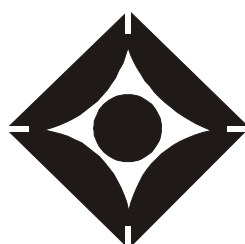


ANNUAL REPORT
2010 - 2011



D H O O T

INDUSTRIAL FINANCE LIMITED



DHOOT INDUSTRIAL FINANCE LIMITED

BOARD OF DIRECTORS

Shir 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
Axis Bank Limited

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 :**

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

**Company had paid Annual Listing Fees
for the Year 2011 - 2012.
to Bombay Stock Exchange Ltd.**

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

Sharepro Services (India) Pvt. Ltd.
13-AB, Samita Warehousing Complex,
2nd Floor, Near Sakinaka Telephone
Exchange, Andheri-Kurla Road
Sakinaka, Andheri (E),
Mumbai-400 072.

Investors Complaint id : diflic@gmail.com

MEMORANDUM ON GREEN INITIATIVE

Dear Members,

We would like to inform all the Members that the Ministry of Corporate Affairs (MCA) has come out with circular Nos. 17/2011 dtd.21-04-2011 and 18/2011 dtd.29-04-2011 promulgating "Green Initiative" of paperless compliances, by encouraging Corporates to serve documents through electronic mode to Members, who have registered their email addresses with their Depository Participant (DP) or with the Company to receive documents electronically.

Taking forward this green initiative of the MCA and to reduce impact of global warming by saving on cost of paper, we are proposing to send Annual Report for the financial year 2011-12 and other document/notice by emails to all Members.

To support this noble gesture, we request whole hearted support of all the Members to register their email with their DP or with the Share Transfer Agent of the company, to receive documents/notices electronically from the Company in lieu of physical copies. All future notices and disclosures required to be given to Bombay Stock Exchange Ltd. will be available for view on Company's website www.dhootfinance.com. Please note that, in case you have already registered your e-mail address, you are not required to re-register unless there is change in your e-mail address. Members who are holding share in physical form are requested to send e-mail at diflic@gmail.com to update their e-mail address. Members are also requested to convert their physical holding into demat and consolidate their multiple folios into single folio. Please quote your Folio No. or DPID and Client ID, as the case may be, in all your communication.

However, if communication require in physical form, you can register by sending a request to the company at the registered address or at email id : diflic@gmail.com.

Kindly note that if you still wish to get a hard copy of the above documents, the company will send the same, free of cost, upon receipt of a request from you.

For DHOOT INDUSTRIAL FINANCE LIMITED

**Rajgopal Dhoot
Chairman**



DHOOT INDUSTRIAL FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of Dhoot Industrial Finance Limited will be held on Friday, the 23rd September, 2011 at 2.30 p.m., at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 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. Girish C Choksey who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Shri. Abhay Firodia who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and it thought fit to pass with or without any modification the following resolution as special resolution

RESOLVED THAT subject to the provisions of Articles 163 and 165 of Articles of Association of the Company and further subject to the provisions of sections 198, 269, and 309 read with Schedule XIII, and other applicable provisions, if any, of the companies Act, 1956 and subject to such approvals as may be necessary, the consent of the shareholders of the Company be and is hereby accorded for the appointment of Shri R.K.Dhoot, as Managing Director of the Company for a period of 5 year with effect from 1st April 2011 to 31st March 2016, upon the terms and conditions and payments of remuneration, benefits and perquisites as set out in the Explanatory Statement be and is hereby approved, amended hereto and ratified with the liberty to the Board of Directors to alter or vary the terms and conditions of the said appointment from time to time and in such manner as may be agreed to between the Board of Directors and Shri R.K.Dhoot."

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year, during the currency of tenure of Shri R.K.Dhoot as Managing Director, the company has no profit or its profit are inadequate it may pay him remuneration up to ₹ 12,00,000/- per annum plus perquisites not exceeding the limits specified under Section II of Schedule XIII of the Companies Act, 1956."

