

15th Annual Report 2008 – 09

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Dollex Industries Ltd



BOARD OF DIRECTORS:-

Mr. Nadeem Khan	:	Executive Director & Chairman (w.e.f.12-09-2009)
Mr. Mehmood Khan	:	Executive Director & Chairman (upto 31-10-2009)
Mr. K. M. Nagraj	:	Independent Non Executive Director(upto 31-10-2009)
Mr. G.K. Mishra	:	Independent Non Executive Director
Mr. K.G. Mittal	:	Independent Non Executive
Mr. V.S. Bharaktiya	:	Independent Non Executive Director(upto 22-01-2009)
Mrs. Ruchi Sogani	:	Independent Non Executive Director(w.e.f. 12-09-2009)
Mr. Radhakrishna Deshraj	:	Independent Non Executive Director(w.e.f. 12-09-2009)
Mr. Sanjay Tiwari	:	Independent Non Executive Director(w.e.f. 12-09-2009)

REGISTERED OFFICE:

502 Dheeraj Swapna,
B wing, Pali Road, Pali Naka,
Bandra (w),Mumbai -400 050

FACTORIES:

1. Kagnoor Village, Taluka Afjalpur,
Dist. Gulbarga, Karnataka.
2. Shanker Nagar, Taluka – Biloli,
District – Nanded, Maharashtra.

AUDITORS:

P. 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 15th Annual General Meeting of Dollex Industries Limited will be held on Monday the 29th March, 2010 at 10:00 a.m. at 502 Dheeraj Swapna, 'B' Wing, Pali Road, Pali Naka, Bandra (W), Mumbai- 400050 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 30th September, 2009, the Profit and Loss Account for the year 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. Mishra who retires by rotation & being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. K. G. Mittal who retires by rotation & being eligible offers himself for re-appointment.
- 4) 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:

- 5) 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. Nadeem Khan, who was appointed as an Additional Director w.e.f. 12th September, 2009 pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of the 15th Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or modification thereof, consent of the members be and is hereby accorded to the appointment of Mr. Nadeem Khan as an Executive Director of the Company with effect from 1st October, 2009 for the period of 5(Five) years on the terms and conditions including remuneration as placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include Remuneration Committee constituted by the Board) to vary the terms of the said appointment and/or remuneration and/or the terms and conditions as agreed between the Director and the Board."

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 Whole Time 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 Whole Time 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 authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

- 7) 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. Radhakrishna Deshraju, who was appointed as an Additional Director w.e.f. 12th September, 2009 pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of the 15th Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

- 8) 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. Sanjay Tiwari, who was appointed as an Additional Director w.e.f. 12th September, 2009 pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of the 15th Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

- 9) 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. Ruchi Sogani, who was appointed as an Additional Director w.e.f. 12th September, 2009 pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office upto the date of the 15th Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT the consent of the company be and is hereby accorded to the Board of Directors under section 293(1)(d) of the companies Act, 1956 to borrow any sum of moneys from time to time notwithstanding that the money or monies to be borrowed together with the moneys already borrowed by the company (amount from temporary loans obtained from the companies bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the company and the free reserves, that is to say, reserves not set apart for any specific purpose, provided however, the total amount so borrowed shall not exceed **Rs.50,00,00,000/- (Rupees Fifty Crores Only)."**

By Order of the Board
For Dollex Industries Limited
Sd/-
Nadeem Khan
(Executive Director)

Date: 04-03-2010
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 authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. 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. 5, 6, 7, 8, 9 and 10 at the Meeting is annexed hereto.
5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
6. The Register of Members and Share Transfer Register shall remain closed from Tuesday the 30th March, 2010 to Tuesday 6th April, 2010 (both days inclusive).
7. 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.
8. 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 22nd March, 2010.
9. 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.
10. 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 10.00 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. 5 & 6:

Mr. Nadeem Khan was appointed as an Additional Director, w.e.f. 12th September, 2009 under Section 260 of the Companies Act, 1956, **and was further appointed as an Executive Director w.e.f. 1st October, 2009** The said Director will hold office upto the date of the Annual General Meeting and it is also necessary to obtain shareholders approval for his appointment as an Executive Director. The Company has received a notice in writing from a member proposing the candidature of Mr. Nadeem Khan for the office of the Director under Section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Nadeem Khan
2	Age	25
3	Qualification	Masters Of Accounts
4	Experience	3 yrs
5	Number of directorship in other Indian Public Limited Company	1
6	Number of shareholding of the Company.	2058714

The major terms and conditions proposed to be entered into by the Company with Mr. Nadeem Khan in respect of his appointment, inter alia, contains the following-

MAJOR TERMS AND CONDITIONS OF MR. NADEEM KHAN**I) TERMS AND CONDITIONS:**

1.	Name & Designation of Director	:	Mr. Nadeem Khan, Executive Director.
2.	Date of Appointment	:	Appointed w.e.f. 1 st October, 2009 as an Executive Director.
3.	Period	:	5 years.
4.	Salary (p.a.)	:	Rs.5,00,000/- p.a. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.
5.	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. Nadeem 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. Nadeem Khan shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II PERQUISITES:

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

- a) **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.
- b) **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs.5000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
- c) **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.
- d) **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 are concerned or interested in the said Resolution except Mr. Nadeem Khan.

These terms and conditions of appointment may be treated as abstract between the Company and Mr. Nadeem Khan pursuant to Section 302 of the Companies Act, 1956.

The Board of Directors recommends the resolution for the approval of the members. None of the Directors are interested in the said resolution except Mr. Nadeem Khan.

ITEM NO. 7:

Mr. Radhakrishna Deshraj was appointed as an Additional Director, w.e.f. 12th September, 2009 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. Radhakrishna Deshraj for the office of the Director under Section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Radhakrishna Deshraj
2	Age	59
3	Qualification	BE., LLB, MBA
4	Experience	30 yrs
5	Number of directorship in other Indian Public Limited Company	1

Mr. Radhakrishna Deshraj is not having any shareholding in the Company.

The Board of Directors recommends the resolution for the approval of the members. None of the Directors are interested in the said resolution except Mr. Radhakrishna Deshraj.

ITEM NO. 8:

Mr. Sanjay Tiwari was appointed as an Additional Director, w.e.f. 12th September, 2009 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. Sanjay Tiwari for the office of the Director under Section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Sanjay Tiwari
2	Age	36
3	Qualification	M.Com.
4	Experience	10 yrs
5	Number of directorship in other Indian Public Limited Company	Nil

Mr. Sanjay Tiwari is not having any shareholding in the Company.

The Board of Directors recommends the resolution for the approval of the members. None of the Directors are interested in the said resolution except Mr. Sanjay Tiwari

ITEM NO.9:

Mrs. Ruchi Sogani was appointed as an Additional Director, w.e.f. 12th September, 2009 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 Mrs. Ruchi Sogani for the office of the Director under Section 257 of the Companies Act, 1956.

1	Name of the director	Mrs. Ruchi Sogani
2	Age	29
3	Qualification	MBA
4	Experience	5 Yrs
5	Number of directorship in other Indian Public Limited Company	Nil

Mrs. Ruchi Sogani is not having any shareholding in the Company.

The Board of Directors recommends the resolution for the approval of the members. None of the Directors are interested in the said resolution except Ms. Ruchi Sogani.

ITEM No.10:

Pursuant to section 293(1)(d) of the Companies Act, 1956, requires the consent of the Members in the General Meeting for authorizing the Board of Directors to borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of the paid-up Capital and free reserves. In view of the growing operations of the company, your company may require additional funds as term loan and/or Working Capital. It is therefore recommended to authorize the Directors for borrowing to the tune of Rs. 50,00,00,000/- (Rupees Fifty Crore only).

None of the Directors are interested in the aforesaid resolution.

By Order of the Board
For Dollex Industries Limited
Sd/-

Nadeem Khan
(Executive Director)

Date: 04-03-2010
Place: Mumbai.

