada Corporation Limited

Smita



Smita Mishra
Company Secretary & Compliance Officer

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Listing Compliance
P. J. Towers, Dalal Street,
Fort, Mumbai – 400001.

Sub.: Outcome of the Board Meeting

Dear Sir,

The outcome of the meeting of the Board of Directors of Dhanada Corporation Limited held on Wednesday, 14th February 2018 is as under:

1. The Board approved the Unaudited Financial Results for the quarter ended on 31st December 2017 and took on record Limited Review Report of Auditors in respect of the said financial results.
2. The Chairman informed the Board that the Company has filed a petition to the Hon'ble High Court, Mumbai challenging the Notification dated 7th May 2016 and Corrigendum dated 8th June 2017 issued by Maharashtra State under The Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (MPID Act) for attachment of the assets / properties of the Company.

However, inspite of the pending petition, the Tahsildar and Executive Magistrate Pune City has issued a notice dated 26th December 2017 for taking physical possession of the property.

The Company challenged the subject notice in High Court, Bombay and the Hon. Court issued a Stay Order on 29th December 2017 restraining the Competent Authority or State from taking possession of the properties of the Company and sealing the same.

Meanwhile, the Competent Authority, Aurangabad approached the District and Sessions Judge, Aurangabad for making absolute the aforesaid Notifications dated 7th May 2016 and 8th June 2017. The Court of District and Sessions Judge, Aurangabad has passed an Order dated 30th January 2018 directing the Competent Authority to sell the attached properties of the Company.



The Board discussed the matter and was of a opinion that the subject Order of Court of District and Sessions Judge, Aurangabad is prima facie not tenable on the grounds of legality and jurisdiction of respected authority should be challenged in the upper court.

Thanking you,

Yours faithfully,
For Dhanada Corporation Limited



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



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DHANADA

Statement of Standalone Unaudited Financial Results for the Quarter and Nine months Ended 31st December 2017

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter ended			Nine months ended	
		31.12.2017 (Unaudited)	30.09.2017 Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
1	Income:					
	a. Revenue from Operations	297.25	244.18	263.65	800.33	604.24
	b. Other Income	1.62	1.64	1.38	4.51	3.37
	Total Income	298.87	245.82	265.03	804.84	607.61
2	Expenses:					
	a. Cost of Materials Consumed	36.56	35.51	34.01	114.86	87.38
	b. Employee benefits expenses	57.55	51.06	49.24	156.43	126.93
	c. Finance Costs	67.21	64.73	55.49	193.58	159.10
	d. Depreciation and amortisation expenses	29.63	30.91	39.67	91.35	140.43
	e. Other Expenses:					
	i. Power & Fuel	43.38	47.41	34.17	137.93	116.74
	ii. Other Expenditure	82.61	71.65	69.47	223.88	172.32
	Total Expenses:	316.94	301.27	282.05	918.03	802.90
3	Profit / (Loss) before Exceptional Items and Tax (1-2)	(18.07)	(55.45)	(17.02)	(113.19)	(195.29)
4	Exceptional Items	(109.91)	(0.10)	-	(110.43)	-
5	Profit / (Loss) before tax (3+4)	(127.98)	(55.55)	(17.02)	(223.62)	(195.29)
6	Tax Expenses					
	a. Current Tax	-	-	-	-	-
	b. Deferred Tax	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-
7	Net Profit / (Loss) after tax (5-6)	(127.98)	(55.55)	(17.02)	(223.62)	(195.29)
8	Other Comprehensive Income					
	i. Items that will not be reclassified to Profit or Loss	-	-	-	-	-
	ii. Items that will be reclassified to Profit or Loss (Net of Tax)	-	-	-	-	-
	Total Other Comprehensive Income	-	-	-	-	-
9	Total Comprehensive Income for the Period (7 + 8)	(127.98)	(55.55)	(17.02)	(223.62)	(195.29)
10	Paid up Equity Shares Capital	559.34	559.34	559.34	559.34	559.34
11	Earnings Per Equity Share (Face Value of Re. 1/- each)					
	(a) Basic	(0.23)	(0.10)	(0.03)	(0.40)	(0.35)
	(b) Diluted	(0.23)	(0.10)	(0.03)	(0.40)	(0.35)



Notes:

1. The above stand alone unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14th February 2018.
2. The records and documents of the Company had been seized; also certain operations had been stopped since some of the bank accounts and the account with India Infoline Ltd. for derivative trading had been seized by the Maharashtra Police Department under Section 3 of MPID Act and various sections of IPC. In view of this, the financial results are compiled only to the extent of information gathered from the records and information available with the Company as on date and the balances of seized bank accounts and the account with India Info line are carried out at the balance available on the date of seizure. Thus these balances are subject to confirmation, reconciliation and consequential adjustments if any.
3. 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 judgment 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 are overstated to that extent.
4. Details and supporting documents for an 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.
5. Term Loan from Phoenix ARC Pvt. Ltd. (ARC) is secured by Mortgage of Hotel Property and hypothecation of movable assets. ARC has taken symbolic possession of these assets under an assignment from Saraswat Co-op. Bank Ltd. As the Company is in default of payment of entire outstanding amount (including contractual interest), the provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, regarding recovery procedure will be applicable.
6. Term Loan from Bank of Maharashtra is secured by Mortgage of Land situated at Village Nande, Pune and has called back entire loan outstanding amount (including interest). The 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 the provisions of Securitization and Reconstruction of Financial



Assets and Enforcement of Security Interest Act 2002, regarding recovery procedure will be applicable.

