

13th
ANNUAL REPORT
2007 - 2008

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BAFFIN
ENGINEERING PROJECTS LIMITED

BAFFIN ENGINEERING PROJECTS LIMITED**DIRECTORS****Mr. Suresh Mutha***Managing Director***Mr. Ashok Chordia***Director***Dr. Ramesh Arora***Director***AUDITORS****M/s. Dhamija Sukhija & Co.**

Chartered Accountant

913-14, Navrang House,

21, K. G. Marg,

New Delhi - 110 001

REGISTERED OFFICE4th Floor, 419, Super Mall,

Near Lal Bungalow, C G Road,

Ahmedabad – 380 006 (Gujarat)

CORPORATE OFFICE

H-58, 5th Floor

Himalaya House

K. G. Marg

New Delhi - 110 001

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BAFFIN ENGINEERING PROJECTS LIMITED**NOTICE**

Notice is hereby given that the 13th Annual General Meeting of the Members of the Baffin Engineering Projects Ltd. will be held on Friday, 31st October, 2008 at 12.30 P.M. at the Hotel President, C G Road, Swastik Cross Road, Ahmedabad 380 006 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th April 2008 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Ashok Chordia, who retires by Rotation and being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.

The present Auditors - M/s Dhamija Sukhija & Co., Chartered Accountants, are holding office till the conclusion of the ensuing Annual General Meeting and offer for re-appointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT subject to the provisions of section 21 and 31 of the Companies Act, 1956 and other applicable provisions, if any, and subject to the approval of Central Government and other competent authorities, as may be required, the name of the Company be changed from 'Baffin Engineering Projects Ltd' to 'Mahodra Industries Ltd'.

RESOLVED FURTHER THAT Clause I of the Memorandum of Association of the Company be substituted with the following new Clause:

- I. The Name of the Company is Mahodra Industries Ltd.

RESOLVED FURTHER THAT the name 'Baffin Engineering Projects Ltd', wherever it appears in the Memorandum of Association and Articles of Association of the Company, be substituted with the new name- 'Mahodra Industries Ltd'.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to agree to such changes/modifications including to any other name as may be suggested by the Registrar of Companies or other competent authority or that may otherwise deem fit by the Board and to take such other steps as may be required to give effect to this resolution."

For and on Behalf of the Board
For BAFFIN ENGINEERING PROJECTS LTD.

Sd/-

SURESH MUTHA
Managing Director

Date : 29th September, 2008
Place : Ahmedabad

NOTES:

- A. APPOINTMENT OF PROXY: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.
- B. Corporate Members: Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.

BAFFIN ENGINEERING PROJECTS LIMITED

- C. Members/ Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E. Book Closure: The Register of Members and Share Transfer Books of the Company remain closed on Thursday, 30th October 2008 and Friday, 31st October 2008 for the purpose of the AGM.
- F. Members are requested to notify any change in their address/ mandate/ bank details immediately to the Company at its Registered Office.
- G. Explanatory Statement: Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 4 is enclosed herewith.
- H. Inspection of Documents: Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 4:**

Members had approved change of name of the company from Baffin Engineering Projects Ltd to Mahodra Industries Ltd by passing Special Resolution through postal Ballot process. In terms of the provision of the Companies Act, 1956 application made to ROC for approval of change of name.

Though, the law permits approval of any business through postal Ballot. Some of the ROC officials were of the opinion that only the specified business could be transacted through postal Ballot. Hence, the Companies Application for change of name is still pending with the Registrar of Companies, Gujarat. Without to the prejudice to the company's stand in this matter, the member approval is again sought by way of proposed resolution in forthcoming AGM.

The company is presently engaged in trading of electronic goods, cables etc and other related activities. The present name of the company Baffin Engineering Projects Ltd. is no more relevant with this activity and does not reflect its business profile. Accordingly, the company proposed to change its name. The proposed name Mahodra Industries Ltd being general in nature will provide ample flexibility to the Company to explore various business avenues. The proposed name starts with the words 'Mahodra' which is one of the names of Lord Ganesh. Your management has firm belief that Lord Ganesh will bring good luck to the Company and giving his blessings to the Company.

