

DHANLAXMI COTEX LIMITED



25th Annual Report
2010-2011



DHANLAXMI COTEX LIMITED

25TH ANNUAL REPORT

Board of Directors

Shri Ramautar Jhawar
Shri Mahesh Jhawar
Shri Vijay Kumar Moyai
Shri Navin Vyas

Registered & Administrative Office

285, Princess Street, 2nd Floor,
Chaturbhuj Jeevandas House Mumbai - 400 002.

Works

Sector B-2/15/16;
Parvati Co-op. Industrial Estate,
Post Yadav, Tal. Shirol, Dist. KOLHAPUR (M.S.)

Bankers

HDFC Bank Ltd.
State Bank of Travancore

Auditors

M/s. S.G.Kabra & Co.
Chartered Accountants
1st Floor, Wavell House,
1st Dhobi Talav Lane, Mumbai - 400 002.

**Registrar and Share
Transfer Agents**

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka, Andheri (E) Mumbai - 400 072.

Listed on Stock Exchange

Bombay Stock Exchange Limited

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DHANLAXMI COTEX LIMITED

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Dhanlaxmi Cotex Limited will be held at the Registered Office of the Company at 285, Princess Street, 2nd Floor, Chaturbhuj Jivandas House, Mumbai – 400 002 on , the 30th September, 2011 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Navin Vyas who retires by rotation at the ensuing Annual General Meeting and being eligible, offers him self for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

For and on behalf of the Board

Sd/-

Ramautar Jhawar

Chairman & Managing Director

Place: Mumbai

Date: 13th August, 2011

Registered Office:

285, Princess Street, 2nd Floor,
Chaturbhuj Jivandas House,
Mumbai- 400002



DHANLAXMI COTEX LIMITED

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (forty-eight) hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books will remain closed from 21st September to 29th September, 2011 (both days inclusive).
4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries so as to reach the Registered Office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
5. Members are requested to notify immediately any change in their address to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Transfer Agent at Bigshare Services Private Limited at E-2/3, Ansa Industrial Estate, Saki-vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 in respect of their physical share folios.
6. Members are requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
8. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, of persons, seeking re-appointment as Directors under Item No. 2 above, are annexed.



DHANLAXMI COTEX LIMITED

BRIEF RESUME OF THE PERSONS PROPOSED TO BE RE-APPOINTED AS THE DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

<i>Particulars</i>	<i>Naveen Vyas</i>
<i>Age</i>	36 Yrs
<i>Date of Appointment</i>	30-12-2005
<i>Qualifications</i>	B.Com
<i>Nature of Expertise & Experience</i>	Accounts
<i>Name of the other Companies in which also holds Directorship</i>	Nil
<i>Name of other Companies in Committees of which holds membership/chairmanship</i>	Nil
<i>Shareholding of Non-Executive Directors in Dhanlaxmi Cotex Ltd.</i>	Nil

For and on behalf of the Board

Sd/-

Ramautar Jhawar

Chairman & Managing Director

Place: Mumbai

Date: 13th August, 2011

Registered Office:

285, Princess Street, 2nd Floor,
Chaturbhuj Jivandas House,
Mumbai- 400002



DHANLAXMI COTEX LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Twenty-Fifth Annual Report on the business operations of the Company along with the Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

Particulars	(Rs. in Lacs)	
	Year Ended 31 st March 2011	Year Ended 31 st March 2010
Income from Operations	3016.93	4050.24
Profit/ (Loss) before Depreciation & Tax	69.99	69.74
Less: Depreciation	01.25	01.81
Profit/ (Loss) before Tax	68.74	67.93
Less: Provision for Tax	8.78	08.81
Add: Deferred Tax Assets Adjustments	00.12	00.18
Net Profit/(Loss) after Tax	60.09	59.30
Add: Balance brought forward from previous year	1145.66	1086.36
Balance carried to Balance Sheet	1205.75	1145.66

OPERATIONS:

During the year under review, your Company earned a total Income of Rs. 3016.93 Lacs comprising mainly of Sale of Shares, interest & Dividend and long term share investments profit. Against this, the total expenses amounted to 2948.18 Lacs. As a result of this the Company has earned Net Profit of Rs. 60.09 as against the profit of Rs.59.30Lacs for the previous year. After balance brought forward from last year of Rs.1145.66 Lacs, a balance of Rs.1205.75 Lacs has been carried forward to the Balance Sheet.

Barring unforeseen circumstances, your Directors are optimistic that the Company would be able to report better performance during the current year.

DIVIDEND:

With a view to conserve the resources for the future operations, your Directors have thought it prudent not to declare dividend for the year ended 31st March, 2011.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Navin Vyas Director is liable to retire by rotation and being eligible, offer himself for re-



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appointment at the ensuing Annual General Meeting. A brief profile of the Directors proposed to be re-appointed is annexed to the Notice of the ensuing Annual General Meeting.

Mr. Ganesh Singh has also resigned from Directorship of the Company with effect from 15th May, 2010

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- ❖ that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- ❖ 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 as at 31st March, 2011 and of the profit of the Company for that period;
- ❖ that 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.
- ❖ that the Annual Accounts for the year ended March 31, 2011 have been prepared on a going concern basis.

AUDITORS:

M/s. S. G. Kabra & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The members are requested to appoint the Auditors for the current year and to authorize the Board to fix their remuneration.

AUDITORS' REPORT:

Observations made by the Auditors in their report read with the relevant Notes to the Accounts are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

SECRETARIAL COMPLIANCE CERTIFICATE:

Pursuant to the recent amendment in Section 383A of the Companies Act, 1956, all such Companies whose paid up share capital is Rs.10 Lacs and above but less than Rs. 5 Crore are required to obtain a Compliance Certificate for the year ended 31st March, 2011 is obtained from Mr. Ramesh Mishra Company Secretary and the same is attached.

FIXED DEPOSITS:

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.



DHANLAXMI COTEX LIMITED

CORPORATE GOVERNANCE:

A Report on Corporate Governance as also a Management Discussion and Analysis Report along with a certificate from Mr. Ramesh Mishra , Company Secretary in practice, regarding compliance of requirements of Corporate Governance pursuant to Clause 49 of the Listing Agreement with the Stock Exchange is annexed herewith.

PARTICULARS AS PER SECTION 217(2A) OF COMPANIES ACT, 1956:

During the year under review, none of the employees of the Company, whether employed for the whole year or part thereof, was in receipt of remuneration aggregating to or in excess of the limits specified under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, and hence, no particulars are required to be furnished in connection with the same.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

There are no foreign exchange earnings and outgo during the year under review. Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is not applicable in view of the nature of operations of your Company.

ACKNOWLEDGEMENTS:

The Board would like to express their gratitude for the continued support which the Company has received from its Shareholders, Customers, Suppliers, Bankers, Statutory Authorities and all other business associates.

The Board wishes to place on record their sincere appreciation to all the Company's employees for their collective contribution to the Company's improved performance.

For and on behalf of the Board

Sd/-

**Ramautar Jhawar
Chairman & Managing Director**

**Place: Mumbai
Date: 13th August, 2011**

**Registered Office:
285, Princess Street, 2nd Floor,
Chaturbhuj Jivandas House,
Mumbai- 400002**



DHANLAXMI COTEX LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2011 IN RESPECT OF DHANLAXMI COTEX LIMITED.

CIN No. of the Company: L51100MH1987PLC042280

Nominal Capital: Rs. 5,50,00,000/-

Paid up Capital: Rs. 4,87,13,500/-

To,
The Members,
Dhanlaxmi Cotex Limited
Mumbai.

