



DUJODWALA PAPER CHEMICALS LIMITED



Dujodwala
Paper Chemicals Limited
(ISO 9001:2008 CERTIFIED ORGANIZATION)

25TH ANNUAL REPORT
2011-2012

dpcl

BOARD OF DIRECTORS

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

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

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AUDITORS

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

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BANKERS

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

UCO Bank
Retail Branch,
Mafatlal Centre,
Nariman Point,
Mumbai – 400 021.

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AUDIT COMMITTEE

Shri Rajendra Agarwal
Shri Ashish Agarwal
Shri Vineet Dujodwala

Chairman
Member
Member

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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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FACTORIES

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

SIDCO Industrial Complex
Bari Brahmana,
Jammu - 181 133,
Jammu & Kashmir.

[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 25th Annual General Meeting of the Members of DUJODWALA PAPER CHEMICALS LIMITED will be held on Saturday, the 29th September, 2012 at Registered office of the company Atkargaon, Takai-Adoshi Road, Taluka-Khalapur Khopoli, District – 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, 2012 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. Ashish 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 a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered as under:-

- 1) The sub-Article (3) of Article 134 viz. the fee payable to a Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or committee thereof shall not exceed Rs.250/- or such other sum as the Company in general meeting may from time to time determine, be and is hereby deleted and be substituted by a new sub-Article (3) viz.
 - (i) each of the Directors shall be entitled to such sum, as may be determined by the Board of Directors, from time to time, but not exceeding the limits prescribed in that behalf by the Act or by the Central Government for every meeting of the Board of Directors which he/she attends.
 - (ii) each of the Directors shall be entitled to such sum, as may be determined by the Board of Directors, from time to time, but not exceeding the limits prescribed in that behalf by the Act or by the Central Government for every meeting of any committee or sub-committee of Directors which he/she attends.

- 2) The wordings viz. subject to the provisions of the Act and these Articles a Managing Director or Whole-time Director shall not while he continues to hold that office be subject to retirement by rotation appearing in Article 165 be substituted by the wordings viz. subject to the provisions of the Act and these Articles a Managing Director shall not while he/she continues to hold that office be subject to retirement by rotation.”

For & on behalf of Board of Directors

Omprakash Dujodwala
(Whole Time Director)

Date:- 30-08-2012

Place:- Mumbai

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 **Thursday, the 27th September 2012 to Saturday, the 29th September 2012, (both days inclusive).**”
4. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Item No.4 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. Ashish Agarwal
Date of Birth	9-12-1974
Date of Appointment	31-8-2009
Expertise in specific functional areas	Business Management
Qualifications	B.Com.
List of Public Companies in which outside Directorships held as on 31 st March, 2012	NIL
Chairman/Member of the Committees of the Board of the Companies on which he is a Director as on 31 st March, 2012	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

Article 134 (3) of the Articles of Association of the company requires approval of the Members of the company for payment of sitting fees to Directors in excess of Rs.250/- per Board Meeting. However as per the provisions of the Act, sitting fees can be paid to the Directors within the limits prescribed by the Central Government. Therefore this Article needs to be altered as specified in the Resolution.

Article 153 of the Articles of Association of the company requires retirement of Managing Director and Whole-time Director by rotation. The Board of Directors feel that retirement of Whole-time Directors are not required and therefore this Article needs to be altered as specified in the Resolution.

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.4 of the Notice of the Meeting is meant to this purpose.

The Directors commend this Resolution for your approval.

None of the Directors of the Company is concerned or interested in the Resolution.

For and on behalf the Board of Director

Date: - 30-08-2012
Place:- Mumbai.

Omprakash Dujodwala
(Whole Time Director)

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 25th Annual Report together with the Audited Accounts for the year ended 31st March, 2012.

	(Rs. In Lacs)	
	2011-12	2010-11
FINANCIAL RESULTS		
Net Sales	16188.55	13601.04
Increase/Decrease in Stock	1575.31	1818.52
Other Income	26.83	23.41
Gross Profit before Interest, Depreciation and Taxation	1397.70	891.90
Interest	890.55	448.23
Depreciation	202.90	206.37
Provision for Taxation	129.01	97.19
Deferred Tax(Income)/Expense	(12.45)	17.26
Net Profit for the year	187.69	122.84
Surplus brought forward from previous year	1821.23	1698.39
Balance available for Appropriation	1775.35	1821.23
<u>Appropriations:</u>		
Balance carried forward to Balance Sheet	1775.35	1821.23

DIVIDEND:

To meet the requirement of funds for working capital and its expansion programme, the Directors have decided not to recommend any dividend for the year under review.

MANAGEMENT'S DISCUSSION & ANALYSIS :-

Overview:

The company is engaged in the manufacturing and selling of Rosin and Rosin Size, Synthetic Resins and other Terpene Chemicals and its products at its unit located at Atkargaon, Taluka Khalapur, Khopoli., Dist. Raigad, Maharashtra.

Industrial Structure and Developments

There was a huge volatility in the price of critical raw-materials alongwith a recessionary trend in the Western part of the World to save all slow down in the growth of economic programme.

The same had a huge impact on the purchasing price of critical Raw Material which eventually effected the profitability.

In order to mitigate the impact created by the volatility in the prices, the Company made a concerted effort for shifting to alternate technologies in manufacturing.

Opportunities and Threats

The Company caters to the units of Paints, Rubbers, Papers, Tyres etc. which is showing a good sign of growth. The same should also result in the Company growing as the demand for its product rises.

The Company is aware of the threat and is gearing up for the same.

Outlook:

The Company is continuously implementing means to innovate, reduce cost, be environment friendly.

The Company has a positive outlook towards the future with the industries being catered to showing good signs of growth

Risk & Concern

There is unhealthy competition from internal and external market forces, which could affect the profitability of the Company.

Internal control systems and its Adequacy:

The Company has put in place necessary internal control systems commensurate with its operations. Periodical checks are conducted and necessary remedial measures are adopted.

Discussion on Financial Performance with respect to Operational Performance:

During the year under review, the company has achieved sales of Rs.16188.55 Lacs as against Rs.13601.04 Lacs during the previous year resulting an increase of 19.02%.

Expansion Programme

The Company is pleased to announce that it is undergoing expansion in the state of Maharashtra which will improve its performance in the current year.

Fixed Deposits:

The Company has not accepted any Fixed Deposits during the year under review.

Human resources / industrial relations & particulars of employees.

The Industrial relations in the manufacturing unit of the Company continued to be cordial.

During the year there was no employee whose particulars are required to be given under Sub-section 2A of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Pollution and Environment Control.

The Company has always paid highest importance to ensure that the environment remains relatively pollution free. The work force is continuously trained and coached in safety and are provided appropriate safety equipment.

Adequate pollution control facilities are installed at the plant as per Guidelines of Pollution Control authority and are run as per set norms.

CONSERVATION OF ENERGY:

To conserve energy, internal checks are carried out periodically and suitable measures are adopted wherever necessary.

The particulars are given in Annexure 'A' attached herewith.

TECHNOLOGY ABSORPTION:

The Company's manufacturing process for its Products is based on in-house technology which has been successfully absorbed. The Company has been constantly making efforts for improvement of quality and for marketing new range of products.

FOREIGN EXCHANGE EARNING AND OUTGO:

The Company has spent Rs.314.15 lacs against Rs.375.67 lacs during the previous year on import of raw materials and expenses. During the year under review, the Company's foreign exchange earnings amounted to Rs.467.15 lacs as against Rs.459.86 lacs during the previous year on account of export.