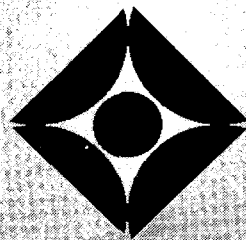


ANNUAL REPORT

2006 - 2007



D H O O T

INDUSTRIAL FINANCE LIMITED

BOARD OF DIRECTORS

Shri Rajgopal Dhoot *Chairman*
Shri Rohit Kumar Dhoot *Managing Director*
Shri S. Venkatachalam
Shri Abhay Firodia
Shri Girish C. Choksey
Shri Rajesh M. Loya

AUDITORS

Bansi S. Mehta & Co.
Chartered Accountants
Mumbai

BANKERS

Indian Overseas Bank
UTI Bank Limited
The Ratnakar Bank Ltd.

REGISTERED OFFICE

504, Raheja Centre,
214, Nariman Point,
Mumbai – 400 021.

Name and Address of Stock Exchanges on which shares of the Company are listed :

1. Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001.

Company had paid Annual Listing Fees
for the Year 2006-2007.
to Bombay Stock Exchange Ltd.
ISIN No. INE313G01016

Members are requested to send Transfer and all the communications relating to notification of change in address, enquiries regarding transfer of shares, dividend etc. to the Shares Transfer Agents of the Company at the following address :

Sharepro Services (India) Pvt. Ltd.
Satram Estate, 3rd Floor, Above Bank of Baroda,
Cardinal Gracious Road, Chakala,
Andheri (E), Mumbai – 400 099.



NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the members of Dhoot Industrial Finance Limited will be held on Thursday, the 27th September, 2007 at 4.30 p.m., at Conference Hall, The Malabar Hill Club Ltd., B.G.Kher Marg, Malabar Hill,, Mumbai – 400 006 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2007 and Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in the place of Shri R. G. Dhoot who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Shri Rajesh M. Loya who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, Proxies in order to be effective must be received at the Registered Office not later than 48 hours before the commencement of the meeting.**
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, the 20th September, 2007 to Thursday, the 27th September, 2007.
3. Members who have not encashed their dividend warrants for the following financial year are requested to approach Sharepro Services (India) Pvt. Ltd. the Company's Registrar & Share Transfer Agents for obtaining duplicate dividend warrants :-

Financial Year ended	Due for transfer to Fund Established u/s 205C
31-03-2000	15/11/2007

By Order of the Board
For **DHOOT INDUSTRIAL FINANCE LIMITED**

Rajgopal Dhoot
Chairman

Registered Office :
504, Raheja Centre,
214, Nariman Point,
Mumbai – 400 021.

Place : Mumbai
Date : 28th July, 2007.

Details of the Directors seeking reappointment in Annual General Meeting to be held on 27th September, 2007

Name of Director	Shri R. G. Dhoot	Shri Rajesh M. Loya
Date of Birth	13/08/1944	20/07/1966
Qualification	Industrialist	Chartered Accountant
Expertise in specific functional area	Industrialist	Practicing Chartered Accountant
List of Public Limited Companies (in India) in which Directorship held	Meenakshi Industries Ltd. Alpine Trading And Finance Limited Rajshree Holdings Limited	Techno Shares & Stocks Limited
Chairman / Member of the Committee(s) of other Companies in which he is a Director		
a) Audit Committee	—	—
b) Remuneration Committee	—	—
c) Shareholders / Investors Grievance Committee	—	—

**DIRECTORS REPORT**

Your Directors' have pleasure in presenting the Twenty Ninth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2007.

1. FINANCIAL HIGHLIGHTS :**(Rs. in Lacs)**

	Year ended March 31, 2007	Year ended March 31, 2006
Total Income	8556.91	8080.08
Profit before Depreciation and tax	616.07	432.96
Less : Depreciation	106.27	40.77
Profit Before Tax	509.80	392.19
Less: Provision for tax	(55.03)	(19.15)
Add : Deferred Tax (Net)	(69.08)	(65.99)
Add : Fringe Benefit Tax	(3.61)	(3.33)
Profit After Tax	382.08	303.72
Add/(Less): Provision for earlier years	(5.20)	—
Add : Surplus Brought forward from previous years	598.97	295.25
Balance Carried to Balance Sheet	975.85	598.97

2. DIVIDEND :

In view of availability of avenues for investments, your Directors intend to invest the surplus instead of recommending the payment of dividend for the financial year ended on 31st March 2007.

3. BUSINESS & PERFORMANCE :

During the year under review, total income is at Rs. 8556.91 lacs and the profit after tax is at Rs. 382.08 lacs, compared to Rs. 8080.08 lacs and Rs. 303.72 lacs in last year respectively. We are expanding the products in Sampoorna Traders the trading division of the company and increasing the volumes of the same.

