

Dollex Industries Ltd.



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**12th ANNUAL REPORT
2005-06**

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12th ANNUAL GENERAL MEETING

Date	: 20 th July, 2006
Day	: Thursday
Time	: 11.00 a.m
Place	: Star Hall, 1 & 2 Helal Building, Dr. Mascarenhas Road, Near Mazgaon Old post office, Mazgaon, Mumbai - 400 010

DOLLEX INDUSTRIES LIMITED

12th ANNUAL REPORT 2005-2006

BOARD OF DIRECTORS

MR. AKRAM KHAN	: MANAGING DIRECTOR
MR. MEHMOOD KHAN	: EXECUTIVE DIRECTOR
Mr. V. S. BHARAKTIYA	: INDEPENDENT NON EXECUTIVE DIRECTOR
Mr. K. M. NAGRAJ	: INDEPENDENT NON EXECUTIVE DIRECTOR
MR. AARIF KHILCHI	: INDEPENDENT NON EXECUTIVE DIRECTOR
MS. RUCHI DOSHI	: INDEPENDENT NON EXECUTIVE DIRECTOR (UPTO 12/04/06)
MR. HEMANT MAKWANA	: INDEPENDENT NON EXECUTIVE DIRECTOR (UPTO 5 TH JUNE, 2006)
MR. SOMESH BANSAL	: INDEPENDENT NON EXECUTIVE DIRECTOR (W.E.F. 1/11/05)

REGISTERED OFFICE

607, Maker Chamber V
221 Nariman Point,
Mumbai - 400 021

FACTORY

Kagnoor Village, Taluka Afjalpur,
Dist. Gulbarga, Karnataka.

AUDITORS

P. K. Shishodiya & Co., Chartered Accountants,
Bharti Bhavan, 211/219 P.D. Mello Road,
Mumbai - 400001

REGISTRARS & SHARE TRANSFER AGENTS

Intime Spectrum Registry Limited, C-13, Pannalal Silk
Mills Compound, L.B.S. Marg, Bhandup Mumbai 400 078

BANKERS

The Jammu & Kashmir Bank Ltd.

SHARES LISTED AT

The Stock Exchange - Mumbai

NOTICE

NOTICE IS HEREBY GIVEN THAT THE **12TH ANNUAL GENERAL MEETING** OF THE MEMBERS OF **DOLLEX INDUSTRIES LIMITED** WILL BE HELD ON THURSDAY THE 20TH JULY, 2006 AT **11.00 A.M.** AT STAR HALL, 1& 2 HELAL BUILDING, DR. MASCARENHAS ROAD, NEAR MAZGAON OLD POST OFFICE, MAZGAON, MUMBAI 400 010 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

01. To receive, consider and adopt the audited accounts for the year ended 31st March, 2006 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
02. To appoint a Director in place of Mr. K.M. Nagraj who retires by rotation & being eligible offers himself for re-appointment.
03. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

04. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.

"RESOVLED THAT Mr. Somesh Bansal, who was appointed as an additional Director w.e.f. **1st November, 2005** and who holds office upto the date of the 12th Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."

05. To consider and if thought fit to pass, with or without modification, the following resolution as an **ordinary resolution**.

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company be and is hereby accorded to the re-appointment of Mr. Mehmood Khan as an **Executive Director** of the Company for a period of 5 (Five) years with effect from **1st November, 2005** on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. Mehmood Khan, a draft whereof is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Executive Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Executive Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

06. To consider and if thought fit to pass, with or without modification, the following resolution as a Special resolution.

"RESOLVED THAT Pursuant to Section 17 and any other applicable provisions of the Companies Act, 1956, if any, the existing clause No.1 of Memorandum of Association of the Company be replaced with following new clause No.1.

New clause No.1.

To purchase, manufacture, produce, boil, refine, prepare, import, export, sell, blend, market trade and generally to deal in sugars, jaggery, sugar-beet, sugarcane, molasses, cogen, ethanol syrups, melada, alcohol, spirits, and all sugar product such as confectionery, glucose, sugar-candy, canned fruit, golden syrup and aerated waters and/or by products such as bagasse alcohol acetone, carbon dioxide hydrogen.

RESOLVED THAT the revised copy of Memorandum of Association as amended pursuant to provision of section 17 of the Companies Act, 1956, be registered with The Registrar of Companies, Maharashtra.

FURTHER RESOLVED THAT Directors of the Company be and are hereby authorized to pursue the matter and to perform all necessary acts, deeds and things to effect the above resolution."

07. To consider and if thought fit to pass, with or without modification, the following resolution as a **Special resolution**.

"RESOLVED THAT the Company hereby accords its consent and approval under section 314(1) (b) and other applicable provisional (if any) of the Companies Act, 1956, to **Mr. Anis Khan, a relative of Mr. Mehmood Khan, Executive Director of the Company**, who holds an office of profits under the company, for holding and continuing to hold an office or place of Profit as a Chief Executive Officer of the company under a contract of service in the scale of Rs.35,000/- (Rupees Thirty Five Thousand Only) together with the usual allowances and benefits, amenities and facilities including staff superannuation fund, retiring gratuity and provident fund benefits applicable to other employees occupying similar post or posts within the same salary scale or grade.

RESOLVED FURTHER THAT this resolution shall be deemed to confer the necessary authority to the Board of Directors to sanction at their discretion and with the approval of the Central government, where necessary, increments within the grade as they may deem fit and proper to promote him to any higher grade or grades at their discretion and in due course together with the allowances and benefits as may be applicable to the grade or grades as they may deem fit and proper."

