

**21ST**

# **ANNUAL REPORT**

**2005 2006**

**DHOOT INDUSTRIES LIMITED**

**DHOOT INDUSTRIES LIMITED****BOARD OF DIRECTORS:**

Mr. Padamchand Dhoot.	: Chairman
Mr. Pankaj Dhoot.	: Director
Mrs. Pushpa Dhoot.	: Director
Mr. Anilkumar Gilra	: Director (upto 31 <sup>st</sup> December, 2005)
Mr. Ramesh Khetan	: Director
Mrs. Vidya Chalke	: Director (upto 31 <sup>st</sup> December, 2005)
Mr. Nitin Agarwal	: Director (w.e.f. 31 <sup>st</sup> December, 2005)
Mr. Sameer Shah	: Director (w.e.f.31 <sup>st</sup> December, 2005)

**AUDITORS:**

Shyam C. Agrawal & Co.  
Chartered Accountants,  
Mumbai.

**BANKERS:**

Centurion Bank.  
Union Bank of India.  
UTI Bank Ltd.  
State Bank of India.

**REGISTRARS & SHARE TRANSFER AGENTS:**

Intime Spectrum Registry Limited.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup Mumbai - 400 078

**REGISTERED OFFICE :-**

Shop No. 4, Prathmesh Leela,  
Opp. Donbosco School,  
New Link Road, Borivali (W.),  
Mumbai - 400 092.

**SHARES LISTED AT:**

The Stock Exchange - Mumbai

**21<sup>st</sup> ANNUAL GENERAL MEETING**

**Date:** 30<sup>th</sup> September, 2006

**Day:** Saturday

**Time:** 11.00 a.m.

**Place:** Shop No.4, Prathmesh Leela, Opp.  
Donbosco School, New Link Road,  
Borivali (W), Mumbai - 400092.

## **NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 21<sup>ST</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF **DHOOT INDUSTRIES LIMITED** WILL BE HELD ON FRIDAY 30<sup>TH</sup> SEPTEMBER, 2006 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT SHOP NO. 4, PRATHMESH LEELA, OPP. DONBOSCO SCHOOL, NEW LINK ROAD, BORIVALI (W), MUMBAI - 92.

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### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited accounts for the year ended 31<sup>st</sup> March, 2006 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ramesh Khetan, Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. 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:**

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

**"RESOLVED THAT** Mr. Nitin Agarwal, who was appointed as an additional Director w.e.f. 31<sup>st</sup> December, 2005 and who holds office up to ensuing Annual General Meeting, but being eligible for 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 reappointed as a Director."

5. To consider and if thought fit to pass, with or without modification, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Sameer Shah, who was appointed as an additional Director w.e.f. 31<sup>st</sup> December, 2005 and who holds office up to ensuing Annual General Meeting, but being eligible for 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 reappointed as a Director.”

**BY ORDER OF THE BOARD  
DHOT INDUSTRIES LIMITED**

Sd/-

**DATE: 18<sup>th</sup> August, 2006**

**PLACE: MUMBAI**

**PADAMCHAND DHOT  
(DIRECTOR)**

**NOTES:**

- 1. A 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. 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.**
3. The Register of Members and Share Transfer Register shall remain closed from 10<sup>th</sup> September , 2006 to 16<sup>th</sup> September 2006 (both days inclusive).
4. 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.
5. Explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the Special Business as set above is annexed.
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
7. 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.

### **EXPLANATORY STATEMENT**

Pursuant to Section 173(2) of the Companies Act, 1956

#### **ITEM NO. 4:**

Mr. Nitin Agarwal, who was appointed as an additional Director w.e.f. 31<sup>st</sup> December, 2005 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. Nitin Agarwal for the office of the Director under Section 257 of the Companies Act, 1956.

The Company will be immensely benefited by his induction as a Board member.

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. Nitin Agarwal.

#### **ITEM NO. 5:**

Mr. Sameer Shah, who was appointed as an additional Director w.e.f. 31<sup>st</sup> December, 2005 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. Sameer Shah for the office of the Director under Section 257 of the Companies Act, 1956.

The Company will be immensely benefited by her induction as a Board member.

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. Sameer Shah.

**BY ORDER OF THE BOARD  
DHoot INDUSTRIES LIMITED**

**DATE: 18<sup>th</sup> August, 2006  
PLACE: MUMBAI**

**Sd/-**

**PADAMCHAND DHoot  
(DIRECTOR)**

**DHOOT INDUSTRIES LIMITED****DIRECTORS' REPORT:**

To,  
The Members,  
**DHOOT INDUSTRIES LIMITED**

Your Directors have great pleasure in presenting **21<sup>st</sup> Annual Report** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31<sup>st</sup> March, 2006.

**1. FINANCIAL RESULTS:****(Amt. In Rs.)**

<b>PARTICULARS</b>	<b>Year ended</b>	
	<b>2006</b>	<b>2005</b>
Total Income	13,14,164	113,21,919
Gross Profit/(Loss)	(16,54,531)	(29,47,449)
<b>Add/Less:</b> Depreciation (Net)	12,28,147	17,82,671
Profit/(Loss) before Taxation	(16,54,531)	(29,47,449)
<b>Less:</b> Provision for Taxation - Current year	NIL	NIL
Deferred Tax	NIL	NIL
Net Profit/(Loss) after Taxation	(16,54,531)	(29,47,449)
Transfer from General Reserve	--	4,82,740
Balance Brought forward from previous year	NIL	NIL
Balance carried forward to Balance Sheet	(41,19,241)	(24,64,709)

**2. DIVIDEND:**

In the absence of profits, no dividend is recommended for this year.

