

# **DHANLAXMI COTEX LIMITED**



**23<sup>rd</sup> Annual Report  
2008-2009**



# DHANLAXMI COTEX LIMITED

## 23<sup>RD</sup> ANNUAL REPORT

<b>Board of Directors</b>	Shri Ramautar Jhawar - Chairman & Managing Director Shri Mahesh Jhawar Shri Ganesh Singh Shri Vijay Kumar Moyal Shri Navin Vyas
<b>Registered &amp; Administrative Office</b>	285, Princess Street, 2nd Floor, Chaturbhuj Jeevandas House Mumbai - 400 002.
<b>Works</b>	Sector B-2/15/16; Parvati Co-op. Industrial Estate, Post Yadrav, Tal. Shirol, Dist. KOLHAPUR (M.S.)
<b>Bankers</b>	Bank of Baroda HDFC Bank Ltd. State Bank of Travancore
<b>Auditors</b>	M/s. S.G.Kabra & Co. Chartered Accountants 1st Floor, Wavell House, 1st Dhobi Talav Lane, Mumbai - 400 002.
<b>Registrar and Share Transfer Agents</b>	Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E) Mumbai - 400 072.
<b>Listed on Stock Exchange</b>	Bombay Stock Exchange Limited

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# DHANLAXMI COTEX LIMITED

## NOTICE

**NOTICE** is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of Dhanlaxmi Cotex Limited will be held at the Registered Office of the Company at 285, Princess Street, 2<sup>nd</sup> Floor, Chaturbhuj Jivandas House, Mumbai – 400 002 on Tuesday, the 29<sup>th</sup> day of September, 2009 at 4.00 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2009 and Profit and Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Navin Vyas, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers him self for re-appointment.
3. To appoint a Director in place of Shri Vijaykumar Moyal, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers him self for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** as per the recommendation of the Remuneration Committee and pursuant to the provisions of section 198, 269, 309 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such approvals as may be necessary, Shri Ramautar Jhavar be and is hereby re-appointed as a Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> August, 2009 upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Ramautar Jhavar but to the provisions contained in Schedule XIII to the Companies Act, as amended from time to time.”

- a) Salary of Rs. 25000/- per month.
- b) Perquisites:
  - i. Company's contribution to Provident Fund
  - ii. Gratuity as per the rules of the Company
  - iii. Provisions for use of Company car for official duties and telephone at residence (including payment of local calls and long distance official calls)



## DHANLAXMI COTEX LIMITED

**"RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Managing Director shall be governed by Section II of Part II of the Schedule XIII to the Companies, Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Managing Director."

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

**"RESOLVED THAT** as per the recommendation of the Remuneration Committee and pursuant to the provisions of section 198, 269, 309 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such approvals as may be necessary, Shri Mahesh Jhawar be and is hereby re-appointed as a Whole Time Director of the Company for a period of three years with effect from 1<sup>st</sup> August, 2009 upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Mahesh Jhawar but to the provisions contained in Schedule XIII to the Companies Act, as amended from time to time."

- a) Salary of Rs. 25000/- per month.
- b) Perquisites:
  - i. Company's contribution to Provident Fund
  - ii. Gratuity as per the rules of the Company
  - iii. Provisions for use of Company car for official duties and telephone at residence (including payment of local calls and long distance official calls)

**"RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole Time Director shall be governed by Section II of Part II of the Schedule XIII to the Companies, Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole Time Director."

**For and behalf of the Board**

**Place: Mumbai**  
**Date: 26<sup>th</sup> August, 2009**

**Ramautar S. Jhawar**  
**Chairman & Managing Director**

**Registered Office:**  
 285, Princess Street, 2<sup>nd</sup> Floor,  
 Chaturbhuj Jivandas House,  
 Mumbai- 400002



# DHANLAXMI COTEX LIMITED

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (forty-eight) hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books will remain closed from Wednesday, 23<sup>rd</sup> September, 2009 to Tuesday, 29<sup>th</sup> September, 2009 (both days inclusive).
4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries so as to reach the Registered Office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
5. Members are requested to notify immediately any change in their address to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Transfer Agent at Bigshare Services Private Limited at E-2/3, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 in respect of their physical share folios.
6. Members are requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
8. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, of persons, seeking re-appointment as Directors under Item No. 2 & 3 above, are annexed.