In terms of the provisions of the Companies Act, 1956, the proposal is required to be approved by the members by a special resolution.

None of the Directors is concerned or interested in the proposed resolution.

For and on Behalf of the Board
For BAFFIN ENGINEERING PROJECTS LTD.

Date : 29th September, 2008
Place : Ahmedabad

Sd/-
SURESH MUTHA
Managing Director

BAFFIN ENGINEERING PROJECTS LIMITED**DIRECTORS' REPORT**

Dear Members

Your Directors present the 13th Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 30th April 2008.

FINANCIAL HIGHLIGHTS*(Amount in Rs. Lacs)*

Particulars	Financial Year ended 30th April, 2008	Financial Year ended 30th April, 2007
Total Income	757.64	170.63
Total Expenditure	771.84	185.50
Profit/ (Loss) before tax	(14.20)	(14.87)
Provision for tax:		
Fringe Benefit Tax	0.04	0.02
Current Tax	—	—
Deferred Tax	(0.22)	(3.67)
Profit/ (Loss) after tax	(14.02)	(11.21)
Transfer to Reserve	Nil	Nil
Paid-up Share Capital	1,000	1,000

YEAR IN RETROSPECT AND OVERVIEW

This year, the total income of the company was Rs. 757.64 lacs as against Rs. 170.63 lacs in the previous year. There is an increase in total income of the Company by Rs. 587.01 lacs over last year; still company suffered a loss of Rs 14.02 Lacs as against loss of Rs 11.21 Lacs in the previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

The Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

OTHER MATERIAL CHANGES

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company -30th April, 2008 and the date of this Report.

The members approved the following business by passing appropriate resolution through Postal Ballot process, the result that was declared on 30th October 2007:

1. Special Resolution for Change in the Control of Management of the Company and appointing and designating Mr. Suresh Mutha as the promoter of the company;
2. Special Resolution for Appointing and designating Mr. Suresh Mutha as Promoter Director of the Company;
3. Special Resolution for Shifting of the Registered office of the Company from city of Baroda to the city of Ahmedabad in the State of Gujarat;
4. Special Resolution for Shifting of the Registered office of the Company from the state of Gujarat to the NCT of Delhi and consequent alteration in Clause II of the Memorandum of Association of the Company;
5. Special Resolution for Change in the Main Object clause of the Memorandum of Association of the Company; and
6. Special Resolution for Change in the name of the Company to "Mahodra Industries Ltd".

The change of management has been subsequently approved in AGM also. The Company is proposing to pass a resolution for change of name in forthcoming AGM.

Petition for shifting of registered office from Gujarat to Delhi is pending with Hon'ble CLB, Western Bench, Mumbai.

DIVIDEND

In view of loss suffered by the Company, your Directors regret their inability to recommend any dividend.

PUBLIC DEPOSITS

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

BAFFIN ENGINEERING PROJECTS LIMITED**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a. **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.
- b. **Export Activities:** There was no export activity in the Company during the year under review. However, the Company is exploring the opportunities available to the Company in the international market.
- c. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

CORPORATE GOVERNANCE

A Report on Corporate Governance is attached as a part of this Directors Report along with the Auditors' Certificate on compliance of Clause 49 of the Listing Agreement.

DIRECTORS

Mr Mahendra Panchani and Mr Bankim Patel retired from the directorship of the Company in the last Annual General Meeting held on 29th December 2007. Mr. Ashok Chordia retires by rotation and being eligible offers himself for re-appointment. Your directors recommend his re-appointment.

AUDITORS

M/s Dhamija Sukhija & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. In preparation of the annual accounts, the applicable accounting standards have been followed;
- b. 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 30th April, 2008 and of the loss of the Company for the year ended on that date;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. The Directors have prepared the Annual Accounts on a going concern basis.