We have examined the registers, records, books and papers of DHANLAXMI COTEX LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met Four times respectively on 15th May, 2010, 13th August, 2010, 29th October, 2010 and 12th February, 2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 24th September, 2010 to 30th September, 2010 and necessary compliance of section 154 of the Companies Act, 1956 has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 30th September, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.



DHANLAXMI COTEX LIMITED

7. No extra ordinary general meeting were held during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
 8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
 9. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
 10. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from Board of Directors, members or Central Government.
 11. The Company has not issued any duplicate share certificates during the financial year.
 12. (i) The Company was not required to deliver any securities as there was no allotment/transfer/ transmission of securities during the financial year.
(ii) The Company was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
(iv) The Company was not required to transfer any amount to the Investor Education and Protection Fund.
(v) The Company has duly complied with the requirements of Section 217 of the Act.
 13. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
 14. The Company has not appointed any Managing Director/Whole Time Director/Manager during the financial year.
 15. The Company has not appointed any sole selling agents during the financial year.
 16. The Company has obtained approval of the Regional Director pursuant to the provisions of Section 297 of the Companies Act, 1956 for contracts in which the directors of the Company interested.
 17. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 18. The Company has not issued any shares, debentures or other securities during the financial year.
 19. The Company has not bought back any shares during the financial year.
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20. There was no redemption of preference shares/debentures during the financial year.
21. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
22. The Company has not invited/accepted any deposits including any unsecured loans from public falling within the purview of Section 58A and Rules framed there under during the financial year.
23. The Company has not made any borrowings during the financial year ended 31st March, 2011.
24. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
25. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
26. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
27. The Company has not altered the provisions of Memorandum with respect to name of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
29. The Company has not altered its Articles of Association during the financial year.
30. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
31. The Company has not received any money as security from its employees during the financial year.
32. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Sd/-
RAMESH MISHRA
F.C.S. No: 5477

Place: Mumbai
Date: 13th August, 2011



DHANLAXMI COTEX LIMITED

"Annexure A"

Statutory Registers as maintained by the Company

1. Register of Members u/s.150
2. Register of Directors, Managing Director, Manager and Secretary u/s.303
3. Register of Directors Shareholdings u/s.307
4. Register of Disclosures of Interest by Directors u/s. 301(3)
5. Register of Application and Allotment
6. Register of Contracts u/s 301
7. Register of Charges u/s 143

Other Registers

1. Register of Transfers

"Annexure B"

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2011.

Sr. No.	Form No. / Return	For under Section	Date of filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid Yes/No.
1.	Form 32	Resignation of Mr. Ganesh Singh	28/05/2010	Yes	
2.	Form No. 23	Registration of resolution(s) and agreement(s)	16/10/2010	Yes	NA
3.	Form No. 23AC	Balance sheet as at 31st March, 2010	18/10/2010	Yes	N.A
4.	Form No. 23 ACA	Profit & Loss Account for the period ended 31st March, 2010	18/10/2010	Yes	N.A
5.	Form 66	Compliance Certificate	18/10/2010	Yes	N.A
	Form No. 20B	Annual Return upto 29th September, 2010	17/11/2010	Yes	N.A



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MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

TEXTILE DIVISION

Company did not undertake any manufacturing activities relating to textiles during the year due to non-viability.

INVESTMENT AND TRADING DIVISION (SECURITIES)

(a) Industry Structure & Development

The Indian Capital Markets continued their upsurge during past financial year. The continued confidence of the FIIs in Indian Capital Markets as a high potential emerging markets and strong belief making our capital markets as one of the favorite investment destinations, provide further growth opportunities to domestic and international players in the capital markets.

The Company over the past couple of years has developed its Investment and Trading Division (Securities) as a strong, profit earning sibling to its Textile division. The Company continues its focus on this division to achieve consistent improvement in its performance.

(b) Opportunities & threats

The strong fundamentals and depth of our finance and capital markets have enabled introduction of many new products and growth opportunities to the players. The Company expects this trend to continue and is fully geared up to reap the optimum benefits from emerging growth opportunities.

However, convergence of the Indian Capital Markets with leading capital markets of other countries and impact of their prevailing trends, volatility in the crude prices, continued tensions between US and Iran and its possible fallouts, are a few dampeners to Indian Capital Markets growth story.

Your Company will continue to predominantly focus on broking services to Institutions to withstand the cyclical sluggish market trends.

(c) Outlook

The Company is proactively responding to the changing business environment and is confident of sustaining its market share by improving competitive position in the market. The overall business outlook for the company is promising with improvement in overall economic environment. Efforts towards higher operational efficiencies shall continue. The company continues to examine the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

(d) Risks and concerns

The Company continues to remain focused on its core product i.e. textile products and also concentrate on trading in Securities. Competition in the market continues to have an impact on the Company's operational performance and also exerts pressure on the margins.

(e) Internal Control Systems and their adequacy

The Company's operating and business control procedures have been framed in order that they ensure efficient use of resources and comply with the procedures and regulatory requirements. The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly.

(f) Human Resource Development

The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the company enjoyed cordial relations with the employees at all levels.



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REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Corporate Governance:

Dhanlaxmi Cotex Limited (DCL) is committed to the adoption of the best governance practices and its adherence in the true spirit, at all times. The Company emphasizes on maintaining highest respect for the laws of the land and the rights of its stakeholders – both of which are the fundamental platforms on which the decision making powers of the Board of Directors are based.

A. Board of Directors:

Size and Composition of the Board:

The Composition of the Board is in conformity with the requirements of the Corporate Governance Code of the Listing Agreement with the Stock Exchange. The Board of Directors of the Company consists of optimal combination of Executive, Non-executive and Independent Directors.

The present strength of the Board is Four Directors comprising of Two (2) Executive Directors and Two (2) Non-Executive and Independent Directors.

The Chairman of the Board is an Executive Director.

The constitution of the Board as on 31st March, 2011 is as under:

Director	Category	Number of other		
		Director -ships**	Committee Memberships#	Committee Chairmanships#
Shri Ramautar Jhawar	Chairman & Managing Director, Executive	1	2	1
Shri Mahesh Jhawar	Executive	1	1	-
Shri Navin Vyas	Non Executive	-	-	-
	Independent			
Shri Vijay Kumar Moyal	Non Executive	-	-	-
	Independent			

* Other Directorships exclude directorships held in Private Limited Companies.

Committee Membership does not include Membership/ Chairmanship in Committee of Directors of Dhanlaxmi Cotex Limited.

** Mr. Ganesh Singh has resigned from directorship of the company with effect from 15th May, 2010.

B. Board Meetings and Attendance of Directors:

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

During the year ended 31st March 2011, the Board meeting were held Four times i.e. on 15th May, 2010, 13th August, 2010, 29th October, 2010 and 12th February, 2011.



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Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2010-11 and the last AGM:

Name of the director	Number of Board Meetings held	Number of Board Meetings attended	Whether attended last AGM
Shri. Ramautar Jhawar	4	4	Yes
Shri. Mahesh Jhawar	4	4	Yes
Shri. Ganesh Singh	4	1	Yes
Shri Navin Vyas	4	4	Yes
Shri Vijay kumar Moyal	4	4	Yes

v Mr. Ganesh Singh has resigned from directorship of the company with effect from 15th May, 2010.

C. Board Committees:

To enable better and more focused attention on the affairs of the Corporation, the Board delegates particular matters to Committees of the Board set up for the purpose. The Committees prepare the groundwork for decision making and report at the subsequent Board meeting.

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees.

1. Audit Committee:

Terms of reference

(a) Primary Objectives of the Audit Committee:

The Primary objective of the Audit Committee (the "committee") is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out in the financial reporting process – by the management, including the independent auditor – and notes the process and safeguards employed by each.

