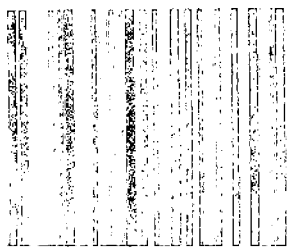


Manufacturers of
Bright Annealed Copper &
Copper Tubes, Rods, Flats & Profiles



BARODA EXTRUSION LTD.

Where Copper takes shape



17TH
ANNUAL REPORT
2007 - 2008

BARODA EXTRUSION LIMITED

BARODA EXTRUSION LIMITED

17th ANNUAL REPORT

2007 - 2008

BOARD OF DIRECTORS

: Mr. Parasmal B. Kanugo
Mr. Chandrakant Khushaldas
Mr. Sanjiv Jain
Ms. Rina G. Patel
Mr. Kesrichand Shah

AUDITORS

: Vijay Parikh & Co.,
Chartered Accountants,
Baroda.

BANKERS

: Bank of Baroda
The South Indian Bank Ltd.
Dena Bank

REGISTERED OFFICE

: Survey No. 65-66, Village Garadiya,
Jarod-Samalaya Road,
Taluka Savli, Dist : Baroda - 391520.

CORPORATE OFFICE

: 102, Pawan Flats,
7, Anandnagar Society,
Productivity Road,
Baroda - 390 005.

ANNUAL REPORT 2007 - 2008

BARODA EXTRUSION LIMITED

NOTICE FOR SEVENTEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of **BARODA EXTRUSION LIMITED** will be held on **Tuesday, the 30th day of September, 2008** at **11.00 a.m.** at the Registered Office of the Company situated at Survey No. 65-66, Village Garadiya, Jarod-Samalaya Road, Taluka Savli, Dist. Vadodara, Gujarat to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit & Loss Account of the Company for the year ended on that date and the report of the Directors' and Auditors' thereon.
2. To Appoint a Director in place of Mr. Chandrakant Khushaldas who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Ms. Rina G. Patel who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint Auditors and fix their remuneration.

NOTES:

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME AT, WHICH THE MEETING IS, SCHEDULED TO BE HELD. THE PROXY FORM IS ATTACHED HEREWITH.
2. The Register of Members and Share Transfer Books shall remain closed from, the 26th September 2008 to 30th September 2008 (both days inclusive)
3. Details of Director Viz. Mr. Chandrakant Khushaldas and Ms. Rina G. Patel being Directors to be reappointed at the ensuing Annual General Meeting are given the Corporate Governance Report and also given herein below.
4. The Company's share are listed on Vadodara and Mumbai Stock Exchanges.
 1. Mumbai Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.
 2. The Vadodara Stock Exchange Association Ltd. Fortune Tower, Sayajigunj, Vadodara.

BARODA EXTRUSION LIMITED

5. Details pursuant to listing agreement regarding Directors to be appointed are as under.

Mr. Chandrakant Khushaldas

Mr. Chandrakant Khushaldas aged around 73 years is M. Sc. (Pure Mathematics) M.Sc. (Fiscal Studies) by qualification. He is holding Directorship in Gujarat Poly-Avx Electronics Ltd. He is a member of Audit Committee and investor Grievance Committee.

Ms. Rina G. Patel

Ms. Rina G. Patel aged 27 years is Graduate in Commerce. She is not holding any directorship in any other company. She is member of Audit Committee of the Board.

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By Order of the Board of Directors
For **Baroda Extrusions Ltd.**,

s/d
Chairman & Managing Director

Registered Office:

Survey No. 65-66, Village Garadiya,
Jarod-Samalaya Road, Taluka Savli, Dist: Vadodara.

Date: 15.07.2008

BARODA EXTRUSION LIMITED**DIRECTORS' REPORT**

To,
The Members of,
BARODA EXTRUSION LIMITED

Your Directors take pleasure in presenting their Sixteenth Annual Report of the business and operations of the company together with the Audited Accounts for the financial year ended 31st March 2008.