Registered office:
502 Dheeraj Swapna,
B wing, Pali Road,
Pali Naka, Bandra (w),
Mumbai -400 050

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 15th Annual Report and the audited accounts for the financial year ended September 30, 2009.

FINANCIAL RESULTS:

The financial performance of the Company for the financial year ended September 30, 2009 is summarized below :

(Rs. In Lacs)

Sr. No.	Particulars	Year Ended	
		30/09/2009	30/09/2008
1	Total Turnover	1178.25	5255.01
2	Earning before interest, Depreciation and Tax(EBIDTA)	158.10	170.74
3	Provision for Depreciation	31.97	47.12
4	Provision for Taxation & FBT	17.32	30.99
5	Net Profit	102.93	70.72
6	B/F Profit/ Loss from previous year	251.67	22.63
7	Appropriations out of Total Profit	—	41.68
8	Balance C/F to Balance Sheet	354.60	251.67

RESULTS OF OPERATIONS:

During the Year under review, the company registered an income of Rs.1178.25 Lacs as against previous year income of Rs. 5255.01 Lacs. Net profit after tax is Rs. 102.93 Lacs

SHARE CAPITAL:

During The Year the Authorized Share Capital was increased from Rs. 20,00,00,000 to Rs. 50,00,00,000 vide resolution passed by Extra ordinary General Meeting.

Preferential issue of fully convertible warrants:

As approved by the members in their Extra-ordinary General Meeting held on 20th July, 2009, the Company has issued and allotted 2,51,30,000 fully convertible warrants of the Company on preferential basis.

The Paid up Share Capital was increased from Rs. 7,43,50,000 to 17,87,90,000 on conversion of 2,51,30,000 Warrants (issued on 19th June, 2009) which were converted into 2,08,88,000 Equity Shares of Rs.5/- each at the premium of Rs.2.50 per equity shares on 12th September, 2009.

The said shares were duly listed at the concerned Stock Exchange.

DIVIDEND:

During the year, your Directors does not recommended any dividend for the year.

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. K. G. Mittal Retires by Rotation pursuant to provisions of section 256 of the Companies Act, 1956 at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment.

Mr. Nadeem Khan, Mr. Radhakrishna Deshraj, Mr. Sanjay Tiwari and Ms. Ruchi Sogani were appointed as additional Directors w.e.f. 12th September, 2009. You are requested to re-appoint them in the forthcoming annual general meeting

Mr. Nadeem Khan was appointed as an Executive Director w.e.f. 1st October, 2009.

Mr. V.S. Bharaktiya resigned from the Board w.e.f. 22nd January, 2009. Mr. Mehmood Khan and Mr. K.M. Nagraj were resigned from the Board w.e.f. 31st October, 2009 respectively.

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 year 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. Shishodiya & 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 his reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that he is not disqualified for such reappointment within the meaning of Section 226 of the said Act.

PUBLIC DEPOSITS:

During the year under review the Company has neither accepted nor invited any Public deposits and hence the provisions of Section 59A 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) CONSERVATION OF ENERGY: 30-09-2009.

- a) Energy conservation measures taken: None
 b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy; - None
 c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods; NA
 d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto.

ANNEXURE**FORM A**

Form for disclosure of particulars with respect to conservation of energy.

A. Power & Fuel consumption:

			Current year	Previous year
1.	Electricity			
a)	Purchased		Nil	Nil
	Unit		Nil	Nil
	Total Amount		Nil	Nil
	Rate/Unit		Nil	Nil
b)	Own Generation			
(i)	Through diesel generator			
	Units	KWH	Nil	541538
	Units per ltr. Of diesel oil	KWH/Ltr	Nil	3.04
	Rate/unit	Rs./KWH	Nil	11.34
	Diesel Cost	Rs.	Nil	6142813
(ii)	Through steam turbine generator			
	Units	KWH	Nil	7601426
	Cost of Generation		Nil	Not applicable, as power is generated from our own baggase
	Rate/unit		Nil	
B.	Consumption per unit of production			
		Standards (if any)	Current Year	Previous year
			(1)	(2)
	Electricity KWH/MT of sugar	No Industry standard is fixed	Nil	250.04