STOCK EXCHANGE LISTING

Presently, the shares of the Company are listed on the Bombay Stock Exchange and Ahmedabad Stock Exchange Ltd. The Company has already paid the listing fees to both of the stock Exchanges for the financial year 2008-09.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board
For BAFFIN ENGINEERING PROJECTS LTD.

Date : 29th September, 2008
Place : Ahmedabad

Sd/-
SURESH MUTHA
Managing Director

Sd/-
ASHOK CHORDIA
Director

BAFFIN ENGINEERING PROJECTS LIMITED**REPORT ON CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance deals with the laws, procedures and practices, which determine Company's ability to take managerial decisions, and in particular relations with shareholders, customers, suppliers and employees. The objective of Good Corporate Governance is to enhance the long-term shareholders value and maximize interest of other stakeholders. The Company believes that its systems and actions must be dovetailed for enhancing the performance and shareholder's value in the long term.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

2. BOARD OF DIRECTORS

The Board had an optimum combination of Executive, Non Executive and Independent Directors. As on 30th April 2008, the Company had total 3 Directors on the Board, majority being non-executive directors. Mr. Suresh Mutha was the Managing Director of the Company.

Name of the Director & Designation	Category	No. of positions held In other Public Companies		
		Board	Committee	
			Membership	Chairmanship
Mr. Suresh Mutha Managing Director	Promoter and Executive	Nil	Nil	Nil
Mr. Ashok Chordia Director	Non Executive Independent	Nil	Nil	Nil
Prof Ramesh Arora Director	Non Executive Independent	Nil	Nil	Nil

Note: During the year Mr. Suresh Mutha was appointed as managing director of the company for a period of three years w.e.f 1st August, 2007. Mr. J P Saria, Mr. Ashok B Motha and Mr. Ashish Mutha resigned from the Board w.e.f 31st July 2008. Further Mr. Mahendra Panchani and Mr Bankim Patel retired from the directorship of the Company in the last Annual General Meeting held on 29th December 2007.

Directors' Attendance Record

During the Financial Year 2007-08, 9 (nine) meetings of the Board of Directors were held on 30.06.2007, 31.07.2007, 04.09.2007, 27.10.2007, 30.10.2007, 03.12.2007, 31.01.2008, 29.03.2008 and 30.04.2008. The Board was supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Board Meetings held. The intervening period between the Board Meetings was well within the maximum time gap as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 2007-08 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr. Ashoka B Motha	2	1	No
Mr. Suresh Mutha	9	9	Yes
Mr. Ashish Mutha	2	1	No
Mr. Mahendra Pachani	6	Nil	No
Mr. Bankim Patel	6	Nil	No
Mr. Ashok Chordia	9	9	Yes
Mr. J P Saria	2	Nil	No
Prof Ramesh Arora	9	7	No

BAFFIN ENGINEERING PROJECTS LIMITED**Disclosure Regarding Appointment & Re-appointment of Directors in the ensuing AGM**

Mr. Ashok Chordia is proposed to be re-appointed in the ensuing Annual General Meeting. Particulars of Mr. Ashok Chordia as per clause 49 is as below:

Name	Mr. Ashok Chordia
DIN	01511622
Father's Name	Sh. Bhag Chand Chordia
Date of Birth	25-09-1961
Address	B-5, 1st Floor, Capt. Gaur Marg, East of Kailash, New Delhi 110065
Designation	Director
Education	FCA
Experience	24 years of experience in Account & Finance
Companies in which holds Directorship	Mentor Capital Services Pvt Ltd
Companies in which holds membership of committees	Nil
Shareholding in the Company (No. & %)	7800 (0.0078%)

3. AUDIT COMMITTEE**(a) Terms of Reference**

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement. The Audit Committee is responsible for effective supervision of the financial reporting process, ensuring financial and accounting controls and compliance with financial policies of the Company. The other roles and terms of reference of Audit Committee covers areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors from time to time.