(b) Scope of the Audit Committee:

1. Provide an open avenue of communication between the Independent Auditor and the Board of Directors ("BOD");
2. Recommending the appointment and removal of statutory auditors, fixation of audit fees and also to approve the payment for other services;
3. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
4. Meet four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary;
5. Confirm and assure the independence of the external Auditor;
6. Review with independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources;
7. Consider and review with the Independent Auditor, the adequacy of internal controls including the computerized information system controls and security;



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8. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
9. Reviewing with the management, performance of statutory auditors and adequacy of the internal control systems.
10. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - a. Any changes in the accounting policies and practices
 - b. Disclosure of related party transactions
 - c. The going concern assumption
 - d. Compliance with accounting standards
 - e. Compliance with stock exchange and legal requirements concerning financial statements
 - f. Significant adjustment arising out of audit findings
 - g. Qualifications, if any, in the draft audit report
 - h. Matters required to be included in the Directors' Responsibility Statement to be included in the Board of Directors' Report.
11. Consider and review with the management and the independent auditor:
 - a. Significant findings during the year, including the status of previous audit recommendations,
 - b. Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
12. Review of the following information:
 - a. Management discussion and analysis of financial condition and results of operations
 - b. Statement of significant related party transactions submitted by the management
 - c. Management letters/letters of internal control weaknesses issued by the Statutory Auditors
- (c) **Composition of the Audit Committee as on 31st March 2011:**
 The Audit Committee is constituted in accordance with the Corporate Governance Code of the Listing Agreement and the provision of the Companies Act, 1956. The Statutory Auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.
 The Committee comprises of the following Members:
 1. Shri Vijaykumar Moyal (Chairman)
 2. Shri Navin Vyas
 3. Shri Mahesh Jhavar
 Mr. Ganesh Singh has resigned from directorship of the company with effect from 15th May, 2010.
 Mr. Mahesh Jhavar has been appointment as a member of the audit committee.
- (d) **Audit Committee Meetings and Attendance for the financial year ended 31st March 2011:**
 During the financial year ended 31st March 2011, Four (4) Audit Committee Meetings were held on 15th May, 2010, 13th August, 2010, 29th October, 2010 and 12th February, 2011.

The table hereunder gives the attendance record of the Audit Committee Members:

Name of Members	No. of meetings held	No. of meetings attended
Shri.Vijaykumar Moyal(Chairman)	4	4
Shri Navin Vyas	4	4
Shri Mahesh Jhavar	4	4



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Mr. Ganesh Singh has resigned from directorship of the company with effect from 15th May, 2010, therefore in his place Mr. Mahesh Jhavar has been appointment as a member of the committee.

The Committee has recommended to the Board the appointment of M/s. S. G. Kabra & Co., Chartered Accountants, as the statutory and independent auditors of the Company for the Financial Year ending March 31, 2011 and that necessary resolution for appointing them as auditors has been placed before the shareholders.

2. Remuneration Committee:

(a) The broad terms of reference of the Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Senior Executives including the Executive Directors are competitive keeping in view prevalent compensation packages so as to recruit and retain suitable individual(s) in such capacity.

(b) The Remuneration Committee comprises of following Directors:

1. Shri Vijaykumar Moyal (Chairman)
2. Shri Navin Shyamsundar Vyas
3. Shri Mahesh Jhavar

Mr. Ganesh Singh has resigned from directorship of the company with effect from 15th May, 2010, therefore in his place Mahesh Jhavar has been appointment as a member of the committee.

(c) Remuneration Policy:

Some of the Non-Executive Directors are paid sitting fees for each meeting of the Board attended by them. The appointment and remuneration of the Managing Director is governed by resolutions passed by the Board of Directors and shareholders of the Company, which covers terms of such appointment, read with the service rules of the Company. Remuneration paid to the Managing Director is recommended by the Remuneration Committee, approved by the Board and is within the limits set by the shareholders at the General Meetings.

Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

Details of Remuneration to all the Directors for the Financial Year ended 31st March 2011 are as under:

Name of the Directors	(Rs. in Lacs)		
	Sitting Fees paid for		Salary & Perks
	Board Meetings	Committee Meetings	
Shri Ramautar Jhavar	Nil	Nil	7.98
Shri Mahesh Jhavar	Nil	Nil	7.98
Shri Ganesh Singh	Nil	Nil	Nil
Shri Navin Vyas	Nil	Nil	Nil
Shri Vijaykumar Moyal	Nil	Nil	Nil



DHANLAXMI COTEX LIMITED

Shares held by Non-Executive Directors:

Name of the Non-Executive Director	Equity Shares held (No.)
Shri Navin Vyas	Nil
Shri Vijaykumar Moyal	Nil

(d) Meetings and Attendance:

Meeting of the Remuneration Committee was not held during the financial year ended on 31st March 2011.

3. Shareholders/Investors Grievance Committee:

The Shareholders / Investor Grievance Committee looks into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. and recommends measures to improve the level of investor services.

The Company has set up a Shareholders / Investors Grievance Committee consisting of Two Non-Executive Directors, both of them being Independent Directors and One Executive director. The Chairman of the said Committee is a Non-Executive, Independent Director.

The Shareholders / Investor Grievance Committee of DCL comprises of the following Directors:

1. Shri Vijay Kumar Moyal (Chairman)
2. Shri Navin Vyas
3. Shri Mahesh Jhawar

Mr. Ganesh Singh has resigned from directorship of the company with effect from 15th May, 2010.

Mr. Mahesh Jhawar has been appointment as a member of the committee.

Meetings and Attendance:

One Shareholder's/Investor's Grievance Committee were held during the year ended 31st March, 2011.

The attendance record of the members is given in the table hereunder.

Name of the Shareholders/Investors grivance Committee members	No. of meetings held	No. of meetings attended
Shri Vijaykumar Moyal	1	1
Shri Navin Vyas	1	1
Shri Mahesh Jhawar	1	1

Details of Shareholders' complaints received, not solved and pending during the Financial Year ended 31st March, 2011:

The total number of complaints received and replied to the satisfaction of the shareholders was nil. There were no pending/unattended complaints as on 31st March, 2011.

D. General Body Meetings:

The Details of last three Annual General Meetings are given hereunder:

Year	Date	Venue/Details of Special Resolution passed	Time
2008	29/09/2008	285, 2 nd Floor, C.J. House, Princess Street, Mumbai-400 002.	4.00 P.M.
2009	29/09/2009	285, 2 nd Floor, C.J. House, Princess Street, Mumbai-400 002.	4.00 P.M.
2010	30/09/2010	285, 2 nd Floor, C.J. House, Princess Street, Mumbai-400 002.	4.30 P.M.



DHANLAXMI COTEX LIMITED

Special Resolution:

1. In the Annual General Meeting held on 30th September, 2010 following special resolutions were passed:
Mr. Ramautar Jhawar and Mr. Mahesh Jhawar are Promoters of the company. And are members of the board since the incorporation of the company. Taking into account their contribution to the company and commitment to the well being of the company, the Board at its meeting held on 13th August, 2010 and decided to increase the remuneration of Mr. Ramautar Jhawar and Mr. Mahesh Jhawar.

Postal Ballot:

No Special/Ordinary resolution requiring postal ballot was placed before the last Annual General Meeting.

No Special Resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

E. DISCLOSURES:

Related Party Transactions:

There are no transactions of material nature with Directors/Promoters or any related entity, which will have any potential conflict with the interests of the Company at large except the transactions mentioned under the Section of Notes to Accounts which forms a part of the Auditors' Report for the year ended 31st March, 2011.

Compliance by the Company:

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company has not established the non-mandatory requirement of Whistle Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement. The Company has not implemented the non-mandatory requirements, except the constitution of Remuneration Committee, enlisted by way of annexure to Clause 49 of the listing agreement.