## **BRIEF RESUME OF THE PERSONS PROPOSED TO BE RE-APPOINTED AS THE DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING:**

Particulars	Shri Navin Vyas	Shri Vijaykumar Moyal
Age	34 years	36 years
Date of Appointment	30-12-2005	30-12-2005
Qualifications	B.Com	B.Com
Nature of Expertise & Experience	Accounts	Accounts
Name of the other Companies in which also holds Directorship	Nil	Nil
Name of other Companies in Committees of which holds membership/chairmanship	Nil	Nil
Shareholding of Non-Executive	Nil	Nil



## DHANLAXMI COTEX LIMITED

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### **Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956:**

#### **Item No.5:**

Shri Ramautar Jhawar is acting as a Director of the Company since its incorporation.

The Board of Directors of the Company at their meeting held on 31<sup>st</sup> July, 2009 re-appointed Shri Ramautar Jhawar as a Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> August, 2009 on terms and conditions as stated in the resolution.

The appointment of Shri Ramautar Jhawar as the Managing Director of the Company would require the consent of the shareholders of the Company pursuant to Section 269, 309, 311 and other applicable provisions of the Companies, Act 1956 (hereinafter referred to as "the said Act") and subject to the limits laid down in Schedule XIII to the said Act.

The said resolution is therefore, recommended for your approval.

Shri Ramautar Jhawar is concerned or interested in the resolution given under Item No. 5 of the Notice for his re-appointment as Managing Director.

None of the Directors of the Company except Shri Mahesh Jhawar is interested or concerned in the said resolution.

#### **Item No.6:**

The Board of Directors of the Company at their meeting held on 31<sup>st</sup> July, 2009 re-appointed Shri Mahesh Jhawar as the Whole Time Director of the Company for a period of three years with effect from 1<sup>st</sup> August, 2009 on the terms and conditions as stated in the resolution.

The appointment of Shri Mahesh Jhawar as the Whole Time Director of the Company would require the consent of the shareholders of the Company pursuant to Section 269, 309, 311 and other applicable provisions of the Companies Act, 1956 and subject to the limits laid down in Schedule XIII to the said Act.

The said resolution is therefore, recommended for your approval.

Shri Mahesh Jhawar is concerned or interested in the resolution given under Item No. 5 of the Notice for his re-appointment as Whole Time Director.

None of the Directors of the Company except Shri Ramautar Jhawar is interested or concerned in the said resolution.



# DHANLAXMI COTEX LIMITED

## DIRECTORS' REPORT

*Dear Members,*

Your Directors have pleasure in presenting their Twenty-Third Annual Report on the business operations of the Company along with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2009.

### **FINANCIAL RESULTS:**

Particulars	(Rupees in Lacs)	
	Year Ended 31 <sup>st</sup> March 2009	Year Ended 31 <sup>st</sup> March 2008
Income from Operations	926.04	4453.16
Profit/ (Loss) before Depreciation & Tax	8.18	152.26
Less: Depreciation	1.77	1.67
Profit/ (Loss) before Tax	6.41	150.59
Less: Provision for Tax	0.00	15.40
Less: Security Turnover Tax	0.00	7.91
Less: Fringe Benefit Tax	0.31	0.32
Less: Earlier Year Adjustment	0.00	8.59
Add: Deferred Tax Assets Adjustments	0.18	0.06
<b>Net Profit/(Loss) after Tax</b>	<b>6.29</b>	<b>118.42</b>
Add: Balance brought forward from previous year	1080.07	961.65
Balance carried to Balance Sheet	1086.36	1080.07

### **OPERATIONS:**

During the year under review, your Company earned a total Income of Rs. 926.04 Lacs comprising mainly of Sale of Shares, interest & Dividend and long term share investments profit. Against this, the total expenses amounted to Rs. 917.85 Lacs. As a result of this the Company has earned Net Profit of Rs. 6.29 Lacs as against the profit of Rs. 118.42 Lacs for the previous year. After balance brought forward from last year of Rs.1080.07 Lacs, a balance of Rs. 1086.36 Lacs has been carried forward to the Balance Sheet.