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. Explanatory Statement Pursuant to section 173(2) of the Companies Act, 1956 in respect of item no.5 of Notice of meeting is annexed herewith.
3. The Register of Member and Share Transfer Books of the Company shall remain closed from Friday, the 16th September, 2011 to Friday, the 23rd September, 2011

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: 12th July, 2011

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF
THE COMPANIES ACT, 1956.****ITEM No. 5:**

By a Resolution passed by the Board of Directors at its Meeting held on 5th February, 2011. Shri R. K. Dhoot was reappointed as the Managing Director of the Company for a period of five years from 1st April 2011 to 31st March 2016. The payment of remuneration, perquisites and the other terms and conditions of re-appointment are as below:

Name and Designation	:	Shri. R. K. Dhoot Managing Director.
Period	:	April 2011 to March 2016
Remuneration	:	As below:-
	:	1. Salary of ₹. 1,00,000/- per month.
	:	2. Perquisites: Perquisites shall be allowed in addition to salary. Perquisites shall be restricted to an amount equal to the annual salary or ₹. 12,00,000/- per annum whichever is less.

Part - A**I) Medical reimbursement:**

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

II) Leave Travel Concession:

Leave travel concession for self and family once in a year incurred in accordance with the rules of the Company.

III) Club Fees:

Fees of clubs subject to a maximum of two clubs no admission and life membership fees will be paid.

IV) Personal Accident Insurance:

Personal accident insurance of an amount, the annual premium shall not exceed ₹. 7000/-.

Note: For the purpose of perquisites stated hereinabove, 'Family' means the spouse, the dependent children and dependent parents of the appointee.

Part - B

- i) Contribution to provident Fund and Superannuation Fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961. Gratuity payable shall not exceed half a months salary for each completed year of service.



- ii) Earned Leave: On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- iii) Reimbursement of refreshment expenses actually incurred for the purpose of business of the Company

Part - C

Provision of car for use on company's business, car parking charges and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company.

- 3. In the event of the loss or in adequacy of profits during the aforesaid periods, the company shall pay remuneration to the Managing Director by way of salary, perquisites and other allowances not exceeding the ceiling limit of ₹.12,00,000/- per annum or ₹.1,00,000/- per month and in addition thereto the perquisites not exceeding the limits specified under section II of Part II of schedule XIII to the Companies Act, 1956.
- 4. The Managing Director shall be entitled to:
 - a) The reimbursement of entertainment expenses actually and properly incurred by him
 - b) The reimbursement of traveling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the company in accordance with the rules and regulations of the company in force from time to time or as approved by the Board of Directors.
- 5. As long as Shri R. K. Dhoot functions as Managing Director, he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.
- 6. As long as Shri R. K. Dhoot function as Managing Director, he shall not become interested or concerned directly or through his wife and/ or minor children in any selling agency of the company in future except with the consent of the company as per the provisions of the law in force as applicable to the company.
- 7. If the Managing Director at any time be prevented by ill health or accident or any physical or mental disability from performing his duties hereunder, he shall inform the company and supply it with details as it may reasonably required and if he be unable by reason of ill health or accident or disability for a period of 180 days in any period of twelve consecutive calendar months to perform his duties hereunder, the company may forthwith terminates his employment hereunder.
- 8. The Company shall be entitled to forthwith terminate the agreement if the Managing Director becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
- 9. In case of death of the Managing Director in the course of his employment with the company, the Company shall pay to his legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.

10 Notwithstanding anything to the contrary contained above, either party shall be entitled to terminate the employment, at any time by giving to the other party 180 days notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice the Managing Director shall cease to be the Managing Director of the Company provided that the aforesaid notice may be waived mutually.

11 The terms and conditions of the said appointment may be altered and varied from time to time by the Board, in its discretion deem fit so as not to exceed the limits specified in schedule XIII of the Companies Act, 1956, or any amendment or relaxation made hereafter in that regard.

The Directors are of the opinion that Mr. R. K. Dhoot knowledge and experience will be immense value to the Company. The Board, therefore, recommends approval of the above Resolution.

This explanatory, statement may be considered as an abstract of the terms and conditions of appointment of Managing Director under section 307 of the companies Act, 1956.