The windmill has generated 14.40 lakhs units.

The Company is exploring new areas for expanding its business activities.

4. DIRECTOR'S RESPONSIBILITY STATEMENT :

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2007, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors have selected such accounting policies and applied them consistently and

made judgements and estimates that were 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 or loss of the Company for the year under review;

(iii) that the directors had 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;

(iv) that the directors had prepared the annual accounts for the year financial ended 31st March, 2007 on a 'going concern' basis.

5. FIXED DEPOSIT :

The Company has not accepted any fixed deposit during the year under review.

7. CORPORATE GOVERNANCE :

Your company has complied with the Corporate governance regulations as laid down in clause 49 of the listing agreement with Bombay Stock Exchange Ltd. A detailed compliance report on Corporate Governance is enclosed in this report.

8. DIRECTORS :

Shri R. G. Dhoot, Director is liable to retire by rotation and being eligible offers himself for reappointment.

Shri Rajesh M. Loya, Director is liable to retire by rotation and being eligible offers himself for reappointment.

9. AUDITORS :

M/s. Bansi S. Mehta & Co. Chartered Accountants, Mumbai Auditors of the Company, hold office upto the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

10. PARTICULARS OF EMPLOYEES :

None of the employees received remuneration during the year in excess of the limit specified under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, as amended.

11. PARTICULARS FOR CONSERVATIONS OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company's project regarding generation, supply and distribution of electric power by use of non conventional renewable energy devices does not consume any energy. However the company has taken effective steps to conserve the energy and the said efforts has reduced the cost of generation of electric power. The Company has deployed indigenous technology for the generation of the electric power. The details required to be given in form A is not applicable to the Company. The Company has not earned any foreign exchange and there was foreign exchange outgo of Rs. 4.00 lacs.

12. ACKNOWLEDGEMENT :

The Board takes this opportunity to thank Customers, Bankers, Shareholders and Employees for the co-operation and assistance extended to the company and they look forward to their continued support.

By Order of the Board
For **DHOOT INDUSTRIAL FINANCE LIMITED**

Rajgopal Dhoot
Chairman

Registered Office :

504, Raheja Centre,
214, Nariman Point,
Mumbai - 400 021

Place : Mumbai

Date : 28th July, 2007.



COMPLIANCE REPORT ON CORPORATE GOVERNANCE AS PRESCRIBED IN ANNEXURE-2 OF THE LISTING AGREEMENT :

MANDATORY REQUIREMENTS :

1. A brief Statement on the company's philosophy on code of governance.

Your Company is fully committed to good corporate governance practices as laid down by SEBI. It envisages attainment of the Company's affairs transparency & accountability in the functioning of the Company and helps the management in the efficient conduct of the Company's affairs and in protecting the interest of various participants like shareholders, employees, lenders, clients and at the same time places due emphasis on compliance of various statutory laws.

2. Board of Directors :

(i) Composition and category of Directors

The Board of Directors is constituted in compliance with the Companies Act, 1956 and listing agreement with the Stock Exchanges :-

Composition and Category of Directors			
Srn	Name	Designation	Category
1	Shri. R. G. Dhoot	Chairman	Non Executive
2.	Shri. R. K. Dhoot	Managing Director	Executive
3.	Shri. S. Venkatachalam	Director	Non Executive
4.	Shri. Abhay Firodia	Director	Non Executive, Independent
5.	Shri. Rajesh M. Loya	Director	Non Executive, Independent
6.	Shri. Girish C. Choksey	Director	Non Executive, Independent

(ii) Attendance of each Director at BoDs meetings and Last AGM

Name of Director	Board Meeting				AGM
	April 28, 2006	July 31, 2006	October 31, 2006	January 30, 2007	September 27, 2006
Shri. R. G. Dhoot	✓	✓	✓	✓	✓
Shri. R. K. Dhoot	✓	✓	✓	✓	✓
Shri. S. Venkatachalam	✓	—	—	—	—
Shri. Abhay Firodia	—	—	—	—	—
Shri. Rajesh M. Loya	✓	—	✓	✓	✓
Shri. Girish C. Choksey	✓	—	✓	✓	—

(iii) Number of other BoDs or Board Committees he is a member or Chairman

Name of Director	Number of Directorships in other Companies*	Committee memberships**	Committees Chairmanships**
Shri. R. G. Dhoot	3	3	—
Shri. R. K. Dhoot	6	—	—
Shri. S. Venkatachalam	1	—	—
Shri. Abhay Firodia	6	3	2
Shri. Rajesh M. Loya	1	—	—
Shri. Girish C. Choksey	5	1	—

* This excludes Directorships held in Indian Private Limited companies.