Barring unforeseen circumstances, your Directors are optimistic that the Company would be able to report better performance during the current year.

### **DIVIDEND:**

With a view to conserve the resources for the future operations, your Directors have thought it prudent not to declare dividend for the year ended 31<sup>st</sup> March, 2009.



# DHANLAXMI COTEX LIMITED

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## **DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Navin Vyas and Shri Vijaykumar Moyal, Directors are liable to retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. A brief profile of the Directors proposed to be re-appointed is annexed to the Notice of the ensuing Annual General Meeting.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- that the Directors have 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 as at 31<sup>st</sup> March, 2009 and of the profit of the Company for that period;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Annual Accounts for the year ended March 31, 2009 have been prepared on a going concern basis.

## **AUDITORS:**

M/s. S. G. Kabra & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The members are requested to appoint the Auditors for the current year and to authorize the Board to fix their remuneration.

## **AUDITORS' REPORT:**

Observations made by the Auditors in their report read with the relevant Notes to the Accounts are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

## **SECRETARIAL COMPLIANCE CERTIFICATE:**

Pursuant to the recent amendment in Section 383A of the Companies Act, 1956, all such Companies whose paid up share capital is Rs.10 Lacs and above but less than Rs. 5 Crore are required to obtain a Compliance Certificate for the year ended 31<sup>st</sup> March, 2009 is obtained from M/s Rathi & Associates., Company Secretaries and the same is attached.

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# DHANLAXMI COTEX LIMITED

## **FIXED DEPOSITS:**

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

## **CORPORATE GOVERNANCE:**

A Report on Corporate Governance as also a Management Discussion and Analysis Report along with a certificate from M/s. Rathi & Associates, Company Secretaries in practice, regarding compliance of requirements of Corporate Governance pursuant to Clause 49 of the Listing Agreement with the Stock Exchange is annexed herewith.

## **PARTICULARS AS PER SECTION 217(2A) OF COMPANIES ACT, 1956:**

During the year under review, none of the employees of the Company, whether employed for the whole year or part thereof, was in receipt of remuneration aggregating to or in excess of the limits specified under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, and hence, no particulars are required to be furnished in connection with the same.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There are no foreign exchange earnings and outgo during the year under review. Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is not applicable in view of the nature of operations of your Company.

## **ACKNOWLEDGEMENTS:**

The Board would like to express their gratitude for the continued support which the Company has received from its Shareholders, Customers, Suppliers, Bankers, Statutory Authorities and all other business associates.

The Board wishes to place on record their sincere appreciation to all the Company's employees for their collective contribution to the Company's improved performance.

**For and on behalf of the Board**

Place: Mumbai  
Dated: 26<sup>th</sup> August, 2009

**Ramautar Jhawar**  
Chairman & Managing Director



# DHANLAXMI COTEX LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2009 IN RESPECT OF DHANLAXMI COTEX LIMITED.

CIN No. of the Company: L51100MH1987PLC042280

Nominal Capital: Rs. 5,50,00,000/-

Paid up Capital: Rs. 4,87,13,500/-

To,  
The Members,  
Dhanlaxmi Cotex Limited  
Mumbai.

We have examined the registers, records, books and papers of **DHANLAXMI COTEX LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2009 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met **Four** times respectively on **30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 31<sup>st</sup> October, 2008 and 31<sup>st</sup> January, 2009** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 22<sup>nd</sup> September, 2008 to 29<sup>th</sup> September, 2008 and necessary compliance of section 154 of the Companies Act, 1956 has been made.
6. The Annual General Meeting for the financial year ended on **31<sup>st</sup> March, 2008** was held on **29<sup>th</sup> September, 2008** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting were held during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has entered into any contracts falling within the purview of section 297 of the Act.