7. The Company had investment in equity shares of three non-material subsidiary companies viz., Dhanada Engineering Pvt. Ltd., Dhanada Education Pvt. Ltd. and Dhanada Clean Energy (India) Pvt. Ltd. till 13th November 2017. On 14th November 2017, the Company has sold/transferred its entire investment in the equity shares of these non-material three subsidiary companies. Consequently, all these three companies have ceased to be the subsidiaries of the Company w.e.f. 14th November 2017. As such, the consolidated unaudited financial results are not applicable.
8. In the absence of the statements of account from Phoenix ARC Pvt. Ltd. and Bank of Maharashtra, the interest on loans availed from these institutions has been provided for on the book balance at contractual rates. In view of this, the overdue and penal interest, if any, being not ascertainable, has not been provided for.
9. There is a contingent liability towards interest and penalties for non-deduction and nonpayment of TDS on certain expenses. (Amount not ascertainable).
10. There is no substantial income from any other segment except 'Hospitality'.
11. Exceptional items for the quarter ended 31st December 2017 denote loss on sale of shares held in subsidiary companies. Net of provision for diminution in the value of shares earlier made is no more required.
12. The Company has filed a petition to the Hon'ble High Court, Mumbai challenging the Notifications dated 7th May 2016 and 8th June 2017 issued by Maharashtra State under The Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (MPID Act) for attachment of the assets / properties of the Company. However, inspite of the pending petition, the Tahsildar and Executive Magistrate Pune City has issued a notice for taking physical possession of the property. The Company challenged the subject notice in High Court, Bombay and the Hon. Court issued a Stay Order on 29th December 2017 restraining the Competent Authority or State from taking possession of the properties of the Company and sealing the same. Meanwhile, the Competent Authority, Aurangabad approached the District and Sessions Judge, Aurangabad for making absolute the aforesaid Notifications. The Court of District and Sessions Judge, Aurangabad has passed an Order dated 30th January 2018 directing the Competent Authority to sell the attached properties of the Company. The Company is in the process of filing an appeal against this order on the grounds of legality and jurisdiction of Aurangabad Court and other authorities.
13. Previous period figures have been regrouped, rearranged and reclassified wherever necessary, for the purpose of comparison.



[Handwritten signature]

14. The reconciliation of Net Profit or Loss of standalone financial results for the quarter ended 31st December 2016 under Ind AS and previous Indian GAAP is as follows:

Rs. in Lakhs

Particulars	Quarter ended	Nine months ended
	31 st Dec. 2016	31 st Dec. 2016
Net Profit/(Loss) as per Indian GAAP	(17.02)	(195.29)
Ind AS Adjustments:		
Actuarial (Gain) / Loss on defined benefit obligations accounted through "Other Comprehensive Income"	-	-
Remeasurement of employee defined benefit plans	-	-
Profit/(Loss) under Ind AS	(17.02)	(195.29)
Add : Other Comprehensive Income (Net of Tax)	-	-
Total Comprehensive Income / Loss under Ind AS	(17.02)	(195.29)

For Dhanada Corporation Ltd.

R. Havele

Place: Pune
Date: 14th February 2018

Ramesh R. Havele
Chairman and Managing Director
(DIN: 00007580)



INDEPENDENT AUDITORS' REPORT ON LIMITED REVIEW OF STANDALONE INTERIM FINANCIAL RESULTS

To the Board of Directors of Dhanada Corporation Limited

1. We have reviewed the accompanying statement of unaudited financial results of **DHANADA CORPORATION LIMITED**, 'Dhanada' 16/6, Erandawana Hsg. Soc. Patwardhan Baug, Pune 411004. [the Company] for the quarter ended 31st December 2017 [the Statement] attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FCA/62/2016 dated 5th July, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principals laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 and further read with SEBI Circular No. CIR/CFD/FCA/62/2016 dated 5th July, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Engagement to review financial statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4.
 - a. As mentioned in Note no. 2 of Standalone Unaudited Financial Results the records and documents of the Company having been seized by the Maharashtra Police department, the same could not be verified. Our review has been conducted on the basis of the only records available with the company. As such the possibility of any financial impact escaping accounting cannot be ruled out.
 - b. As mentioned in Note no. 3 of Standalone Unaudited Financial Results, 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 are overstated to that extent.
 - c. As mentioned in Note no. 4 of standalone unaudited financial results, 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
 - d. As mentioned in Note no. 8 of standalone unaudited financial results, provision for interest on loans from Bank and ARC has been made at contractual rates in the absence of the statements from the respective lenders.



Subject to foregoing, in our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results (read alongwith Notes thereto) prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Shashank Patki and Associates
Chartered Accountants
FRN 122054W



Shashank Patki
Partner
Membership No. 035151
Place: Pune
Date: 14th February 2018