FINANCIAL RESULTS :**(Rs. in Lacs)**

	Year ended on 31-03-2008	Year ended on 31-03-2007
Total Income	2341.90	2121.71
Operating Expenses before Depreciation & Financial Charges	2218.58	1931.40
Profit / (Loss) before depreciation & finance Charges	123.32	190.31
Less :		
Finance Charges	55.92	98.63
Depreciation & Write Off	23.17	21.66
Operating Profit for the year	44.23	70.02
Less: Prior period Adjustments	0	469.54
Fringe Benefit Tax	0.73	0.70
Profit for the year	43.50	538.86
Balance of loss Brought Forward	1102.28	1641.13
Balance of loss carried to Balance Sheet	1058.78	1102.28

DIVIDEND :

In view of accumulated losses of previous years, your Directors do not recommend any dividend for the year.

OPERATIONS :

During the year under review, the total income stood at Rs. **2341.90** lacs for the year as against Rs. **2121.71** lacs in the previous year. The Company registered a growth in income by almost 10% during the year 2007-08 as compared to 2006-07. However operating Profit has declined marginally in view of management's policy to focus more on own production rather than undertaking job work activity.

BARODA EXTRUSION LIMITED**DIRECTORS :**

Mr. Chandrakant Khushaldas and Ms. Rina G. Patel are retiring by rotation and seeking reappointment. The brief resume of Mr. Chandrakant Khushaldas and Ms. Rina G. Patel have been enumerated in the Corporate Governance forming part of this report.

FIXED DEPOSITS :

The company has not accepted any deposits as defined under Section 58-A of the Companies Act read with Companies (Acceptance of Deposits) Rules 1975 during the year under review.

AUDITORS :

M/s. Vijay Parikh & Co. Chartered Accountants, Baroda the auditors of the Company, shall retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have furnished a certificate to the effect that their proposed re-appointment if made, will be in accordance with sub-section (1B) 224 of the Companies Act, 1956. You are requested to appoint them and authorize your Directors to fix their remuneration.

AUDITORS' REPORT :

Observation of the Auditors' are self-explanatory and have been appropriately dealt with in the notes on account.

AUDIT COMMITTEE :

During the year the audit committee meetings were conducted as per the provisions of Listing Agreement with the Stock Exchanges. Details about the functioning of the committee, is enumerated in the Corporate Governance forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT :

As required under section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- a) in preparing the Annual Accounts, applicable Accounting Standards have been followed and there are no material departures ;
- 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 the end of the Financial Year and of the profit of the Company for that period.
- c) the Directors have taken proper and sufficient care to the best of their knowledge and ability 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;
- d) the Directors have prepared the Annual Accounts of the Company on a going Concern basis.

BARODA EXTRUSION LIMITED

CORPORATE GOVERNANCE :

In pursuance to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Management Discussion and Analysis Report are given elsewhere and form a part of this Report.

PERSONNEL :

None of the employee is in receipt of remuneration in excess of the ceiling, as prescribed under Companies (Particulars of Employees) Rule, 1975 and hence information as required under section 217(2A) read with Companies (Particulars of Employees) Rule, 1975 and hence the details are not mentioned.

MATTER REQUIRED TO BE REPORTED AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

The particulars of Conversation Energy, Technology Absorption and Foreign Exchange Earning and Outgo prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are furnished in the Annexure to and forming part of this report. The company has not earned nor spends any amount of foreign exchange during the year.

INSURANCE :

All the Plant, Machineries, Buildings and Movable goods are adequately insured.

ACKNOWLEDGEMENT :

Your Directors wish to place on record their sincere thanks for valuable assistance and guidance given by the Bank of Baroda, Dena Bank and The South Indian Bank from time to time. Your Directors also wish to note the dedicated services of all the officers and employees of the Company.

By Order of the Board of Directors
For Baroda Extrusions Ltd.,

s/d
Chairman & Managing Director

Registered Office:

Survey No. 65-66, Village Garadiya,
Barod-Samalaya Road, Taluka Savli, Dist: Vadodara.

Date: 15.07.2008

BARODA EXTRUSION LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

a) Industry Structure and Development:

Baroda Extrusion is engaged in manufacturing of High Quality of EC grade copper for heavy electronics users like for High Voltage Transformers, SFG Switch Gears, Top Gears with melting capacity of 3000 Mt. Per Annum. The Company has also developed quality of international standard and is also planning to export 200 Mt. of its products by 2008.

b) Opportunities and Threats :

1) Strength :

Power Sector is growing by 30% every year and copper is in very high demand. All heavy electrical industries, electrical panel board manufactures electrical switch gears units and manufacturers, sub-miscible pumps needs copper tubes/ flakes/ rods which is the product of Baroda Extrusion.

