

14th Annual Report 2007 - 08

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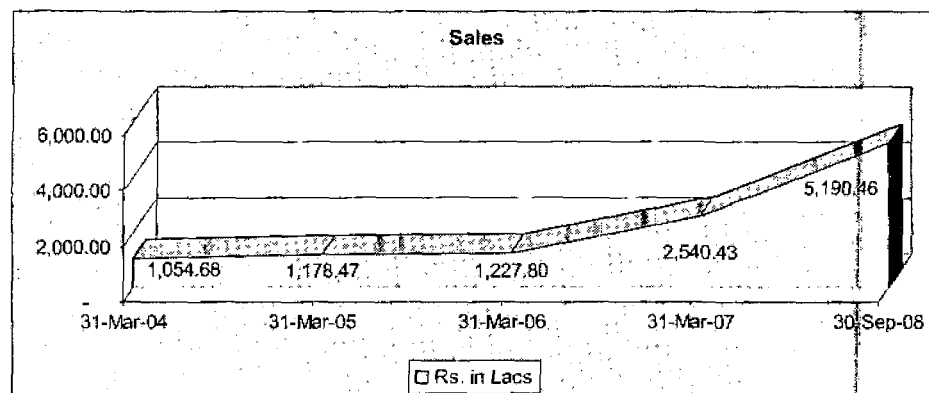
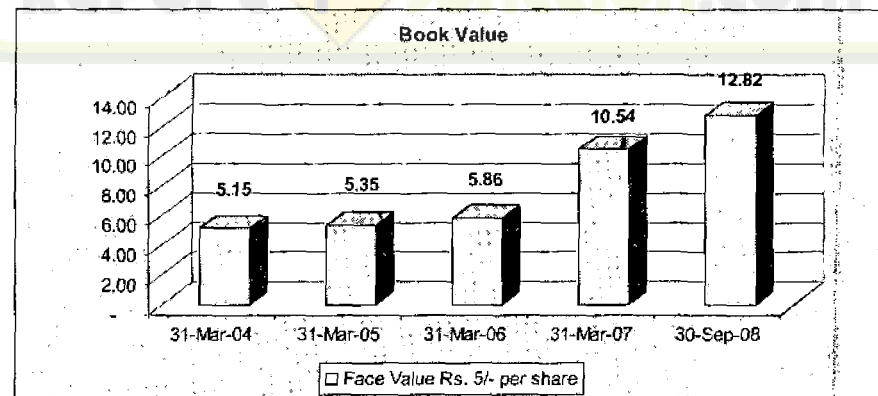
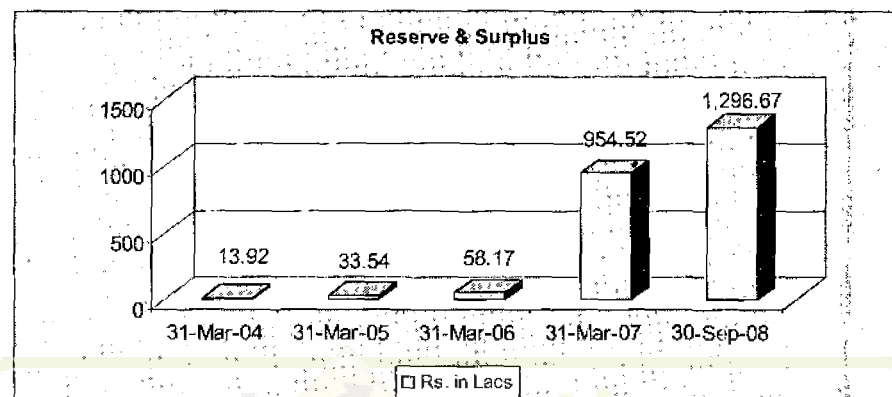
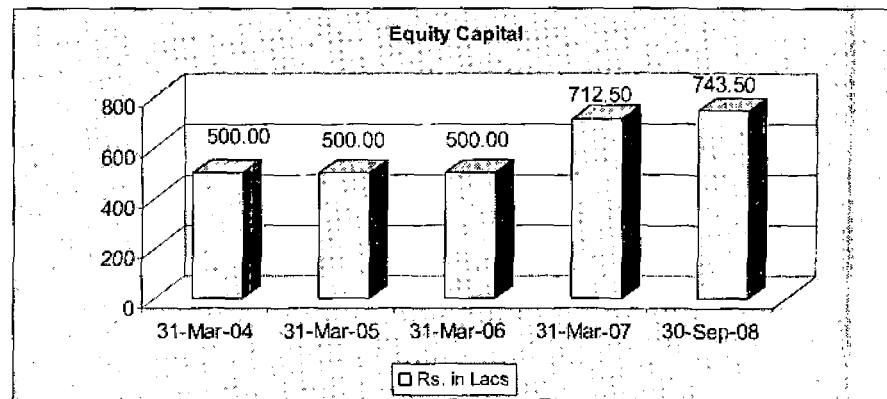