F. MEANS OF COMMUNICATION:

The quarterly results of the Company are published in *Aslan Age (English language)* and *Mumbai Lakshyadeep (Marathi language)*. As the results of the Company are published in the newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as the proceedings of the Annual General Meeting are submitted to Bombay Stock Exchange Limited immediately after the conclusion of the respective meeting. No presentations were made to the institutional investors or to analysts during the year under review.

G. CERTIFICATE ON CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreement, a certificate issued by Mr. Ramesh Mishra, Practicing Company Secretary, regarding compliance with Corporate Governance norms is given as an annexure to this Report.

H. CEO CERTIFICATION:

As required by Clause 49 of the Listing Agreement, the CEO i.e. the Managing Director's declaration on compliance of the Company's Code of Conduct is provided as an annexure to this Report.



DHANLAXMI COTEX LIMITED

I. GENERAL SHAREHOLDERS' INFORMATION:

1. Date, time and venue of Annual General Meeting of Shareholders Friday, 30th September 2011 at 3.00 P.M.
285, 2nd Floor, C.J. House, Princess Street, Mumbai- 400 002.
2. Dates of book closures 21st September, 2011 to 29th September, 2011
(both days inclusive)
3. Financial Calendar Financial Reporting for quarter ended:
(tentative and subject to change) June 30, 2011 : By Mid August, 2011 (September 30, 2011
By Mid November, 2011) (December 31, 2011 :
By Mid February, 2012) (March 31, 2012 :
By Mid May, 2012) (Annual General Meeting for year ended
31st March 2012 – By 30th September, 2012.)
4. Listing on Stock Exchanges Bombay Stock Exchange Limited
5. Stock Exchange Code 512485
6. Demat ISIN No. in NSDL & CDSL INE977F01010
7. Listing fees Paid for year 2011-2012

8. Disclosures regarding appointment or re-appointment of Directors:

Pursuant to the provisions of Sections 255 & 256 of the Companies Act, 1956, Shri Navin Vyas shall retire by rotation in the forthcoming Annual General Meeting. The Board has recommended the re-appointments of the said Directors to the shareholders. The detailed resume of Directors proposed to be re-appointed is provided in the notice of the Annual general Meeting.

9. Stock Market Price Data:

Monthly High and Low at the Bombay Stock Exchange Limited for the financial year ended 31st March 2011:

Month	Open	High (Rs.)	Low (Rs.)	Close(Rs.)	No. of Shares
April, 2010	54.00	72.20	54.00	72.00	1263
May, 2010	72.00	82.65	72.00	82.65	34
June, 2010	81.00	81.00	81.00	81.00	10
July, 2010	80.00	80.95	54.00	54.00	64,861
August, 2010	51.95	51.95	39.50	39.50	63,507
September, 2010*	-	-	-	-	-
October, 2010*	-	-	-	-	-
November, 2010	37.60	37.60	30.90	30.90	340
December, 2010	29.40	29.40	26.65	26.65	150
January, 2011*	-	-	-	-	-
February 2011	25.35	25.35	25.35	25.35	50
March 2011	24.25	24.25	20.85	22.95	237

* No trading was done during the month and hence, the details of the Stock Market Price data have not been produced.



DHANLAXMI COTEX LIMITED

10. Registrar and Share Transfer Agents:

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate, Sakivihar Road,

Saki Naka, Andheri (East), Mumbai 400 072.

TelNo. 28473474/28470653/28473747.

Fax No: 091-022-28475207

E-mail: bigshare@bom7.vsnl.net.in

11. Share Transfer System:

Shares sent for physical transfer are generally registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The Shareholders/ Investors Grievance Committee of the Company meets as and when required.

12. Distribution of Shareholding as on March 31, 2011:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	Amt. in Rs.	% of Total Share Capital
1 - 5,000	1483	80.46	3430760	7.04
5,001 - 10,000	34	7.27	1021100	2.10
10,001- 20,000	76	4.12	1207500	2.48
20,001- 30,000	24	1.30	644000	1.32
30,001- 40,000	6	0.33	227000	0.47
40,001- 50,000	11	0.60	529000	1.09
50,001- 1,00,000	16	0.87	1162500	2.20
1,00,001 & Above	93	5.59	40491640	83.12
Total	1843	100	48713500	100

13. Categories of Shareholding as on March 31, 2011:

Category	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
Promoters	38	2.06	1,329,100	27.28
Nationalized Banks	1	0.05	5,000	0.10
Private Corporate Bodies	22	1.19	958210	19.67
Indian Public	1782	96.69	2579040	52.95
Total	1843	100	4,871,350	100



DHANLAXMI COTEX LIMITED

14. Dematerialization of Shares and liquidity:

The Company has established required connectivity with Central Depository Services (India) Limited and National Securities Depository Limited and the same are available in electronic segment under ISIN No. INE977F01010.

As on 31st March 2011, 10,22,500 Equity Shares representing 20.99% had been dematerialized.

15. Plant Location:

B-2, 15/16 Parvati Co-op. Industrial Estate, Yadrav, Ichalkaranji, Kolhapur, Maharashtra.

16. Outstanding GDR's /ADR's /Warrants or any Convertible Instruments, conversion date and likely impact on Equity:

There are no GDR's / ADR's / Warrants or any convertible instruments pending conversion or any other instrument likely to impact the Equity Share Capital of the Company.

17. Address for Correspondence:

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072

TelNo. 28473474/28470653/28473747.

Fax No: 091-022-28475207

E-mail: bigshare@bom7.vsnl.net.in

CODE OF CONDUCT DECLARATION

Pursuant to Clause 49(D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the year ended on 31st March, 2011.

For and on behalf of the Board

Sd/-

Ramautar Jhavar

Chairman & Managing Director

Place: Mumbai

Date: 13th August, 2011

Registered Office:

285, Princess Street, 2nd Floor,

Chaturbhuj Jivandas House,

Mumbai- 400002



DHANLAXMI COTEX LIMITED

CEO/CFO CERTIFICATION TO THE BOARD

I Certify that I have reviewed the financial statements and the cash flow statement for the year 2010 -11 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the companies affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2010-11 which are fraudulent, illegal or violative of the companies code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee -
 - Significant changes in internal control over the financial reporting during the year 2010-11;
 - Significant changes in accounting policies during the year 2010-11 and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over the financial reporting.

For and on behalf of the Board

Sd/-

Ramautar Jhawar
Chairman & Managing Director

Place: Mumbai
Date: 13th August, 2011

Registered Office:
285, Princess Street, 2nd Floor,
Chaturbhuj Jivandas House,
Mumbai- 400002



DHANLAXMI COTEX LIMITED

PRACTICING COMPANY SECRETARIES CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Dhanlaxmi Cotex Limited

We have examined the compliance of conditions of Corporate Governance by Dhanlaxmi Cotex Limited ("the Company") for the year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As per the records of the Company, there were no investor grievances remaining unattended for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Sd/-
RAMESH MISHRA
F.C.S. No: 5477

Place: Mumbai
Date: 13th August, 2011



DHANLAXMI COTEX LIMITED

AUDITORS REPORT

To the Members

DHANLAXMI COTEX LIMITED

We have audited the attached Balance Sheet of Dhanlaxmi Cotex Limited, as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of written representation received from Directors and taken on record by the Board of Directors, we report that none of the Director is disqualified as at 31st March, 2011 from being appointed as a Director in terms of Clause (g) of Sub - Section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) In the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In the case Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

Place : Mumbai

Date : 13th August, 2011.