(b) Composition

The Audit Committee of the Company comprised of one executive director Mr. Suresh Mutha and two non-executive independent directors Mr. Ashok Chordia and Mr. Ramesh Arora. Mr. Ashok Chordia is the Chairman of the Audit Committee.

Attendance

The Committee met five (5) times during the Financial Year 2007-2008 on 30.06.2007, 31.07.2007, 30.10.2007, 31.01.2008 and 30.04.2008. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	No. of Committee Meeting	Attendance at the Audit Committee Meeting
Mr Ashok Chordia	5	5
Prof Ramesh Arora	5	4
Mr. Suresh Mutha	5	5
Mr. J P Saria*	2	Nil

*Mr. J P Saria resigned from the Board of Directors on 31st July 2008.

4. REMUNERATION COMMITTEE**(a) Composition & Terms of Reference**

The Remuneration Committee has been dissolved by the Board w.e.f 31st July 2008 and will be constituted as and when required.

(b) Meeting & Attendance

During the year 2007-08 no meeting of the Committee was held.

BAFFIN ENGINEERING PROJECTS LIMITED**(c) Remuneration Policy of the Company**

The Managing Director and the Whole Time Director of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 1956. However, at present no remuneration is payable to any Director. Directors are also entitled for the sitting fee for attending Board/ Committee Meeting except the Managing Director and Whole Time Director. However all the Directors of the Company have waived the sitting fee/ remuneration payable to them.

(d) Details of the Directors' Remuneration for the financial year ended 30th April 2008

Name of Director	Sitting fees	Salaries & Perquisites (In Rs.)	Commission, Bonus Exgratia	Total Amount (In Rs.)	No. of Shares held & %
Mr. Ashoka B Motha*	Nil	Nil	Nil	Nil	Nil
Mr. Suresh Mutha	Nil	Nil	Nil	Nil	Nil
Mr. Ashish Mutha*	Nil	Nil	Nil	Nil	Nil
Mr. Mahendra Pachani*	Nil	Nil	Nil	Nil	-
Mr. Bankim Patel*	Nil	Nil	Nil	Nil	-
Mr. Ashok Chordia	Nil	Nil	Nil	Nil	7800 (0.0078%)
Mr. J P Saria*	Nil	Nil	Nil	Nil	-
Prof Ramesh Arora	Nil	Nil	Nil	Nil	Nil

*Since resigned from the directorship.

5. INVESTORS' GRIEVANCE COMMITTEE

- (i) In compliance with the requirement of the Corporate Governance under the Listing Agreement with the Stock Exchange, the Company has constituted an "Investors' Grievances Redressal Committee" to look into issues relating to shareholders including share transfer, complaints, share transmission etc.
- (ii) **Composition:**
The Investor Grievance Committee of the Company comprised of Mr. Suresh Mutha, Mr. Ashok Chordia, Mr. J P Saria as its member. The Committee was re-constituted on 31st July 2007 and presently it comprises of Mr. Ashok Chordia, Prof Ramesh Arora and Mr. Suresh Mutha as member. Mr. Ashok Chordia, a non-executive independent director is the chairman of the Committee.
- (iii) Mr. R K Panda is the Compliance Officer of the Company for this purpose of Clause 47 of the Listing Agreements to look after the compliances under the Listing Agreement and other SEBI Rules & Regulations etc.
- (iv) During the year, the company did not received any complaint from the shareholders. There is no one pending complaints as on 30th April, 2008.

6. GENERAL BODY MEETINGS

Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2007	29.12.2007	Monarchy Hall, Hotel President, C G Road, Swastik Cross Road, Ahmedabad	12.30 PM	2
2006	12.12.2006	E-1/103, Kashi Vishveshwar Township, Jetalpur Road Opposite Khushboo Corner, Baroda 290 007	5.00 PM	Nil
2005	30.09.2005	202, AB, Vyavasae, Urmi Dinesh Mills Road, Akota, Vadodara, 390 007	5.00 PM	Nil