Dollex Industries Ltd

CERTIFIED TRUE COPY

For DOLLEX INDUSTRIES LIMITED


Director



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BOARD OF DIRECTORS

MR. MEHMOOD KHAN	:	Executive Director & Chairman
MR. SOMESH BANSAL	:	Executive Director (Upto 12/12/2008)
MR. D.J. SALUNKE	:	Executive Director (Upto 26/10/2008)
MR. ANIS KHAN	:	Executive Director(w.e.f. 01/08/2008 Upto 22/10/2008)
MR. V.S. BHARAKTIYA	:	Independent Non Executive Director
MR. K.G. MITTAL	:	Independent Non Executive Director (w.e.f. 31/10/2007)
MR. G.K. MISRA	:	Independent Non Executive Director
MR. K.M. NAGARAJ	:	Independent Non Executive Director
DR. G.S. KAUSHAL	:	Independent Non Executive Director(upto 26/02/2008)
MR. R.P. VENUGOPAL	:	Independent Non Executive Director(upto 22/12/2007)
REGISTERED OFFICE	:	607, Maker Chamber V, 221, Nariman Point, Mumbai – 400 021.
FACTORIES	:	1. Kagnoor Village, Taluka Afjalpur, Dist. Gulbarga, Karnataka 2. Shanker Nagar, Taluka – Biloli, District – Nanded, Maharashtra.
AUDITORS	:	F. K. Shishodiya & Co., Chartered Accountants, Indore.
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. Axis Bank Ltd. State Bank of Hyderabad
SHARES LISTED AT	:	Bombay Stock Exchange Limited

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Notice

Notice is hereby given that the 14th Annual General Meeting of Dollex Industries Limited will be held on Thursday the 15th January, 2009 at 10:00 a.m. at Husami Hall, 119/127 Dr. Mascarenhas Road, Unit No. 3, 1st Floor, Anjir Wadi, Mumbai-400010 to transact the business as set out in the notice being sent to the shareholders.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at September 30, 2008, the Profit and Loss Account for the period ended on that date and the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G.K. Misra who retires by rotation & being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. P.K. Shishodiya & Co., Chartered Accountants, be and is hereby appointed as Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

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

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Mr. Kumar Gaurav Mittal, who was appointed as an Additional Director w.e.f. 31st October, 2007 pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of the 14th Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. To consider and if thought fit to pass the following resolution as a Special Resolution:

SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time) for the time being in force, the Articles of Association of the Company be and are hereby altered as under.

A) The Article No. 52(a) of Articles of Association be amended by replacing New Article No. 52(a) as mentioned below:

"The shares shall be freely transferable, however subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not"

B) The Article No. 184(3) of Articles of Association be amended by replacing New Article No. 184(3) as mentioned below:

(i) "If employed throughout the financial year, was in receipt of the remuneration for the year which in the aggregate was not less than such sum as may be prescribed by the Act from time to time; or

(ii) "If employed for a part of the financial year, was in receipt of the remuneration for any part of that year, at a rate which, in the aggregate, was not less than such sum as may be prescribed by the Act from time to time;

"RESOLVED FURTHER THAT Mr. Mehmood Khan, Chairman and Executive Director, be and is hereby authorised to do all such acts, deeds and things that may be necessary for effecting the replacement.