For S. G. Kabra & Co.,
Chartered Accountants
(F.R. No. 104507W)

(S. G. Kabra)
Partner
(M.N.38867)



DHANLAXMI COTEX LIMITED

Annexure to Auditors' Report

Referred to in paragraph 2 of our report of even date

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a) As explained to us, Inventories have been physically verified by the management at regular intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect to loans, secured or unsecured, granted or taken by the Company, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. The Company has also not taken any loans during the year.
 - b) In our opinion and according to the information and explanation given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c) In respect of loans taken by the Company, the loan has been repaid by the company and there is no any outstanding.
 - d) There is no overdue amount in respect of loans taken by the Company, as the same are repayable on demand.
2. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
3. In respect of transactions covered under Section 301 of the Companies Act, 1956
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contract or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding Rupees 5,00,000/- or more in respect of each party during the year, have been made at prices which are reasonable having regard to the prevalent market prices at the relevant time.
4. The Company has not accepted any deposits from the public.
5. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
6. The Central Government has not prescribed any maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956. Therefore, the provisions of Clause (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.



DHANLAXMI COTEX LIMITED

7. In respect of statutory dues.

- (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally & regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
- (b) The disputed statutory dues aggregating to Rs. 11.29 lacs have not been deposited on account of matters pending before the concerned authorities are given as under

Name of the Statute	Nature of Dues	A.Y	Disputed Amount (Rs. in lacs)	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	2005-06	11.29	Income Tax Appellate Tribunal

8. The Company has no accumulated losses and has not incurred any cash losses during the financial year under audit or in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, or banks.
10. In our opinion and according to the information and explanation given to us, loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
11. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
12. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
13. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
14. The Company has not raised any term loans during the year. Therefore, clause 4(xvi) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
15. In our Opinion, the funds raised on short term or long term basis have been used for the purpose for which they were raised.
16. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
17. The Company has not raised any money by way of a debenture issue. Therefore, the provisions of Clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company
18. The Company has not raised any money by way of public issue during the year. Therefore, the provisions of Clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company
19. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Place : Mumbai
Date : 13th August, 2011.

For S. G. Kabra & Co.,
Chartered Accountants
(F.R. No. 104507W)

(S. G. Kabra)
Partner
(M.N.38867)



DHANLAXMI COTEX LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

(AMOUNT IN RUPEES)

PARTICULARS	SCHEDULE	AS AT 31/03/2011	AS AT 31/03/2010
<u>SOURCES OF FUNDS</u>			
Shareholders' Funds			
Share Capital	"A"	48713500.00	48713500.00
Reserve & Surplus	"B"	211587638.64	205579079.79
Deferred Tax Liability		697595.00	709297.00
(Refer note 8 of Schedule "I")			
	TOTAL	260998733.64	255001876.79
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	"C"		
Gross Block		2409664.75	3063664.75
Less : Depreciation		1763865.08	1990741.80
Net Block		645799.67	1072922.95
Investments	"D"	62177026.62	60124329.81
Current Assets, loans and Advances	"E"	198229694.34	224532622.74
Less : Current Liabilities and provisions.	"F"	53787.00	30727998.72
	TOTAL	260998733.64	255001876.79
Notes on The Accounts	"I"		

As per our attached report of even date

For and on behalf of the Board of Directors

For S.G.KABRA & CO.
CHARTERED ACCOUNTANTS

S.G.KABRA
Partner
(M.N. 38867)

Place : MUMBAI
Dated : 13th August, 2011.

Sd/-
RAMAUTAR JHAWAR
Chairman & Managing Director

MAHESH JHAWAR
Whole Time Director

NAVIN VYAS
Director



DHANLAXMI COTEX LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(AMOUNT IN RUPEES)

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31/03/2011	FOR THE YEAR ENDED 31/03/2010
BUSINESS INCOME			
Sale of Shares		289026027.18	390855676.19
Interest Income		6909439.00	6659568.07
Dividend Income		2138924.94	1084956.99
Misc. Income		32569.00	0.00
Short Term Investment Profit		0.00	296302.00
Long Term Investment Profit		3586134.63	6127081.67
TOTAL		301693094.75	405023584.92
EXPENDITURE			
Purchase of Shares		262990814.79	385069169.61
Decrease in Stock in Trade	"G"	26458181.48	8694542.12
Expenses	"H"	5244201.35	4285457.32
Depreciation		124989.27	180937.61
TOTAL		294818186.89	398230106.66
PROFIT			
Profit for the year before Taxation		6874907.86	6793478.26
Less : Provision for Taxation		878051.00	881967.00
Add : Deferred Tax Assets Adjustment		11702.00	18499.00
Net Profit /Loss for the year after Taxation		6008558.86	5930010.26
Balance brought forward from Last Year		114566476.78	108636466.52
Balance carried to Balance Sheet		<u>120575035.64</u>	<u>114566476.78</u>

Notes on Accounts

"I"

As per our attached report of even date

For and on behalf of the Board of Directors

For S.G.KABRA & CO.
CHARTERED ACCOUNTANTS

S.G.KABRA
Partner
(M.N. 38867)

Place : MUMBAI
Dated : 13th August, 2011.

Sd/-
RAMAUTAR JHAWAR
Chairman & Managing Director

MAHESH JHAWAR
Whole Time Director

NAVIN VYAS
Director



DHANLAXMI COTEX LIMITED

SCHEDULE "A"

(AMOUNT IN RUPEES)

SHARE CAPITAL	AS AT 31/03/2011	AS AT 31/03/2010
Authorised :		
55,00,000 Equity Shares of Rs.10/- each	<u>55000000.00</u>	<u>55000000.00</u>
Issued, Subscribed & Paid-up :		
48,71,350 Equity Shares of Rs.10/- each fully paid-up in cash	48713500.00	48713500.00
TOTAL	48713500.00	48713500.00

SCHEDULE "B"

(AMOUNT IN RUPEES)

RESERVES & SURPLUS	AS AT 31/03/2011	AS AT 31/03/2010
1. Special Capital Incentive	745930.00	745930.00
2. Investment Allowance Reserve (Utilised)	439673.00	439673.00
3. Securities Premium A/c	89827000.00	89827000.00
4. Profit & Loss A/c	120575035.64	114566476.79
TOTAL	211587638.64	205579079.79



DHANLAXMI COTEX LIMITED

SCHEDULE "C"

FIXED ASSETS

ITEM NO.	COST			DEPRECIATION				NET BLOCK		
	AS ON 01/04/2010	ADDITIONS DURING THE YEAR	SOLD/ADJ. DURING THE YEAR	AS ON 31/03/2011	UP TO 01/04/2010	ADJUSTED DURING THE YEAR	PROVIDED DURING THE YEAR	UP TO 31/03/2011	AS ON 31/03/2011	AS ON 31/03/2010
PARTICULARS										
Air Conditioner	286025.00			286025.00	200937.93		13586.19	214524.12	71500.88	85087.07
Computer	121212.00			121212.00	55336.11		19648.47	74984.58	46227.42	65875.89
Electric Installation	172675.85			172675.85	149531.18		8202.10	157733.28	14942.57	23144.67
Furniture & Fixtures	448403.64			448403.64	433243.03		15100.61	448403.64	0.00	15160.67
Fax Machine	80000.00			80000.00	72863.43		3800.00	76663.43	3336.57	7136.57
Factory Building	832657.26			832657.26	563253.53		27810.75	591064.28	241592.98	269403.73
Leasehold Land	187311.00			187311.00	30914.21		1873.11	32787.32	154523.68	156396.79
Motor Car	699000.00		654000.00	45000.00	339043.00	351866.00	23680.00	10857.00	34143.00	359957.50
Office Equipment	186005.00			186005.00	110515.00		8835.24	119350.24	66654.76	75490.00
Refrigerator	35500.00			35500.00	21796.75		1686.25	23483.00	12017.00	13703.25
Washing Machine	14875.00			14875.00	13307.64		706.56	14014.20	860.80	1567.36
TOTAL	3063664.75	0.00	654000.00	2409664.75	1990741.81	351866.00	124989.27	1763865.08	645799.67	1072922.95
Previous Year	3063664.75	0.00	0.00	3063664.75	1809804.19	0.00	180937.61	1990741.80	1072922.95	1253860.56