2) Weaknesses :

Copper prices are increasing in the market; engineering units may find substitute material for copper. But as the conductivity of the copper is very good chances of the substitution are very less.

3) Opportunities :

The demand for the products is growing steadily as there is a considerable gap between demand and supply of extrusion products. This prevailing scenario leaves an opportunity for the company to expand and thereby to utilize the existing manufacturing capacity to a great extent. Even the Export potential for the product manufactured by the company is also very bright provided certain improvement in the technology and the quality of the product is achieved.

4) Threats :

The copper being a high cost raw material as compared to other industries, the requirement for the working capital is comparatively more than the other segments and thereby heavy interest burden affects the desired net margin.

The entry of new player in the industry with improved technology and lower cost.

Upward price revision in copper and brass, which is the basic raw material adversely affects the gross margin.

c) Segment wise performance or product wise performance :

The segment wise report is not furnished as the company is presently engaged in one business segment i.e. copper extrusion.

d) Outlook :

As already mentioned that there is a considerable gap between demand and supply of extrusion products. Even the opportunities for exports is a bright which can be achieved by improving technology and thereby quality of the product. The company is confident that, barring unforeseen circumstances, the profitability of the company would improve in the current financial year.

BARODA EXTRUSION LIMITED**e) Risk and Concerns :**

The operating profit is not being achieved due to fluctuation in copper prices couple with heavy interest burden.

Reduction in production cost as a economy measure and utilization of existing manufacturing capacity by undertaking job work activity would help the company in achieving desired level of profitability.

f) Internal Control Systems and Adequacy :

Your Company is in the process of implementing effective internal control procedures commensurate with the size and nature of business. These procedures would ensure efficient use and protection of the resources and compliance with policies, procedures and statutes. There is procedure of periodically review of the existing internal control system.

g) Discussion on Financial Performance :

During the year under review, the sales has increased by almost 22% compared to previous year 2006-07. However the job work income has declined substantially in view of management's policy to concentrate more on own production for building up the image of the company in the eyes of customers. However in process the operating profit has declined marginally. The director's of the company are hopeful in achieving the desire margin in the future.

h) Human Resources :

Recognizing that people are an important part of the organization, a major exercise in training and development of employees has been undertaken at all levels. The Company gives a lot of importance to Human Resources activities. These activities have helped to retain and motivate employees of the company to face this difficult period.

Report on Corporate Governance :**1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE :**

The Company is welcoming the concept of introducing governance and committed to achieve highest level of Corporate Governance. The Corporate Governance is nothing but transparency, high level of disclosure and fairness and unbiased to the members of the company. To achieve the highest level of Corporate Governance, the Company has well educated, experienced, qualified management team and Board of Directors of the Company effectively monitor the management progress and corporate decisions.

2. BOARD OF DIRECTORS

As per requirements of Corporate Governance, the Board of Directors are consisting of Executive Director as well as Non Executive / Independent Directors.

All the Non-executive Directors are Independent Directors.

BARODA EXTRUSION LIMITED**(i) Composition, Category of Directors and their other Directorships and Membership of Committees :**

Sr. No.	Name of Directors	Category of Directorship	No. of other Directorship	Membership with other Committee		Share Holding %	Amount of Deposit (in Lacs)
				Chairman	Member		
1.	Parasmal Kanugo	Executive Dir.	NIL	NIL	NIL	8.50	NIL
2.	Chandrakant Khushaldas	Non-Executive Director / Independent Dir.	02	NIL	NIL	NIL	NIL
3.	Sanjiv Jain	Non Executive Director / Independent Dir.	NIL	NIL	NIL	NIL	NIL
4.	Rina Patel	Non-Executive Dir. / Ind. Dir.	NIL	NIL	NIL	NIL	NIL
5.	Kesrichand Shah	Non-Executive Dir. / Ind. Dir.	NIL	NIL	NIL	NIL	NIL

ii) Board Meetings held and attendance of Directors during 01-04-2007 to 31-03-2008.

During the year under review, Four Board Meetings were held on

13th April 2007,

17th July 2007,

16th October 2007 and

15th January 2008.

The attendance of each Director at these meetings was as follow:

Directors	No. of Board Meeting Attended	Last Annual General Meeting Attended
Parasmal Kanugo	04	YES
Chandrakant Khushaldas	04	YES
Sanjiv Jain	04	YES
Rina Patel	04	YES
Kesrichand Shah	04	YES