BY ORDER OF THE BOARD
FOR DOLLEX INDUSTRIES LIMITED

AMITT SENHA
COMPANY SECRETARY

Date: 15th December, 2008
Place: Mumbai

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of Articles 124 and 125 of the Articles of Association of the Company, Mr. G.K. Misra, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Brief resume of Mr. G.K. Misra, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange, are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company recommend his respective re-appointment.
5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted in respect of item Nos. 4 and 5 at the Meeting is annexed hereto.
6. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
7. The Register of Members and Share Transfer Register shall remain closed from 8th January, 2008 to 15th January, 2008 (both days inclusive).
8. 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.
9. Any member requiring further information on accounts at the meeting is requested to send his/her queries in writing to the Executive Director of the Company on or before 14th January, 2008.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the Meeting.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 4:

Mr. Kumar Gaurav Mittal was appointed as an Additional Director, w.e.f. 31st October, 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 a member proposing the candidature of Mr. Kumar Gaurav Mittal for the office of the Director under Section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Kumar Gaurav Mittal
2	Age	29
3	Qualification	Be-Electronics, M.B.A.-Marketing
4	Experience	Had worked as DGM projects for more than 2 yrs in one of the largest sugar manufacturing company.
5	Number of directorship in other Indian Public Limited Company	1

Mr. Kumar Gaurav Mittal is not having any shareholding in the Company.

The Board of Directors recommend the resolution for the approval of the members. None of the Directors are interested in the said resolution except Mr. Kumar Gaurav Mittal.

ITEM NO5 :

The Board thought it appropriate to amend the clauses which are inconsistent with the prevailing laws.

Any amendment to the Articles of Association requires shareholders consent in the form of special resolution hence this resolution is proposed for.

None of the Directors is, in any way, concerned or interested in the said Resolution.

The Board recommends the Resolution for your approval.

BY ORDER OF THE BOARD
DOLLEX INDUSTRIES LIMITED

Date: 15th December, 2008
PLACE: MUMBAI

AMITT SENHA
COMPANY SECRETARY

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 14th Annual Report and the audited accounts for the period ended September 30, 2008.

The Accounting Year of the Company was extended by Six months to end on 30th September, 2008. Results under review are for a period of Eighteen months (1st April, 2007-30th September, 2008).

FINANCIAL RESULTS:

The financial performance of the Company for the period ended September 30th, 2008 is summarised below:
(Rs. In Lacs)

Sr. No.	Particulars	Period Ended 30/09/2008	Year Ended 31/03/2007
1	Total Turnover	5255.01	2579.19
2	Earning before Interest, Depreciation and Tax (EBIDTA)	170.74	250.32
3	Provision for Depreciation	47.12	26.70
4	Provision for Taxation & FBT	30.99	21.87
5	Net Profit	70.72	164.48
6	B/F Profit/ Loss from previous year	222.63	58.14
7	Appropriations out of Total Profit	41.68	23.15
8	Balance C/F to Balance Sheet	251.67	222.63

RESULTS OF OPERATIONS:

During the period under review, the company registered an income of Rs. 5255.01 lacs as against previous year income of Rs. 2579.19 Lacs. Net profit after tax is Rs. 70.72 lacs.

SHARE CAPITAL:

During the period the Authorised Share Capital was increased from Rs. 10,00,00,000 to Rs. 20,00,00,000 vide resolution passed by postal ballot pursuant to the provisions of the Postal Ballot Rules, 2001 and Section 192A of the Companies Act, 1956. Also the Paid up Share Capital was increased from Rs. 7,12,50,000 to Rs. 7,43,50,000 by way of preferential allotments dated 2nd January, 2008 pursuant to Section 81(1A) of the Companies Act, 1956. Also the Equity Shares were sub-divided from Rs. 10/- paid up to Rs. 5/- paid up as per the resolution passed on 4th December, 2007 pursuant to the provisions of Section 94(1)(d) and Section 95(1)(d) of the Companies Act, 1956 as a result of which the Paid up Share Capital as on 30th September, 2008 is 1,48,70,000 Equity Shares of Rs. 5/- each.

DIVIDEND:

During the period, your Directors recommended and declared an interim dividend of 5% subject to dividend tax, if any. Directors do not recommend any final dividend.