DHANLAXMI COTEX LIMITED

SCHEDULE "D"

(AMOUNT IN RUPEES)

SR.		AS AT		AS AT	
NO.	INVESTMENT (AT COST)	31.03.2011		31.03.2010	
	<u>SHARES</u>	<u>QUANTITY</u>	<u>AMOUNT</u>	<u>QUANTITY</u>	<u>AMOUNT</u>
1	Aftek Info Ltd. @ 69.96 Each	13630	953580.00	13630	953580.00
	Aftek Info Ltd. (Bonus)	7565	0.00	7565	0.00
2	Ajay Multi Projects Ltd. @ 2.03 Each	56800	115304.00	56800	115304.00
3	Ashima Ltd. @ 24.35 Each	7000	170419.10	7000	170419.10
4	Adhani Power Ltd. @ 100.00 Each	11833	1183300.00	11833	1183300.00
5	Birmingham Tele @ 4.75 Each	14000	66500.00	14000	66500.00
6	Bombay Burma Ltd.@ 845.19 Each	3201	2705458.96	3201	2705458.96
7	Computech Int. @ 22.71 Each	15000	340695.00	15000	340695.00
8	Crest Com @ 159.67 Each	7315	1167985.65	7315	1167985.65
9	Dhanlaxmi Fabrics Ltd. @ 1.46 Each	347079	508114.74	347079	508114.74
10	DGP Windsor @ 23.56 Each	0	0.00	7000	164920.00
11	Design Auto @ 1.81 Each	10000	18100.00	10000	18100.00
12	Dhar. Morarjee Chem.@ 19.36 Each	9675	187308.00	9675	187308.00
13	Encore Software @ 43.80 Each	14100	617568.05	14100	617568.05
14	Gas Authority of India Ltd. @ 532.57 Each	5000	2662825.60	5000	2662825.60
15	Garden Silk Ind. Ltd. @ 50.92 Each	14389	732701.56	14889	758161.56
16	Grasim Ind. Ltd. @ 60.00 Each	450	27000.00	450	27000.00
17	GTL Ltd. @ 55.05 Each	7516	405090.71	11277	607771.00
18	Gonterm Peip @ 9.17 Each	7651	70166.94	7651	70166.94
19	GTN Textiles Ltd. @ 37.23 Each	5000	186150.00	5000	186150.00
20	GTN Ind. @ 37.23 Each	5000	186150.00	5000	186150.00
21	Hathway Bhaw @ 22.45 Each	3200	71831.00	3200	71831.00
22	HPCL @ 334.82 Each	2000	669630.00	2000	669630.00



DHANLAXMI COTEX LIMITED

23	Hindustan Development @ 5.60 Each	3500	19600.00	3500	19600.00
24	Henkel Spic @ 33.36 Each	0	0.00	12500	409123.70
25	HFCL @ 44.58 Each	23420	1044139.00	23420	1044139.00
26	IBN-18 @ 93.50 Each	2400	224400.00	2400	74400.00
27	Indian Oil Ltd. @ 602.83 Each	7500	4521252.85	7500	4521252.85
28	IOC Ltd. @ 311.51 Each	9000	2803590.00	0	0.00
29	JCT Ltd. @ 13.23 Each	42500	562140.00	42500	562140.00
30	Kohinoor Broadcasting @ 18.01 Each	100000	1801000.00	100000	1801000.00
31	Kesar Enterprises @ 127.36 Each	15626	1990111.66	15626	1990111.66
32	Maral Overseas @ 22.51 Each	10000	225060.00	10000	225060.00
33	Marrs Software (Bonus)	25000	0.00	25000	0.00
34	Mas. Global @ 40.33 Each	23600	951734.80	23600	951734.80
35	Metalman Ind. Ltd. @ 36.60 Each	12990	475466.60	12990	475466.60
36	M R Shares Broking @ 10.00 Each	600000	6000000.00	600000	6000000.00
37	Moschip Semi. Ltd. @ 43.25 Each	22110	956213.10	22110	956213.10
38	MRF Ltd. @ 1331.06 Each	735	973056.84	785	1044880.84
39	Nahar Investments @ 49.68 Each	14925	741534.75	14925	741534.75
40	Nahar Spg. Ltd. @ 56.30 Each	34389	1936061.33	34389	1936061.33
41	Nahar Capital Ltd. @ 56.30 Each	34389	1936061.33	34389	1936061.33
42	Nahar Industry Enterprises @ 73.42 Each	15987	1173719.00	15987	1173719.00
43	NIIT Technology Ltd. @ 280.10 Each	371	104660.00	371	104660.00
44	Orient Info @ 29.85 Each	18660	557001.00	18660	557001.00
45	Raj Rayon @ 38.53 Each	10283	396186.62	10283	396186.62
46	Ram Ratan Wires @ 15.91 Each	0	0.00	11766	187161.08
47	Reliance Industries Ltd. @ 1562.30 Each	1119	1748529.90	1119	1748529.90
48	Reliance Petroleum Ltd. @ 214.44 Each	7500	1608325.00	7500	1608325.00
49	Riga Sugars @ 35.44 Each	7182	253562.00	9682	343087.00
50	Roman Tarmat @ 175.00 Each	292	51100.00	292	51100.00
51	Shonk Techno @ 41.61 Each	7000	291245.00	7000	291245.00



DHANLAXMI COTEX LIMITED

52	Shyam Telelink Ltd. @ 8.45 Each	9170	77512.00	9170	77512.00
53	Striven Multi @ 9.05 Each	3000	27150.00	3000	27150.00
54	SQL Star Ltd. @ 43.90 Each	3000	131686.50	3000	131686.50
55	Sterlite Opticals @ 15.91 Each	4250	61589.00	5750	86954.00
56	Tips Ind. Ltd. @ 23.60 Each	7634	180186.00	7634	180186.00
57	Vardhman Tex @ 220.51 Each	12302	2713959.28	13898	3064712.20
58	Vardhman Tex (Bonus)	8275	0.00	8275	0.00
59	Vardhaman Holdings @ 289.01 Each	3985	1151722.35	3985	1151722.35
60	Ventron Poly @ 3.60 Each	1000	3600.00	1000	3600.00
61	VJIL Consultants @ 18.85 Each	7000	131950.00	7000	131950.00
62	Visu Software @ 211.65 Each	5500	1164094.60	5500	1164094.60
63	Vikram @ 33.74 Each	12850	433539.80	12850	433539.80
64	Videocon Industries Ltd @ 226.20 Each	3000	678607.00	0	0.00
65	V.R.M. Share Broking @ 10.00 Each	350000	3500000.00	350000	3500000.00
66	Weizmen Ltd.@ 39.92 Each	0	0.00	1320	52688.20
67	Wire & WireLess Ltd. @ 9.00 Each	56000	504000.00	56000	504000.00
68	Sundaram BNP PSU Fund	0	5000000.00	0	5000000.00
DEBENTURES					
1	Insilco Ltd. @ 150/-	172	25800.00	172	25800.00
TOTAL			62177026.62		60124329.81

Market Value of Investments :-

(Quoted Shares)	55506297.71	64793859.86
(Unquoted Shares)	9500000.00	9500000.00
(Debentures)	25800.00	25800.00
TOTAL	65032097.71	74319659.86



DHANLAXMI COTEX LIMITED

SCHEDULE "E"

