



**Dujodwala
Paper Chemicals Limited**

**23rd ANNUAL REPORT
2009-2010**

dpcl

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BOARD OF DIRECTORS

Shri Omprakash Dujodwala
Shri Vineet Dujodwala
Shri. Rajendra Agarwal
Shri. Ravi Todi
Shri. Ashish Agarwal
Shri Prashant Agarwal

- Whole Time Director
- Whole Time Director
- Director
- Director
- Director
- Director

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AUDITORS

M/s. A. P. SANZGIRI & CO.
Chartered Accountants,
Mumbai

•
BANKERS

State Bank of India
Backbay Reclamation Branch,
Raheja Chambers,
Free Press Journal Marg,
Nariman Point,
Mumbai.- 400 021

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AUDIT COMMITTEE

Shri Rajendra Agarwal
Shri Ravi Todi
Shri Vineet Dujodwala

Chairman
Member
Member

•
REGISTERED OFFICE

Atkargaon, Takai-Adosh Road,
Taluka - Khalapur
Khopoli - 410 203
District - Raigad, Maharashtra.

ADMINISTRATIVE OFFICE

907, Raheja Centre
214, Nariman Point,
Mumbai - 400 021

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FACTORY

Atkargaon, Takai-Adoshi Road,
Taluka Khalapur,
Khopoli - 410 203.
District Raigad, Maharashtra.

SIDCO Industrial Complex
Bari Brahmaha,
Jammu
Jammu & Kashmir - 1811133

[As a measure of economy, copies of the Annual Report will not be distributed at the meeting and therefore members are requested to bring their copies of the Annual Report at the Meeting.]

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of DUJODWALA PAPER CHEMICALS LIMITED will be held on Thursday, the 30th September, 2010 at Uncle's Kitchen, Mumbai-Poona Highway, National Highway No. 4, Mahad Phata, Khopoli, Dist. Raigad (Maharashtra), at 10.00 A.M. to transact the following business :

ORDINARY BUSINESS:-

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajendra Agarwal who retires by rotation and being eligible offers himself re-appointment.
3. To appoint Auditors and fix their remuneration.

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 Mr, Ashish Agarwal who was appointed as a Director of the Company to fill in the casual vancancy caused by the resignation of Mr, Ramesh Garg and who vacates office at this Meeting under Section 262 of the Companies Act, 1956 but who is eligible for re-appointment and in respect of whom the company has received a Notice in writing from a Member proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company”.

5. 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 provisions of Section 94(1) (a) of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs.6,20,00,000/- (Rupees Six Crores Twenty Lakhs Only) divided into 62,00,000 (Sixty Two Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and that the existing Clause V of the Memorandum of Association of the Company as to Share Capital be and is hereby altered accordingly.”

6. To consider and if thought fit, to pass, with or without modification/(s), the following Resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, Articles of Association of the Company be and is hereby altered by substituting in Article 4, the words and figures. “The Authorised Share Capital of the company is Rs. 6,20,00,000/- (Rupees Six crores Twenty Lacs Only) dividend into 62,00,000 (Sixty Two Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each” in place of existing words and figures “The Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

7. To consider and if thought fit, to pass, with or without modification/(s), the following Resolution as a Special Resolution:-

“RESOVLED THAT pursuant to the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including the rules and regulation there under and any Statutory modification, amendments or re-enactment of the Principal Act or such rules and regulations for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and such rules, guidelines and regulations, if any, as may be prescribed by the Securities and Exchange Board of India, from time to time and subject to such approvals, consents, permissions and Sanctions of SEBI and other appropriate authorities as may be required and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consent of the Company be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any committee which the Board of Directors of the Company may have constituted or herein after constitute to exercise its power including the powers conferred by this Resolution) to issue 3,08,000 Equity Shares of Rs. 10/- each to Blue Orange Entertainment Pvt. Ltd. (a Company falls under Promoter Group), through a preferential offer on a private placement basis at a price not less than the minimum price as may be determined in accordance with the Guidelines for Preferential issues contained in chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 with respect to the ‘Relevant date’ i.e. 31-08-2010, which is 30 days prior to the date of this Annual General Meeting.”

“RESOLVED FURTHER THAT the Equity Shares shall rank pari passu with the existing Equity Shares of the Company in all respects including as to dividend”

“RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution the Board of Directors of the Company be and is hereby authorized to execute such deeds, documents, and agreements and do all such acts, deeds, matters, or things as it is in its sole discretion may deem necessary or desirable for such purpose without being required to seek any further consent or approval of the Company and with power on behalf of the Company to settle any question, difficulty or doubt that may arise in this regard as it may in its absolute discretion deem fit and proper.”

For & on behalf of Board of Directors

Date:- 30 -08-2010

Place:- Mumbai.

(Omprakash Dujodwala)

Whole- time Director

Registered Office:-

Atkargaon, Takai-Adoshi Road,

Taluka-Khalapur

Khopoli – 410203.

District – Raigad, Maharashtra.