SUBSIDIARIES:

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

DIRECTORS:

In terms of Article 125 of the Articles of Association of the Company, Mr. G.K. Misra, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Mr. Kumar Gaurav Mittal was appointed as an Additional Director, w.e.f. 31st October, 2007 under Section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the Annual General Meeting. Your Directors request his appointment in the forthcoming Annual General Meeting.

Mr. Somesh Bansal, Independent Director, was appointed as an Executive Director w.e.f. 1st August, 2008. Mr. Anis Khan resigned from the Board w.e.f. 22nd October, 2008, Mr. D.J. Salunke resigned from the Board w.e.f. 26th October, 2008 and Mr. Somesh Bansal resigned from the Board w.e.f. 12th December, 2008 respectively.

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DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed along with proper explanation relating to material departures;
- (ii) 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 September 30, 2008 and of the profit or loss of the Company for the period ended on that date;
- (iii) 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; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

AUDITORS & AUDITOR'S REPORT:

M/s. P.K. Shisodiya & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

PUBLIC DEPOSITS:

During the period 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.

PARTICULARS OF EMPLOYEES:

There were no employees who were in receipt of the remuneration in excess of the limits as set out in terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

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) COSERVATION OF ENERGY

- 1. Use of soft water in cooling tower for circulation water of DG sets and recycling the same.
- 2. Ventilators in Power House.

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FORM A

Disclosure of particulars with respect to conservation of energy (To the extent applicable)

2007-08

For the period ended

30th Sept.08**A. Power and Fuel Consumption:****Electricity****a) Purchased**

Units	KWH	NIL
Total Amount	Rs.	NIL
Rate / Unit	Rs. / KWH	NIL

b) Own generation through diesel generator

Units	KWH	541,538
Unit per litre of Diesel	KWH / Litre	3.04
Diesel Cost	Rs.	6,142,813
Rate / Unit	Rs. / KWH	11.34

c) Own generation through turbine

Units	KWH	7,601,426
Cost of generation	Rs.	Not Applicable, as power is generated from use of own bagasse
Rate / Unit	Rs. / KWH	

B. Consumption per unit of production

Electricity - KWH / MT of Sugar	No industry standard is fixed	250.04
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B) Technology absorption.Efforts made in technology absorption as per **Form B:****Form B**Form for disclosure of particulars with respect to absorption of technology.
(to the extent applicable)**Research and development (R & D)**

1. Specific areas in which R & D carried out by the Company.
 - a) Multiple ratooning i.e. instead of one ratoon now farmers take 2-3 ratoon.
 - b) Bio-manure production.
2. Benefits derived as a result of the above R&D.
 - a) Increase in yield of sugarcane crop resulted in higher availability of raw materials.
 - b) Reduction in the cost of fertilizer applications by using organic manure and bio-fertilizers to cane growers.
 - c) Reduction in wastage of water, hence saving electricity and water.
3. Future plan of action.
 - a) Wider use of organic manure.
 - b) Development of drainage system.
4. Expenditure on R&D
 - (a) Capital - Nil
 - (b) Recurring - Nil
 - (c) Total - Nil
 - (d) Total R & D expenditure as percentage of total turnover. - NA

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Technology absorption, adaptation and innovation.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. - None
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc. - Not applicable
3. In case of imported technology imported during the last 5 years reckoned from the beginning of the accounting year,
 - (a) Technology imported - None
 - (b) Year of import - Not applicable
 - (c) Has technology been fully absorbed - Not applicable
 - (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. - Not applicable

C). FOREIGN EXCHANGE EARNINGS & OUTGO:

- (a) activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans: None
- (b) Total foreign exchange used and earned during the period 2007-08.

Earned	Rs 9.71 lacs
Used	Rs 0.30 lacs

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best Corporate Governance practices as prevalent globally. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The declaration regarding compliance with the Company's Code of Business Conduct and Ethics for Directors and Management Personnel forms part of Report on Corporate Governance.

The requisite Certificate from the Auditors of the Company, M/s. P.K. Shishodiya, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the period under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

FOR AND ON BEHALF OF THE BOARD
DOLLEX INDUSTRIES LIMITED

DATE: 15th December, 2008
PLACE: MUMBAI

MEHMOOD KHAN
CHAIRMAN & EXECUTIVE DIRECTOR