(AMOUNT IN RUPEES)

CURRENT ASSETS LOANS & ADVANCES	AS AT 31/03/2011	AS AT 31/03/2010
A . CURRENT ASSETS :		
1. Closing Stock (Valued & certified by Directors of the company)		
a) Raw Materials	0.00	0.00
b) Stock of Shares	<u>84424146.00</u>	<u>110882327.48</u>
	84424146.00	110882327.48
2. Sundry Debtors for Goods (unsecured considered good)		
a) More than Six Months	162147.00	162147.00
b) Less than Six Months	<u>53476650.74</u>	<u>1899022.06</u>
	53638797.74	2061169.06
3. Cash in hand (as certified & counted by the management)	27214.79	49475.79
4. Bank Balance with Scheduled Banks		
a) In Current Account	<u>1119941.45</u>	<u>4455646.34</u>
	1147156.24	4505122.13
B. LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD)		
1. Loans	36889107.40	82272487.31
2. Advances		
a) Income Tax.	19801450.31	19253402.31
b) Advances recoverable in cash or kind	195.00	14132.00
c) Advances to Customers	<u>0.00</u>	<u>0.00</u>
	19801645.31	19267534.31
3. Deposits	2328841.65	5543982.45
TOTAL	198229694.34	224532622.74



DHANLAXMI COTEX LIMITED

SCHEDULE "F"

(AMOUNT IN RUPEES)

CURRENT LIABILITIES & PROVISIONS	As At 31/03/2011	As At 31/03/2010
A) CURRENT LIABILITIES		
Sundry Creditors for Expenses	35486.00	31449.00
Sundry Creditors for Goods	0.00	266537.72
Outstanding Liabilities	18301.00	12332.00
Advances from Customers	0.00	53787.00
		30417680.00
		30727998.72
B) PROVISIONS		
Provisions for Income Tax	0.00	0.00
TOTAL	53787.00	30727998.72

SCHEDULE "G"

(AMOUNT IN RUPEES)

STATEMENT SHOWING INCREASE/DECREASE IN STOCK	AS ON 31/03/2011	AS ON 31/03/2010
I. CLOSING STOCK		
Shares	84424146.00	84424146.00
	110882327.48	110882327.48
II. LESS : Opening Stock		
Shares	110882327.48	110882327.48
	119576869.60	119576869.60
INCREASE/(DECREASE) IN STOCK	(26458181.48)	(8694542.12)



DHANLAXMI COTEX LIMITED

SCHEDULE "H"

(AMOUNT IN RUPEES)

S.NO.	OTHER EXPENSES	AS ON	AS ON
		31/03/2011	31/03/2010
1	Audit Fees (See Notes)	22060.00	22060.00
2	Advertisement & Exhibition Expenses	11800.00	11650.00
3	Bank & Demat Charges	17712.66	9898.14
4	Company's Contributoin to Provident Fund	163352.00	67404.00
5	Computer Repair Maintinance	15924.00	43274.50
6	Conveyance Expenses	33537.00	49796.00
7	Club / Membership Fees	0.00	3243.00
8	Directors Remuneration	1596000.00	600000.00
9	Filing Fees	2500.00	3000.00
10	Insurance Charge	8712.00	12514.00
11	LIC Keyman Premium	1335942.00	1382213.00
12	Legal & Professional Fees & Administration	117429.00	373425.00
13	Listing Fees & Depository Expenses	26678.00	26638.00
14	Mediclaime Insurance Premium	0.00	32727.00
15	Office Expenses	73528.00	67205.00
16	Office Rent	12000.00	12000.00
17	Printing & Stationery	27779.00	49746.00
18	Postage,Courier & Telegram	7314.00	32880.00
19	Profession Tax	7500.00	7500.00
20	Repair & Maintenance	70342.00	91771.00
21	Staff Salary & Bonus	571248.00	544634.00
22	Staff Welfare	50329.00	52842.00
23	Telephone Expenses	67796.00	80418.02
24	Travelling Expenses	60866.00	0.00
25	Vehicle Expenses	81934.00	119561.00
26	Security Transaction Tax	579784.69	589057.66
27	Donation	115000.00	0.00
28	Loss on Sale of Motor Car	167134.00	0.00
TOTAL		5244201.35	4285457.32



DHANLAXMI COTEX LIMITED

SCHEDULE - "I"

NOTES FORMING PART OF ACCOUNTS

Statements of Significant Accounting Policies :

1. **Fixed Assets** : Valued at Cost.
2. **Depreciation and Amortisation** :
 - a. Depreciation is provided as per straight line method according to the rates specified in Schedule XIV of the Companies Act, 1956.
 - b. The Company writes off Leasehold land over the period of Lease on Straight line basis.
3. **Investments** : Investments are stated at cost.
4. **Inventories** :

Basis of Valuation

Raw Material	:	At Cost
Finished Goods	:	At Cost or Market Value whichever is lower.
Shares	:	At Cost or Market Value whichever is lower.
5. **Sales** :

Sales of Products are recognised as on the date of the Invoices.
6. **Gratuity** :

No provision has been made in the accounts on account of gratuity which are not quantified as it is not applicable.
7. **Basis Of Accounting** :

The Financial Statements are prepared under the Historical cost convention accordance with the requirements of the Companies Act, 1956 and accepted Accounting Standards.

In the opinion of the Management, the Current Assets, Loans & Advances are not less than the value stated, if realised in the ordinary course of Business.
8. **Deferred Tax** :
 - a. The Company has adopted Accounting Standard-22 " Accounting for taxes on Income" with effect from 1st April 2001.

During the current year the Company has a Deferred Tax Assets due to higher depreciation adjusted as per the Companies Act, 1956 compared to depreciation admissible as per the Income Tax Act, 1961 which is credited to the Profit & Loss Account of the current year.
 - b. The break up of net Deferred Tax Liability / Assets on 31st March, 2011 is under.

	(Rs. In Lakhs)
Deferred Tax Liability as on 01.04.2010	7.10
Less : Deferred Tax Assets for the year	0.12
(Difference between book & tax depreciation)	
Net Deferred Tax Liability	6.98

The Deferred Tax balances have arisen principally on account of the timing difference between the depreciation adjusted in account. Though adjustment has been made in term of Accounting Standard 22, having regard to the Normal Capital Expenditure which the Company is expected to continue to make in likely to materialize on account thereof.
9. Figures pertaining to previous year have been regrouped and recast wherever necessary so as to make them comparable with those of the current year.



DHANLAXMI COTEX LIMITED

10. Remuneration to Directors

	(Amount in Rupees)	
	<u>2010-2011</u>	<u>2009-2010</u>
Director Remuneration	1596000.00	600000.00

11. Break up of expenditure of employees

	<u>2010-2011</u> (Rupees In Lacs)		<u>2009-2010</u> (Rupees In Lacs)	
	No. of Employees	Salary & Bonus	No. of Employees	Salary & Bonus
a. Employed throughout the year and in receipt of remuneration of Rs.2400000/- or more.	Nil	Nil	Nil	Nil
b. Employed for part of the year & in remuneration of Rs.200000/- or more	Nil	Nil	Nil	Nil

12. Related Party Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below.

- a. List of related parties with whom the company entered in to transactions during the year in the Ordinary Course of Business.

Associate Companies.

1. Sohanlal Jhawar Family Trust
2. M R Share Broking Pvt. Ltd.
3. V R M Share Broking Pvt. Ltd.

Key Management Personnels and Relatives

1. Ramautar S. Jhawar
2. Mahesh S. Jhawar

- b. Transaction with related parties.

