

OLLEX INDUSTRIES LIMITED
13th ANNUAL REPORT 2006-2007

BOARD OF DIRECTORS -

MR. MEHMOOD KHAN	:	EXECUTIVE DIRECTOR & CHAIRMAN
MR. V. S. BHARAKTIYA	:	INDEPENDENT NON EXECUTIVE DIRECTOR
MR. AKRAM KHAN	:	MANAGING DIRECTOR (UPTO 20/07/2006)
MR. K. M. NAGRAJ	:	INDEPENDENT NON EXECUTIVE DIRECTOR
MR. AARIF KHILCHI	:	INDEPENDENT NON EXECUTIVE DIRECTOR (UPTO 20/07/2006)
MR. SOMESH BANSAL	:	INDEPENDENT NON EXECUTIVE DIRECTOR
DR. G. S. KAUSHAL	:	INDEPENDENT NON EXECUTIVE DIRECTOR (w.e.f. 20/07/2006)
MR. G.K. MISHRA	:	INDEPENDENT NON EXECUTIVE DIRECTOR (W.E.F. 20/07/2006)
MR. V.P. VENUGOAPL	:	INDEPENDENT NON EXECUTIVE DIRECTOR (W.E.F.31/10/2006)
MR. D.J. SALUNKE	:	EXECUTIVE DIRECTOR (W.E.F.02/04/2007)

REGISTERED OFFICE -

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

FACTORIES -

01. Nesa Industrial Area,
Madgaon, Goa.
02. Kagnoor Village, Taluka Afjalpur,
Dist. Gulbarga, Karnataka.
03. Shanker Nagar,
Taluk. Biloli, District Nanded, Maharashtra.

AUDITORS -

P. K. Shishodiya & Co., Chartered Accountants,
Bharati Bhavan, 211/219 P.D. Mello Road,
Mumbai 400 001.

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.
UTI Bank Limited.

SHARES LISTED AT -

The Stock Exchange - Mumbai

Notice

NOTICE IS HEREBY GIVEN THAT THE 13th ANNUAL GENERAL MEETING OF THE MEMBERS OF DOLLEX INDUSTRIES LIMITED WILL BE HELD ON THURSDAY THE 19th JULY, 2007 AT 10.30 A.M. AT STAR HALL, 1 & 2 HELAL BUILDING, DR. MASCARENHAS ROAD, NEAR MAZGADN OLD POST OFFICE, MAZGADN, 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, 2007 along with notes and schedules thereon as on that date and the report 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 a Director in place of Mr. V. S. Bharaktiya who retires by rotation & being eligible offers himself for re-appointment.
04. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS -

05. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT Dr. G.S. Kaushal, who was appointed as an additional Director w.e.f. 20th July, 2006, and who holds office upto the date of the 13th 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."
06. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT Mr. G.K. Mishra, who was appointed as an additional Director w.e.f. 20th July, 2006, and who holds office upto the date of the 13th 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."
07. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT Mr. V.P. Venugopal, who was appointed as an additional Director w.e.f. 31st October, 2006, and who holds office upto the date of the 13th 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."
08. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT Mr. D. J. Salunke, who was appointed as an additional Director w.e.f. 2nd April, 2007 and who holds office upto the date of the 13th 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."
09. 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. D.J. Salunke as an Director of the Company for a period of 5 (Five) years with effect from 2nd April, 2007 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. D.J. Salunke, 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 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 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."

BY ORDER OF THE BOARD,
DOLLEX INDUSTRIES LIMITED

SD/-

MEHMOOD KHAN
(EXECUTIVE DIRECTOR)

DATE: 30th May, 2007.
PLACE: MUMBAI

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 12th July, 2007 to Thursday the 19th July, 2007 (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 your 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 172(2) of the Companies Act, 1956 in respect of item Nos. 5, 6, 7, 8, and 9 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 Executive Director of the Company before 17th July, 2007.