**3. DEPOISTS:**

Your Company did not accept any deposits from the public during the current year.

**4. AUDITORS:**

**M/s. Shyam C. Agrawal & Co., Chartered Accountants, Mumbai** Auditors of the Company are holding the office till the conclusion of ensuing Annual General Meeting and have confirmed their availability for their re-appointment.

**5. SUBSIDIARIES:**

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

**6. DIRECTORS:**

Mr. Nitin Agarwal and Mr. Sameer Shah are appointed as additional Directors w. e. f. 31<sup>st</sup> December, 2005 Mr. Ramesh Khetan is retiring by rotation and being eligible offers himself for reappointment in pursuance of provisions of Articles of Association of the Company.

Mr. Anilkumar Gilra and Mrs. Vidya Chalke were resigned from the Board w.e.f. 31<sup>st</sup> December, 2005

**7. DIRECTORS RESPONSIBILITY STATEMENT:**

The Board of Directors hereby confirms

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. 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 financial year and of the profit or loss of the Company for that period.
- iii. 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.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

**8. CORPORATE GOVERNANCE CODE:**

The Board has implemented Corporate Governance Code in pursuance of clause 49 of the Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from Shyam C. Agrawal & Co., Chartered Accountants, Mumbai on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

**9. PARTICULARS OF EMPLOYEES:**

There were no employees during the whole or part of the year who were in receipt of remuneration aggregating to Rs.2,00,000/- p.m. or Rs.24,00,000/- p.a. hence no particulars are given.

**10. APPRECIATION:**

The Directors take this opportunity to thank all the employees, Banks and Customers for their contribution to the Company's performance during the year under review.

**BY ORDER OF THE BOARD  
DHOT INDUSTRIES LIMITED**

**DATE: 18<sup>th</sup> August, 2006  
PLACE: MUMBAI**

**Sd/-**

**PADAMCHAND DHOT  
(DIRECTOR)**





## **CORPORATE GOVERNANCE REPORT**

### **1. 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.1<sup>st</sup> January, 2006 has implemented by the Company.

Corporate Governance is not merely compliance-it involves leveraging the Company's resources and aligning its activities to consumer needs shareholder benefits and employee growth, thereby delighting all its stakeholders while minimizing risk.

The company believes that to succeed, an organization must maintain global standards of corporate conduct towards all its stakeholders. The Company believes that it is rewarding to be better managed and governed and to identify and align its activities with the national interest. To that end, we as a Company have always focused on good corporate governance- a key driver of sustainable corporate growth and long-term value creation.

The Company has and will continue to focus its resources, strength and strategies in order to achieve this commitment, while upholding the core values of transparency, integrity, honesty and accountability that are fundamental to the Company.

### **2. Board of Directors:**

Directors seeking Appointment/ Re-appointment at the Forthcoming Annual general meeting (pursuant to clause 49 VI (IA) of the Listing Agreement)

Name of the Director	Mr. Ramesh Khetan	Mr. Nitin Agarwal	Mr. Sameer Shah.
Age	35	28	28
Qualification	UNDER GRAUDATE	C.A	B.COM
Expertise in specific functional areas	MARKETING	FINANCE	FINANCE
Directorship in other Indian Public limited Company & other firms as on 31.03.2006	NIL	NIL	NIL
Shareholding	NIL	NIL	NIL

The Board of the Company comprises of Six Directors out of which Chairman is Managing Director while other Two Directors are his relatives.

At present company have three independent Non executive Directors. There are no nominees or Institutional Directors in the Company.

None of Directors has 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.

#### **Non Executive Directors:**

As per revised code of Corporate Governance, the composition of the Board should be as such that the Board of Directors of the company shall have an optimum combination of executive and non-executive Directors with not less than fifty percent of the Board of Directors comprising of non Executive Directors.

During the year there were in total 6 (Six) Board Meetings were held i.e. on 30<sup>th</sup> April, 2005, 30<sup>th</sup> July, 2005, 2<sup>nd</sup> September, 2005, 31<sup>st</sup> October, 2005, 31<sup>st</sup> December, 2005, 31<sup>st</sup> January, 2006 and 4<sup>th</sup> March, 2006 Gap between the two meetings was not more than 3 months. All the information required to be furnished to the Board was made available to them along with detailed Agenda notes.

Sr. No.	Name of Director	Category	No. of Meetings Attended	Attendance at Last AGM	No. Of Other Directorship	No. Of Other Committee membership In other Companies
1.	Mr. Padamchand Dhoot	Chairman & Managing Director	6	Yes	2	2
2.	Mr. Pankaj Dhoot	Director	6	Yes	2	2
3	Mrs. Pushpadevi Dhoot.	Director	6	Yes	1	2
4.	Mr. Ramesh Khetan	Ind. Non Ex. director	6	Yes		
5.	Mrs. Vidya Chalke (upto 31 <sup>st</sup> December, 2005)	Ind. Non Ex. director	4	No	No	No