** Member/Chairman of Audit Committees and Share Transfer / Investor Grievance Committees.

(iv) Number of Board of Directors meetings held, dates on which held :

Four Board meeting were held in the year with a gap of less than four months between any two meetings. The meetings were held on April 28, 2006, July 31, 2006, October 31, 2006 and January 30, 2007.

3. Audit Committee :

(i) Brief Description of terms of reference :

The Company re-constituted Audit Committee as per the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the listing agreement with Bombay Stock Exchange Ltd. on 21ST April, 2003.

The purpose of the Audit Committee is to provide independent and objective evaluation of financial reporting, accounting functions, internal audit and controls, to assure the objectivity, credibility and correctness of the company's financial reporting process and disclosures of its financial information.

(ii) Composition, name of members and Chairman :

Srn.	Name of Director	Title	Status
1	Shri Rajesh M. Loya	Chairman	Independent, Non Executive Director
2	Shri. Girish C. Choksey	Member	Independent , Non Executive Director
3	Shri. Abhay Firodia	Member	Independent, Non Executive Director
4	Shri. R. G. Dhoot	Member	Non Executive Director

Shri Rajesh M. Loya, chairman has accounting knowledge.

(iii) Meetings and Attendance during the year :

During the year under review the meeting of the Audit committee held on 19th April 2006, 5th July, 2006 , 14th July 2006, 15th October, 2006, and 15th January, 2007.



DHOOT INDUSTRIAL FINANCE LIMITED

Details of attendance :

Name of Director					
	April 19, 2006	July 5, 2006	July 15, 2006	October 15, 2006	January 15, 2007
Shri. Rajesh Loya	✓	✓	✓	✓	✓
Shri. Girish C. Choksey	✓	✓	✓	✓	✓
Shri. Abhay Firodia	—	—	—	—	—
Shri. R. G. Dhoot	✓	✓	✓	✓	✓

4. Remuneration Committee :

(i) Brief description of terms of reference :

The Company has formed remuneration committee on 21st April, 2003.

(ii) Composition, name of members and Chairman :

Srn.	Name of Director	Title	Status
1	Shri Rajesh M. Loya	Chairman	Independent , Non Executive Director
2	Shri. Girish C. Choksey	Member	Independent , Non Executive Director
3	Shri. Abhay Firodia	Member	Independent, Non Executive Director
4	Shri. R. G. Dhoot	Member	Non Executive Director

The Company paid a sum of Rs.4,80,000/- as remuneration to Mr. R. K. Dhoot, Managing Director, during the year under review. No sitting fees were paid to managing director.

No meetings of remuneration committee was held during the year under review in absence of any business to transact.

5. Shareholders / Investors Grievance Committee :

The Company has formed Shareholders / Investors Grievance committee on 21st April, 2003, to look into shareholders and investors grievances.

(i) Name of Non-executive director heading the committee : **Shri Rajesh M. Loya**

(ii) Name and Designation of Compliance officer : **Mr. Bharat C. Mistry,**
Account Executive

(iii) Number of Shareholders complaints received so far : **Nil**

(iv) Number not solved to the satisfaction of shareholders : **Nil**

(v) Number of pending share transfers : **Nil**

Details of attendance :

Name of Director	Category	April 5, 2006	July 5, 2006	July 15, 2006	October 15, 2006	January 15, 2007
Shri. Rajesh Loya	Independent, Non Executive director	✓	✓	✓	✓	✓
Shri..Girish C. Choksey	Independent, Non Executive director	✓	✓	✓	✓	✓
Shri. Abhay Firodia	Independent, Non Executive director	—	—	—	—	—
Shri. R. G. Dhoot	Non Executive Director	✓	✓	✓	✓	✓

6. General Body Meetings :

(i) Location and time, where the last three AGMs held :

Date of AGM	Time of AGM	Location
September 28, 2004	4.30 p.m.	Conference Hall, W.I.A.A. Club, Ridge Road Mumbai – 400 006.
September 27, 2005	4.30 p.m.	Conference Hall, W.I.A.A. Club, Ridge Road Mumbai – 400 006.
September 27, 2006	4.30 p.m.	Conference Hall, The Malabar Hill Club, B.G. Kher Marg, Malabar Hill, Mumbai – 400 006.

7. Disclosure :

1. None of the transactions with any of the related parties were in conflict with the interests of the Company at large. Transaction with related parties are disclosed in Note No. 9 of Schedule "U" to the Account in the Annual Report.
2. There has been no non-compliance penalties/ strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

8. Means of Communication :

The quarterly results are published in "The Free Press Journal" an English daily and in "Navshakti" a vernacular Marathi newspaper.