XPLANATORY STATEMENT**As required by section 173(2) of the Companies Act, 1956****ITEM NO. 5. -**

Mr. G.S. Kaushal was appointed as an additional Director w.e.f. 20th July, 2006 under section 260 of the Companies Act, 1956. The said Director 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. G.S. Kaushal for the office of the Director under section 257 of the Companies Act, 1956.

01. Name of the director : Dr. G.S. Kaushal
 02. Age : 62 years
 03. Qualification : B.Sc. Ag., M.Sc. Ag. Soil Science, Phd.
 04. Experience : Worked as Member of Management Committee of I.C.A.R. Institutes.
 05. Number of directorship in other Indian Public Limited Company : NIL

Dr. G.S. Kaushal 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 Dr. G.S. Kaushal.

ITEM NO. 6. -

Mr. G.K. Mishra was appointed as an additional Director w.e.f. 20th July, 2006 under section 260 of the Companies Act, 1956. The said Director 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. G.K. Mishra for the office of the Director under section 257 of the Companies Act, 1956.

01. Name of the director : Mr. G.K. Mishra
 02. Age : 43 Years
 03. Qualification : Graduate in Economics
 04. Experience : He has worked as a Assistant General Manager in I.D.B.I. from 1990 to 2004. He has Expertise in Projects.
 05. Number of directorship in other Indian Public Limited Company : 2

Mr. G.K. Mishra 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. Mr. G.K. Mishra.

ITEM NO. 7.-

Mr. V.P. Venugopal was appointed as an additional Director w.e.f. 31st October, 2006 under section 260 of the Companies Act, 1956. The said Director 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. V.P. Venugopal for the office of the Director under section 257 of the Companies Act, 1956.

01. Name of the director	Mr. V.P. Venugopal
02. Age	72 Years
03. Qualification	BE - Mechanical Engineer, ANSI (Sugar Engineering)
04. Experience	Since 1960 working in Sugar Industry and Co Generation of Power.
05. Number of directorship in other Indian Public Limited Company	NIL

Mr. V.P. Venugopal 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. V.P. Venugopal.

ITEM NO. 8 & 9 -

Mr. D.J. Salunke was appointed as an additional Director w.e.f. 2nd April, 2007 under section 260 of the Companies Act, 1956. The said Director 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. D.J. Salunke for the office of the Director under section 257 of the Companies Act, 1956.

01. Name of the director	Mr. D.J. Salunke
02. Age	5 Years
03. Qualification	Diploma in Mechanical, Boiler Proficiency.
04. Experience	Working in Sugar Industry since 30 years as Chief Engineer, Works Manager, I/C Managing Director.
05. Number of directorship in other Indian Public Limited Company	NIL

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on 2nd April, 2007 Mr. D.J. Salunke was also appointed as an Executive Director of the Company for a period of 5 (Five) years with effect from 2nd April, 2007. The remuneration to Mr. D.J. Salunke inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

Mr. D.J. Salunke will serve as an Executive Director on the Board of the Company from 2nd April, 2007. The terms & conditions entered into by the Company with Mr. D.J. Salunke in respect of his appointment, inter alia, contains the following terms and conditions:

MAJOR TERMS OF REMUNERATION OF MR. D.J. SALUNKE, EXECUTIVE DIRECTOR:**I) TERMS & CONDITIONS-**

01. Name & Designation of Director : Mr. D.J. Salunke Director
 02. Date of Appointment : Appointment w.e.f. 2nd April, 2007.
 03. Period : 5 (Five) years.
 04. Salary (p.m) : Rs. 37,500/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act, 1956.
 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. D.J. Salunke 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. D.J. Salunke shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II) PERQUISITES-

- a. Salary: Not to exceed Rs. 27,265/- p.m. (Rupee Twenty Seven Thousand Two Hundred Sixty Five only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits of Schedule XIII of the Companies Act, 1956.
 b. House Rent: The House Rent allowance shall not exceed of Rs. 8,185/-.
 c. Conveyance: The Conveyance allowances shall not exceed of Rs.800/-
 d. Medical Allowance: The Medical Allowance shall not exceed of Rs.1,250/-
- 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.