DATE: 5th June, 2006
PLACE: MUMBAI

BY ORDER OF THE BOARD
DOLLEX INDUSTRIES LIMITED

Sd/-
AKRAM KHAN
(MANAGING DIRECTOR)

NOTES

01. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxy to attend and vote instead of himself and A proxy need not be a member of the Company.
02. The proxies, in order to be effective should be deposited with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
03. The Register of Members and Share Transfer Register shall remain closed from Thursday the 13th July, 2006 to Thursday the 20th July, 2006 (both days inclusive).
04. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
05. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
06. Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidation their holdings in one folio.
07. Since the securities of yours Company have come under the compulsory Dematerialization as per the requirements of SEBI henceforth all the members are requested to get their shares dematerialized at the earliest.
08. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item Nos.4, 5, 6 and 7 of the notice is annexed hereto.
09. Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director of the Company before July 18, 2006.

EXPLANATORY STATEMENT

AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4. _____

Mr. Somesh Bansal, who was appointed as an additional Director w.e.f. 1st November, 2005 under section 260 of the Companies Act, 1956. The said Directors will hold office upto the date of the Annual General Meeting. The company has received a notice in writing from member proposing the candidature of Mr. Somesh Bansal for the office of the Director under section 257 of the Companies Act, 1956.

01. Name of the director	Mr. Somesh Bansal
02. Age	39
03. Qualification	B.E.(MECH), B.Sc.
04. Experience	He has good experience in distillery industry.
05. Number of directorship in other companies	NIL

Mr. Somesh Bansal is not having any shareholding in the Company. The Board of Directors recommends the resolution for approval of the members.

None of the Directors, are concerned or interested in the said Resolution except Mr. Somesh Bansal.

Item No: 5 _____

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 25th October, 2005, Mr. Mehmood Khan was re-appointed as a Executive Director of the Company for a period of 5 (Five) years with effect from 1st November, 2005. The remuneration to Mr. Mehmood Khan inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

01. Name of the director	:	Mr. Mehmood Khan
02. Age	:	45
03. Qualification	:	B.Sc.

04. Experience : Shri. Mehmood Khan had god wide experience of Business for about 20 years. Shri. M. Khan has an extensive back ground in the field of business and having wide experience. He possesses sharp business acumen. He is a man of wide and diversified experience and it is due to his efforts that the group has reached to this height. He has develop good contracts with Government as well as private sector over a period of time.
05. Number of directorship in other companies : NAROLI EDUCATIONAL ACADEMY AND RESEARCH PVT. LTD.
06. Shareholding : 794000

Mr. Mehmood Khan will serve as an Executive Director on the Board of the Company from 1st November, 2005.

The terms & Conditions entered into by the Company with Mr. Mehmood Khan in respect of his re-appointment, inter alia, contains the following terms and conditions:

MAJOR TERMS OF REMUNERATION OF Mr. Mehmood Khan, EXECUTIVE DIRECTOR:

I) TERMS & CONDITIONS

01. Name & Designation of Director : Mr. Mehmood Khan, Executive Director
02. Date of Appointment : Re-appointment w.e.f. 1st November, 2005.
03. Period : 5 (Five) years.
04. Salary (p.m) : Rs. 20,000/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.
05. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Mehmood Khan by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Mehmood Khan shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES

Mr. Mehmood Khan as an Executive Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.



- a) Contribution to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) **Housing:** furnished company accommodation.
 - c) **Gratuity:** as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
 - d) **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
 - e) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
 - f) **Leave travel concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
- III)** Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- IV)** The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V)** The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VI)** The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.
- None of the Directors of the company, except Mr. Mehmood Khan and Mr. Akram Khan are considered to be interested or concerned in this resolution.
- These Terms & Conditions of appointment may be treated as abstracts between the company & Mr. Mehmood Khan, Executive Director pursuant to section 302 of the Companies Act, 1956.

**Item No.6.**

As members are aware, your company proposed to diversify its activities by entering into the manufacturing, imports and exports in sell, blend, market trade and generally to deal in sugars, jaggery, sugar-beet, sugarcane, molasses, cogen, ethanel syrups, melada, alcohol, spirits, and all sugar product such as confectionery, glucose, sugar-candy, canned fruit, golden syrup and aerated waters and/or by products such as bagasse alcohol acetone, carbon dioxide hydrogen. These proposed activities will be the main activity hence the amendment is proposed in the object No. 1 of the Memorandum of Association of the Company.

The new activity will be conveniently or advantageously be combined with the existing business of the Company.

Pursuant to Section 17 and of the Companies Act, 1956, any amendment to the object clause of the Memorandum of Association requires shareholders consent in the form of Special resolution or passing the same by complying the provisions of rules of Companies (Passing of resolutions by postal ballot rules, 2001).

Your Directors thought it is appropriate to pass the aforesaid resolution in the Annual General Meeting hence this resolution is proposed for your approval.

None of the Directors of the Company are interested in the aforesaid resolution.

Item No.7.

Under section 314 (1) (b) of the Companies Act, 1956, a special resolution is required for enabling any relative of Director of the Company to holding office or place of Profit to hold any office or place of profit under the company. Mr. Anis Khan is professional qualified software engineer and at present CEO of the Company. He will be looking after business development and administration part of the Company.

Accordingly, in terms of section 314 (1) (b) of the Act, the members are requested to grant their consent to Mr. Anis Khan holding and continuing to hold an office or place of profit under a contract of service with the Company on the terms and conditions set out in the aforesaid resolution. The members are also requested to authorize the Board to sanction in due course promotion of Mr. Anis Khan to the next higher grade or grades together with the usual allowances and benefits.

Mr. Mehmood Khan, Executive Director is interested in this resolution.

DATE: 5th June, 2006

PLACE: MUMBAI

**BY ORDER OF THE BOARD
DOLLEX INDUSTRIES LIMITED**

Sd/-

**AKRAM KHAN
(MANAGING DIRECTOR)**