Details of the Directors seeking reappointment in Annual General Meeting to be held on 23rd September, 2011

Name of Director	Shri. Girish C Choksy	Shri. Abhay Firodia	Shri. R. K. Dhoot
Date of Birth	21/10/1942	05/11/1944	29/09/1968
Qualification	Industrialist	B.A	Chartered Accountant
Expertise in specific functional area	Industrialist	Industrialist	Industrialist
List of Other Public Limited Companies (in India) in which Directorship held	Apcotex Lattices Ltd. Cons Holding Ltd. The Hindustan Mineral Products Co.Ltd. Sammelan Investments & Trading Ltd. Colortek (India) Limited	Force Motors Limited Jaya Hind Industries Ltd. Dhoot Compack Ltd. Bharat Hotels Ltd.	Young Buzz India Limited Anukool Traders & Finance Ltd. Aakarshak Synthetics Ltd. Avilok Trade & Finance Ltd. The Oudh Sugar Mills Ltd. Ashish Trading And Agency Ltd.
Chairman / Member of the Committee(s) of Board of Directors of other Companies in which he is a Director			
a) Audit Committee	2	--	--
b) Remuneration Committee	1	--	--
c) Shareholders / Investors Grievance Committee	1	--	--

**DIRECTORS REPORT**

Your Directors' have pleasure in presenting the Thirty Third Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2011.

1. FINANCIAL HIGHLIGHTS:

(₹. in Lakhs)

Particular	Year ended March 31, 2011	Year ended March 31, 2010
Total Income	20689.38	13571.20
Profit before Depreciation and tax	746.85	458.94
Less : Depreciation	95.11	113.98
Profit Before Tax	651.74	344.96
Less: Provision for tax	(168.10)	(96.43)
Add : Deferred Tax (Net)	25.36	25.73
Add: Fringe Benefit Tax	--	--
Add/(Less): Provision for earlier years	24.38	(28.56)
Profit After Tax	533.38	245.70
Add : Surplus Brought forward from previous years	1805.31	1559.61
Balance Carried to Balance Sheet	2338.69	1805.31

2. BUSINESS & PERFORMANCE :

During the year under review, total income is ₹ 20,689.38 Lacs and the profit after tax is ₹ 533.38 Lacs, compared to ₹.13,571.20 Lacs and ₹.245.70 Lacs in last year respectively.

The Windmill has generated 22.26Lacs Units

The Board of Directors to conserve the resources do not recommend payment of any dividend for the financial year ended 31st March 2011.

3. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- that in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors have selected such accounting policies and applied them consistently and made judgments 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;
- 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;
- that the directors had prepared the annual accounts for the year financial ended 31st March, 2011 on a 'going concern' basis.

4. FIXED DEPOSIT:

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

5. 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.

6. DIRECTORS :

Shri Girish C Choksey, Director is liable to retire by rotation and being eligible offers himself for reappointment.

Shri Abhay Firodia, Director is liable to retire by rotation and being eligible offers himself for reappointment.

Shri R.K. Dhoot reappointed as Managing Director of the Company for a period of 5 years with effect from April 2011.

7. AUDITORS:

M/s. Bansilal S. Mehta & Co. Chartered Accountants, Mumbai Auditors of the Company, holds office up to the conclusion of the Annual General Meeting and are eligible for re-appointment.

8. 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.

9. 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 ₹13.37 Lacs.

10. 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

Place: Mumbai
Date: 12th July, 2011

**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 Bombay Stock Exchanges Ltd:-

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. Girish C. Choksey	Director	Non Executive, Independent
6.	Shri. Rajesh M. Loya	Director	Non Executive, Independent

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

Name of Director	Board Meeting		Last AGM if Attended
	Held	Attended	
Shri. R. G. Dhoot	5	5	Yes
Shri. R. K. Dhoot	5	5	Yes
Shri. S. Venkatachalam	5	0	No
Shri. Abhay Firodia	5	0	No
Shri. Girish C. Choksey	5	3	No
Shri. Rajesh M. Loya	5	5	Yes