These Terms & Conditions of appointment may be treated as an abstract between the company & Mr. D.J. Salunke, Executive Director pursuant to section 312 of the Companies Act, 1956 and will be available for inspection of members during business hours of the Company at the registered office of the Company till the date of Annual General Meeting.

Mr. D.J. Salunke is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors of the company, except Mr. E.J. Salunke is considered to be interested or concerned in this resolution.

BY ORDER OF THE BOARD,
 DOLLEX INDUSTRIES LIMITED
 SD/-
 MEHMOOD KHAN
 (EXECUTIVE DIRECTOR)

DATE: 30th May, 2007.
 PLACE: MUMBAI

DIRECTORS REPORT

To,
The Members,
DOLLEX INDUSTRIES LIMITED

Your Directors have pleasure in submitting their 13th ANNUAL REPORT along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31st March, 2007.

01. FINANCIAL RESULTS-

SR. No.	Particular	(Rs. In Lacs)	
		Year Ended	
		31/03/2007	31/03/2006
01.	Total Turnover	2579.19	1227.80
02.	Gross Profit/(Loss)	398.80	108.77
03.	Provision for Depreciation	26.70	16.98
04.	Provision for Taxation & FBT	21.87	6.18
05.	Net Profit	187.63	37.35
06.	B/F Profit/(Loss) from previous year	58.14	33.52
07.	Appropriations out of Total Profit	23.15	12.72
08.	Balance C/F to Balance Sheet	222.63	58.15

02. OPERATIONS -

During the year under review, your company registered an income of Rs. 2579.19 Lacs as against previous year income of Rs 1227.80 Lacs. Net profit after tax is 187.63 Lacs compared to previous year of Rs 37.35 Lacs.

As proposed in the Board Meeting while approving the balance sheet of previous financial year, the company could commence the operations of a sugar unit taken on lease for a period of 6 years.

The Board of Directors of the company is pleased to announce that it is a first step in the line of putting up an integrated project having the facilities of power, sugar, ENA and rectified spirit.

03. SHARE CAPITAL -

During the year the Authorised share capital was increased from Rs.5,50,00,000/- to Rs. 10,00,00,000/- . Paid up share capital was also increased from Rs. 5,00,00,000 to Rs.7,12,50,000 by way of preferential allotments dt 16th September, 2006 and 10th February, 2007 respectively pursuant to section 81(1A) of the Companies Act, 1956. The said shares were duly listed at the Mumbai Stock Exchange.

04. PROJECTIONS V/S PERFORMANCE-

It is worth recording that the performance of the company was satisfactory and better than what was projected. Your directors expect to do better in the coming financial year.

05. DIVIDEND-

During the year, your Directors do not recommend any dividend to provide more strength to the company and to maintain the speed of implementing future plans.

06. DIRECTORS-

During the year, Mr. K. M. Nagraj and Mr. V.S. Bharaktiya are retiring by rotation in pursuance of Article of Association of the Company.

Mr. G. K. Mishra, Dr. G.S. Kaushal, Mr. V. P. Venugopal and Mr. D.J. Salunke were appointed as additional Directors w.e.f. 20th July, 2006, 31st October, 2006 and 2nd April, 2007 respectively. You are requested to reappoint them in the forthcoming Annual General Meeting.

Mr. D.J. Salunke was appointed as an Executive Director w.e.f. 2nd April, 2007.

Mr. Aarif Khilchi and Mr. Akram Khan resigned from the Board w.e.f. 20th July, 2006.

07. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A) CONSERVATION OF ENERGY-

During the previous financial year, your company was busy in stream lining the operations of sugar mill taken on lease. Hence could not do much in conservation of energy.

B) TECHNOLOGY ABSORPTION-

Since the company has been operating a lease hold plant where the manufacturing facilities were already in place leaving little scope for technology absorption, up gradation and innovation.