Nature of Transaction	Associates	Rupees In Lacs.	
		Key Management Personnel	Total
1 A. Sale of Shares	789.88	0.00	789.88
B. Sale of Cloth	0.00	0.00	0.00
2 Purchase of Shares	865.61	0.00	865.61
3 Outstanding Balances as on 31/03/2011			



DHANLAXMI COTEX LIMITED

Receivables	452.79	0.00	452.79
Payables	0.00	0.00	0.00
4 Rent	0.12	0.00	0.12
5 Managerial Remuneration		15.96	15.96

13. The Companies main business segment is Investment & Trading in equities which constitutes more than 90% of its turnover and the only geographical segment is India. Consequently the need for separate disclosure as required under Accounting Standard 17 "Segment Reporting" is not considered relevant.
14. Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 could not be furnished as none of the suppliers of the Company have provided the details of their registration under the said Act.
15. As stipulated in AS-28, the Company assessed potential generation of economic benefits from its business units and is of the view that the assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the Contrary and accordingly the management is of the view that no impairment provision is called for in these account.

16. Payment to Auditors :

(Amount in Rupees)

	<u>2010-2011</u>	<u>2009-2010</u>
a. For Audit	12000.00	12000.00
b. For Tax Audit	5000.00	5000.00
c. For Other Matters	2000.00	2000.00
d. Out of Pocket Expenses	1000.00	1000.00
e. Service Tax	2060.00	2060.00
	<u>22060.00</u>	<u>22060.00</u>

17. The Company has taken office premises on lease from Sohanlal Jhavar Family Trust @ Rs.1000/-p.m. at a lease rent and interest free deposit of Rs.300000/-.
18. Additional information pursuant to the provisions of part IV of schedule VI of the Companies Act, 1956 as per annexure 1.

As per our attached report of even date

For and on behalf of the Board of Directors

For **S.G.KABRA & CO.**
CHARTERED ACCOUNTANTS

S.G.KABRA
Partner
(M.N. 38867)

Place : MUMBAI
Dated : 13th August, 2011.

Sd/-
RAMAUTAR JHAWAR
Chairman & Managing Director

MAHESH JHAWAR
Whole Time Director

NAVIN VYAS
Director



DHANLAXMI COTEX LIMITED

Annexure 1 (Refer Note No. 'A' of the Schedule "I")

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information required to be given in pursuance of part IV of Schedule VI of the Companies Act, 1956

I. REGISTRATION DETAILS

Registration No.	:	42280	State	Code	11
Balance Sheet Date	:	31	03	2011	
		Day	Month	Year	

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue	:	Nil
Bonus Issue	:	Nil
Right Issue	:	Nil
Preferential Issue	:	Nil
Private Placement/Others	:	Nil

III. POSITION OF MOBILISATION AND EMPLOYMENT OF FUNDS

Total Liabilities	:	260999
Total Assets	:	260999
SOURCES OF FUNDS		
Paid-up Capital	:	48714
Secured Loans	:	Nil
Reserves & Surplus	:	212281
Unsecured Loans	:	Nil
APPLICATION OF FUNDS		
Net Fixed Assets	:	646
Net Current Assets	:	198176
Accumulated Losses	:	Nil
Investments	:	62177
Misc. Expenditure	:	Nil
Capital Work in Progress	:	Nil

IV. PERFORMANCE OF COMPANY

Turnover	:	301693
Profit Before Tax	:	6875
Earning Per Share (Rs.)	:	0
Total Expenditure	:	294818
Provision for Tax	:	878
Profit After Tax	:	6009
Dividend Rate (%)	:	Nil

V. As the number of equity shares are very large, it is not practical to name them.



DHANLAXMI COTEX LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

A. CASH FLOW FROM OPERATING ACTIVITIES :

(RUPEES IN LACS)

Net Profit before tax and Extraordinary Items	68.75
Adjustments for :	
Depreciation	1.25
Profit on Sale of Investments	(35.86)
Interest From I.T. Refunds	0.00
Interest Income	(69.09)
Loss on Sale of Fixed Assets	0.00
Dividend Recd.	(21.38)
Bank Interest Paid	0.00
	<u>(125.08)</u>

OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES (56.33)

Adjustments For :	
Sundry Debtors	(515.76)
Inventories	264.58
Sundry Creditors	(306.74)
Other Current Assets	480.62
	<u>(77.30)</u>

CASH FLOW FROM OPERATIONS (133.63)

Fringe Benefit Tax Paid	0.00
Direct Tax Paid (including T.D.S.)	(8.78)

Net Cash Flow From Operating Activities

A (142.41)

B. CASH FLOW FROM INVESTING ACTIVITIES :

Purchase of Fixed Assets	0.00
Sale of Fixed Assets	3.13
Purchase of Investments	(20.63)
Interest Income	69.09
Sale of Fixed Assets	0.00
Dividend Received	21.38
Profit on Sale of Investment	35.86
Net Cash Used in Investing Activities	<u>108.83</u>

B



DHANLAXMI COTEX LIMITED

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from issue of Share Capital	0.00
Share Premium	0.00
Proceeds from Short term borrowings	0.00
Repayment of finance/loan liabilities	0.00
Dividend Paid / Bank Interest Paid	0.00

Net Cash Used In Financing Activities	C	0.00
--	----------	-------------

Net Increase in Cash and Cash equivalents (A+B+C)	(33.58)
--	----------------

Cash & Cash Equivalents as at 01.04.2010	
(Opening Balance)	45.05

Cash & Cash Equivalents as at 31.03.2011	
(Closing Balance)	11.47

As per our attached report of even date

For and on behalf of the Board of Directors

For S.G.KABRA & CO.
CHARTERED ACCOUNTANTS

S.G.KABRA
Partner
(M.N. 38867)

Sd/-
RAMAUTAR JHAWAR
Chairman & Managing Director

MAHESH JHAWAR
Whole Time Director

Place : MUMBAI
Dated : 13th August, 2011.

NAVIN VYAS
Director



DHANLAXMI COTEX LIMITED

Registered office : 285 Princess Street, 2nd Floor, Chaturbhuj Jivandas House, Mumbai - 400 002

PROXY FORM

I/We _____ of _____
_____ in the district of _____ being a Member/members of
the above-named Company hereby appoint _____ of _____
_____ or failing him/her _____ in the district of _____
_____ as my / our proxy to attend
and vote for me / us my / our behalf at the Annual General Meeting of the Company to be held on Tuesday, 30th
September, 2011 at 4.00 P.M. At 285 Princess Street, 2nd Floor, Chaturbhuj Jivandas House, Mumbai - 400 002.

Signed this Tuesday, 30th September, 2011

Signature _____

Address _____

Folio No. _____

No. of shares held _____

Affix One
Rupee
Revenue
Stamp

N.B. (1) The Proxy need not be a member.

(2) The Proxy form duly signed and stamped should reach the Registered Office of the Company not less
than FORTY EIGHT hours before the time of the holding the meeting .

DHANLAXMI COTEX LIMITED

Registered office : 285 Princess Street, 2nd Floor, Chaturbhuj Jivandas House, Mumbai - 400 002

ATTENDANCE SLIP

I/We hereby record my/our presence at the 25th Annual General Meeting of the Company At : 285 Princess Street,
2nd Floor, Chaturbhuj Jivandas House, Mumbai - 400 002 on Tuesday, 30th September, 2011 at 4.00 P.M.

Name of the Shareholder _____

Ledger Folio No. _____

Name of Proxy/Representative, if any _____

Signature of the Shareholders/Proxy _____

Representative _____

NOTE : Shareholders / Proxy Holders are requested to bring their Attendance Slip with them and to hand over
it at the gate of the Meeting after their signature.



DHANLAXMI COTEX LIMITED

DHANLAXMI COTEX LIMITED

285, Princess Street,
C.J. House, 2nd Floor,
MUMBAI - 400 002.