Notes :-

1. Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be deposited at the Registered office of the Company not less than Forty-eight hours before the commencement of the Meeting.
3. The register of members and share transfer books of the Company will remain closed from Monday, the 27th September 2010 to Thursday, the 30th September 2010, (both days inclusive)."
4. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Item No.4 to 7 is annexed hereto.
5. Details of Directors seeking appointment/reappointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):-

Name of Director	Mr. Rajendra Agarwal
Date of Birth	15-04-1956
Date of Appointment	29-10-2005
Expertise in specific functional areas	Expertise in Civil Engineering Field
Qualifications	B.A.
List of Public Companies in which outside Directorships held as on 31 st March, 2010	NIL
Chairman/Member of the Committees of the Board of the Companies on which he is a Director as on 31 st March, 2010	Nil
No. of Shares held in the Company	NIL

ANNEXURE TO NOTICE

Explanatory statement pursuant to Section 173 of the Companies Act, 1956.

Item No.4

Mr, Ashish Agarwal was appointed as a Director with effect from 31/08/2009 by the Board of Directors to fillup the casual vacancy caused due to resignation of Mr Ramesh Garg. As per the provisions of Section 262 of the Companies 1956, he holds the office upto the conclusion of the ensuing Annual General Meeting. However he is seeking re-appointment and therefore the Resolution set out under serial number 4 is meant for the purpose. As required under Section 257 of the Companies Act ,1956, A notice has been received from a member proposing the name of Mr. Ashish Agarwal for the office of a Director.

The Directors commend the Resolution for your approval.

None of the Directors is concerned or interested in the Resolution except Mr Ashish Agarwal.

Item No.5

The present Authorised Share Capital of the Company is Rs. 6,00,00,000/- and paid up Share capital is Rs. 5,86,05,700/-. The Company wants to raise funds for working capital requirements of the Company by issuing further Shares, details of which are given in Resolution at Sr. No. 6 of the Notice and also more Shares in future. The present Authorised Share Capital of the Company is not sufficient to accommodate the required quantum of paid up Share Capital of the Company. Therefore the Authorised Share Capital of the Company is proposed to be increased as specified in Resolution at Sr. No. 4 of the Notice.

As per the provisions of Section 94(1) (a) of the Companies Act, 1956, the Authorised Share Capital of the Company can be increased by passing an Ordinary Resolution in a General Meeting of the Company.

The Resolution set out at Sr. No. 4 of the Notice is meant for this purpose.

The Directors commend the Resolution for your approval.

The Directors may deemed to be interested in the Resolution for any allotment of Shares made to them.

Item No. 6

Article No. 4 of the Articles of Association of the Company relating to Share Capital is required to be altered consequent to increase in the Authorised Share Capital of the Company. As per the provisions of Section 31 of the Companies Act, 1956, alteration of the Articles of Association of the Company can be made by passing a Special Resolution in a General Meeting.

The Resolution set out at Sr. No.5 of the Notice of the Meeting is meant to this purpose.

The Directors commend the Resolution for your approval.

The Directors may deemed to be interested in the Resolution for any allotment of Shares made to them.

Item No.7

The Company has made expansion by putting a Plant at Jammu & Kashmir and also increased the production capacity at the existing Plant in Khopoli and therefore, the Working Capital requirement of the Company has increased. The proceeds raised by issue of these Shares will be utilised to part finance the increased Working Capital requirement of the Company.

As per the provisions of Section 81(1-A) of the Companies Act, 1956, if new Shares are issued to any person or persons other than the existing Members of the Company, the Company is required to obtain consent of the Members of the Company by a Special Resolution in a General Meeting. The Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall in the first instance offer all Securities to the existing Members of the Company unless the Members decide otherwise in a General Meeting. As the proposed Equity Shares are not offered to all the existing Members of the Company the Resolution given in the Notice is to meant to obtain consent of the Members of the Company for the purpose.

The disclosure in term of Regulation 73 (1)of SEBI (Issue of Capital and Disclosure Requirements) Regulations,2009 are given as under:

(i) The objects of the preferential issue:

To raise the funds to part finance the Working Capital requirement of the Company.

(ii) The proposal of the promoters, directors or key management personnel of the Issuer to subscribe to the offer:

The offer would be made to Blue Orange Entertainment Pvt. Ltd., a Company falling under promoter group.

(iii) Shareholding pattern of the Issuer before and after the proposed preferential issue:

Name of Shareholders	Pre Issue		Post Issue	
	No. of Shares	% age	No. of Shares	% age
Promoter Group:-				
1) Blue Orange Entertainment Pvt. Ltd.	5,63,000	9.61	8,71,000	14.12
2) Others not intending to subscribe to preferential issue.	20,13,140	34.35	20,13,140	32.64
Total:-	25,76,140	43.96	28,84,140	46.76
Mutual Funds & UTI	3200	0.05	3200	0.05
Private Corporate Bodies	335070	5.72	335070	5.43
NRI's	50284	0.86	50284	0.82
Indian Public	28,95,876	49.41	28,95,876	46.94
Total	58,60,570	100	61,68,570	100

(iv) The time within which Preferential Issue shall be completed:

The Company shall complete the allotment of Shares in terms of the Resolution set out in the accompanying Notice, on or before the expiry of 15 days from the date of passing the Resolution.

(v) The identity of the proposed allottees and the percentage of post preferential issue capital that may be held by the said allottee and change in control, if any, in the issuer consequent to the Preferential Issue :-

The proposed issue of Securities will be made to 'Blue Orange Entertainment Pvt. Ltd.' which presently holds 9.61% of Paid-up Share Capital of the Company and would be holding 14.12 % of paid up Share capital of the Company after allotment of these new Equity Shares. There will not be any change of control in the Issuer Company consequent to this allotment of Equity Shares on Preferential basis.

(vi) The Company hereby undertakes that the company shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so;

(vii) The Company hereby undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.