C) FOREIGN EXCHANGE EARNINGS & OUTGO -

There was no foreign exchange earning and outgo during the financial year 2006-07.

08. PUBLIC DEPOSITS-

During the year under review the Company has neither accepted nor invited any Public deposits and hence the Provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 are not attracted and the information relating thereto is nil.

09. PARTICULARS OF EMPLOYEES-

There are no employees in the Company who if employed throughout the financial year, were in receipt of remuneration, whose particulars if so employed, are required to be included in the report of the Directors in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

10. SUBSIDIARIES -

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

11. DIRECTORS RESPONSIBILITY STATEMENT -

The Board of Directors hereby confirms:

- a) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) 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 at the end of the financial year and of the Profit or Loss of the Company for that period.
- c) That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the Annual accounts on a going concern basis.

12. CORPORATE GOVERNANCE CODE -

The Board had implemented revised Corporate Governance Code in pursuance of amended clause 49 of Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from the Auditors of the Company on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

13. AUDITORS -

M/s. P. K. Shishodiya & Co., Chartered Accountants, Mumbai retires at the conclusion of the forthcoming AGM and being eligible offer themselves for re-appointment.

14. AUDITOR'S REPORT -

As regards to Para (f) of the auditor's report, note 12 of the notes to accounts is self explanatory hence no explanation is given by the board as such. Auditor's qualification is precautionary measure for which the directors are of the opinion that the advance does not carry more than a normal business risk and therefore there is no need of any provision, on the contrary this will ensure timely receipt of raw material by the company.

15. ACKNOWLEDGMENTS -

Your Director takes this opportunity to express their gratitude for the assistance and continued cooperation extended by Banks, Government authorities, clients, and suppliers. The Directors are pleased to record their sincere appreciation for the devotion and sense of commitment shown by the employees at all levels and acknowledge their contribution towards sustained progress and performance of your Company.

FOR AND ON BEHALF OF THE BOARD,
DOLLEX INDUSTRIES LIMITED

Sd/-

MEHMOOD KHAN
(CHAIRMAN & EXECUTIVE DIRECTOR)

DATE: 30th May, 2007.

PLACE: MUMBAI

CORPORATE GOVERNANCE REPORT

01. COMPANY'S PHILOSOPHY -

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement and subsequently amended w.e.f.1st January, 2006 has implemented by the Company.

The company believes in maximum utilization of resources at minimum cost and attaining maximum long term shareholders value. The company has so consistently followed good corporate policy and enhanced its value in the eyes of shareholders, Bankers, Customers and Employees.

02. BOARD OF DIRECTORS -

Details of Directors Seeking Appointment/Reappointment at the Forthcoming Annual general meeting (pursuant to clause 49 VI (IA) of the Listing Agreement)

Name of the Director	Dr. G. S. Kaushal	G.K. Mishra	Mr. Venu Gopal	Mr. Somesh Bansal	Mr. V.S. Bharaktiya	Mr.D.J.Salunke
Age (Yrs)	62	43	72	40	71	55
Qualification	BSC Agri., MSC Agri. Soil Science, PHD.	Graduate In Economics	BE Mechanical Engineer, ANSI (Sugar Eng.)	BE (Mech), BSC.	B Com.	Diploma in Mechanical
Expertise in specific functional areas	Soil Science	Projects Financing	Sugar	Distillery Industry.	Projects Financing	Boiler Proficiency
Directorship in other Indian Public Limited Company & other firms as on 31.03.2007	NIL	2	NIL	NIL	NIL	NIL
Shareholding	NIL	NIL	NIL	NIL	NIL	NIL

During the year, the Board of the Company comprised of Seven Directors out of which Chairman is an Executive Promoter Director and other 6 Directors are independent Non Ex. Directors. There are no nominees or Institutional Directors in the Company.

None of Directors have pecuniary or Business relationship with the Company other than as mentioned in the elsewhere in the Annual Report. No Director of the Company is either member in more than ten committees and/or Chairman of more than five committees across all Companies in which he is Director.