

# **ANNUAL REPORT**

**2010**

**BAFFIN ENGINEERING PROJECTS LTD**

**DIRECTORS**

Mr. Suresh Mutha  
Mr. Ashok Chordia  
Dr. Ramesh Arora

Managing Director  
Director  
Director

**AUDITORS**

M/s Dhamija Sukhija & Co.  
Chartered Accountant  
913-14, Navrang House,  
21, K. G. Marg,  
New Delhi – 110 001

**REGISTERED OFFICE**

FF-9, Devarshi Complex,  
Near Ajanta Apartments  
Surdhara Circle, Thaltej  
Ahmedabad – 380 054  
Gujarat

## **Baffin Engineering Projects Ltd**

Regd. Office: FF-9, Devarshi Complex, Near Ajanta Apartments, Surdhara Circle,  
Thaltej, Ahmedabad- 380 054, Gujarat

---

### **NOTICE**

**Notice** is hereby given that the 15<sup>th</sup> Annual General Meeting of the Members of the Baffin Engineering Projects Ltd. will be held on Saturday, 30<sup>th</sup> October, 2010 at 10.00 A.M. at FF-9, Devarshi Complex, Near Ajanta Apartments, Surdhara Circle, Thaltej, Ahmedabad- 380 054, Gujarat to transact the following business:

#### **Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30<sup>th</sup> April 2010 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 Kumar 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 an **Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956 and the Articles of the Association of the Company, and other applicable provisions, if any, Mr Suresh Mutha was appointed as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> August 2010 on the following terms and conditions:

Designation	: Managing Director
Tenure	: 3 years (from 1 <sup>st</sup> August 2010 to 31 <sup>st</sup> July 2013)
Remuneration	: No remuneration is payable to Mr Suresh Mutha as Managing Director

**Resolved further that** any expense incurred by Mr Suresh Mutha in discharge of his duties as Managing Director of the Company shall be reimbursed to him on actual basis.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Managing Director as it may deem fit and proper.

**Resolved further that** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

For and on Behalf of the Board  
For **Baffin Engineering Projects Ltd**

**Date:** 14<sup>th</sup> September, 2010  
**Place:** New Delhi

**Suresh Mutha**  
**Managing Director**

**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.
- 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 Friday, 29<sup>th</sup> October 2010 and Saturday, 30<sup>th</sup> October 2010 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. 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.
- H. 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.

**Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956**

**Item No. 4:**

Mr Suresh Motha was appointed as the Managing Director of the Company w.e.f. 1<sup>st</sup> August 2007 for a period of three years which was also approved by the member of the company held on 30<sup>th</sup> October 2007. The tenure of his appointment was ended on 31<sup>st</sup> July 2010. The board has reappointed him as Managing Director of the company w.e.f. 1<sup>st</sup> August 2010 subject to the approval of members.

The Board recommends the proposed resolution for the approval of the members.

None of the Directors of the Company except Mr Suresh Mutha is deemed to be interested or concerned in the proposed resolutions.

For and on Behalf of the Board  
For **Baffin Engineering Projects Ltd**

**Date: 14<sup>th</sup> September, 2010**  
**Place: New Delhi**

**Suresh Mutha**  
**Managing Director**

## DIRECTORS' REPORT

### Dear Members

Your Directors present the 15<sup>th</sup> Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 30<sup>th</sup> April 2010.

### Financial Highlights

(Amount in Rs. Lacs)

Particulars	Financial Year ended	
	30 <sup>th</sup> April, 2010	30 <sup>th</sup> April, 2009
Total Income	-	138.73
Total Expenditure	7.80	159.51
Profit/ (Loss) before tax	(7.80)	(20.78)
Provision for tax:		
Fringe Benefit Tax	-	0.03
Current Tax	-	-
Deferred Tax	3.04	(0.15)
Profit/ (Loss) after tax	(10.84)	(20.66)
Transfer to Reserve	Nil	Nil
Paid-up Share Capital	1000	1,000

### Year in retrospect and overview

This year, the total income of the company was Nil as against Rs. 138.73 lacs in the previous year. The company has suffered a loss of Rs 7.80 Lacs as against loss of Rs 20.78 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 30<sup>th</sup> April, 2010 and the date of this Report.

### 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.

## **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 Ashok Kumar Chordia retires by rotation and being eligible offers himself for re-appointment. Your directors recommend his re-appointment.

Mr Suresh Mutha, Director was appointed as a Managing Director of the Company with effect from 1<sup>st</sup> August 2007 for a period of three years. His appointment is subject to the approval of the members of the Company. Appropriate resolution seeking your approval to the aforesaid appointments is appearing in the Notice convening the 15<sup>th</sup> Annual General Meeting.

## **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 30<sup>th</sup> April, 2010 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 2010-11.

## **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:** 14<sup>th</sup> September, 2010  
**Place:** New Delhi

**Suresh Mutha**      **Ashok Kumar Chordia**  
**Managing Director**   **Director**

## 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 30<sup>th</sup> April 2010, 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

### Directors' Attendance Record

During the Financial Year 2009-10, 5 (five) meetings of the Board of Directors were held on 31<sup>st</sup> July, 2009, 14<sup>th</sup> September 2009, 31<sup>st</sup> October, 2009, 30<sup>th</sup> January, 2010 and 30<sup>th</sup> April, 2010. 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 2009-10 are as under: