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# **BARODA EXTRUSION LIMITED**

ANNUAL REPORT FOR THE YEAR 2011-2012

**Directors :**

Mr.Parasmal Kanugo

Mr. Chandrakant Khushaldas

Ms. Rina Patel

Mr. Kesrichand Shah

**Auditors :**

M/s.Parikh Shah Chotalia & Associates

Chartered Accountants

**Registered Office :**

Survey # 65-66, Village - Garadiya,

Jarod-Samalaya Road, Taluka - Savli,

Dist. Vadodara, Gujarat, India.

**Registrar & Share Transfer Agents :**

M/s. Purva Shareregistry (I) Pvt. Ltd.

Add: Unit No.9, Shiv Shakti Indl. Estate

J. R. Boricha Marg, Opp. Kasturba Hospital Lane,

Lower Parel (E), Mumbai - 400011

Tel: 022-23016761 / 8261

Email Id: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

# NOTICE

NOTICE is hereby given that Twenty First Annual General Meeting of the Members of the Company will be held on Saturday, the 29<sup>th</sup> day of September, 2012 at 11.00 a.m. 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, 2012 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. Kesrichand Shah who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration.

## SPECIAL BUSINESS

### 4. Sub-division of shares

To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Articles of Association of the Company and Section 94 and all other applicable provisions, if any, of the Companies Act, 1956, (including any amendments thereto or re-enactment thereof) and subject to such approvals, consents, permissions and sanctions, if any, as may be required from the appropriate authorities or bodies, consent of the Members be and is hereby accorded for sub-division of each existing equity share of face value of Rs.10/- (Rupees Ten) of the Company into 10 (Ten) equity shares of face value of Re.1/- (Rupee One) each;

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, the Authorized, issued, subscribed and paid up equity shares of face value of Rs.10/- (Rupees Ten) each, shall stand sub-divided into equity shares of face value of Re.1/- (Rupee one) each, fully paid-up;

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock Exchanges and the Depositories, Reserve Bank of India and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the subdivision of the equity shares as aforesaid or for any matters connected herewith or incidental hereto."

## 5. **Alteration to the Memorandum of Association**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 13, 16, 94 and 95 and all other applicable provisions, if any, of the Companies Act, 1956, (including amendments thereto or re-enactment thereof), the Memorandum of Association of the Company be and is hereby altered as follows:

The existing Clause V of the Memorandum of Association of the Company relating to the share capital be and is hereby altered and amended as under:

**V. The Authorised Share Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores only) divided into 15,00,00,000 (Fifteen Crores) Equity Shares of Re.1/- (Rupee One) each**

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, matters, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard and for any matters connected herewith or incidental hereto.”

**By Order of the Board of Directors**  
**Sd/-**

Place : Dist. Vadodara  
Date : 30<sup>th</sup> August 2012

**(Parasmal Kanugo)**  
**Chairman**

## **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
3. Members are requested to send proxy to the Company at least 48 hours before date of the meeting.
4. The Register of Members and Share Transfer Books shall remain closed from 22nd September 2012 to 29<sup>th</sup> September 2012 (both days inclusive)
5. Details of Director Viz. Mr. Kesrichand Shah being Director to be reappointed at the ensuing Annual General Meeting is given the Corporate Governance Report and also given herein below.

6. The Company's share is listed on Vadodara and Bombay Stock Exchanges.
1. The Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001
  2. The Vadodara Stock Exchange Association Ltd. Fortune Tower, Sayajigunj, Vadodara
7. Details pursuant to listing agreement regarding Directors to be appointed are as under:
- Mr. Kesrichand Shah is 77 years old and is a commerce graduate and having versatile experience in the same kind of industry. Mr. Kesrichand Shah is not holding Directorship or membership of committee in any other company.
8. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item No. 4 to 5 is annexed hereto.
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# ANNEXURE TO THE NOTICE

## Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956

### **Item No. 4:**

The sub-division of equity shares has been proposed in order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors. The Board of Directors at their meeting held on August 09, 2012, recommended sub-division of each existing equity share of the Company of face value of Rs. 10/- into 10 (Ten) equity Shares of face value of Re.1/- each.

As per the provisions of Section 94 of the Companies Act, 1956, approval of the Shareholders is required for subdivision of shares. Hence the resolution as stated above is proposed.

None of the Directors of the Company are in any way interested in the resolution, except to the extent of their shareholding and the shareholding of their relatives in the Company.

Your Directors recommend the above resolution for your approval.

### **Item No. 5 :**

The existing Clause V of Memorandum of Association specifies the Authorised Share Capital of your Company. In view of sub-division of the equity shares, the present Clause V of the Memorandum of Association needs to be amended to reflect sub-division of the equity shares.

As per the provisions of Sections 13, 16 and 94 of the Companies Act, 1956, approval of the Shareholders is required for amending the Memorandum of Association of the Company. Hence the resolution as stated above is proposed.

A copy of the existing Memorandum and Articles of Association together with a copy of the amended Memorandum and Articles of Association are available for inspection by the members of the company at its registered office between 11.00 AM to 1.00 PM on any working day.

None of the Directors of the Company are in any way interested in the resolution, except to the extent of their shareholding and the shareholding of their relatives in the Company.

Your Directors recommend the above resolution for your approval.

**By Order of the Board of Directors**

**Sd/-**

**(Parasmal Kanugo)**

**Chairman**

Place: Dist. Vadodara

Date : 30<sup>th</sup> August 2012

## **DIRECTORS REPORT**

To,  
The Members of,  
**BARODA EXTRUSION LIMITED**

Your Directors take pleasure in presenting their Twenty First Annual Report of the business and operations of the company together with the Audited Accounts for the financial year ended 31<sup>st</sup> March 2012:

### **FINANCIAL RESULTS :**

(Rs. in Lacs)

	<b>Year ended on 31-03-2012</b>	<b>Year ended on 31-03-2011</b>
<b>Total Income</b>	<b>14520.51</b>	<b>9059.82</b>
Operating Expenses before Depreciation & Financial Charges	14316.70	8532.81
Profit / (Loss) before depreciation & finance Charges	203.81	527.01
Less / add :		
Finance Charges	463.90	359.66
Depreciation & Write Off	31.23	27.84
<b>Operating Profit/ (Loss) for the year</b>	<b>(291.32)</b>	<b>139.51</b>
Less: Prior period Adjustments	-	-
Tax Expense	-	56.86
Deferred Tax Liability	(3.90)	3.13
<b>Profit/(Loss) for the year</b>	<b>(287.42)</b>	<b>79.52</b>

### **DIVIDEND:**

In view of loss during the year under review, your Directors do not recommend any dividend for the year.

### **OPERATIONS:**

During the year under review, the manufacturing sales has increased compared to the previous year 2010-11. The tremendous growth in sales is mainly attributed to overall economic development.

The company could not achieve the desired level of net margin due to heavy interest burden as well as low yield due to use of Machinery which is comparatively very old and underutilization of the existing manufacturing capacity. Your directors are concentrating their utmost attention to upgrade the existing machinery to achieve a steady growth in sales and job work activity in the coming years.

#### **DIRECTORS :**

Mr. Kesrichand Shah is retiring by rotation and seeking reappointment. The brief resume of Mr. Kesrichand Shah has 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 Deposit) Rules 1975 during the year under review, except unsecured loans from parties.

#### **AUDITORS:**

M/s. Parikh Shah Chotalia & Associates, 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:**

With reference to qualification of auditors your company has not physically verified the fixed assets during the year under review. Your company states that it has started the process of implementing during current financial year. With reference to qualification of auditors your company has started implementing the system of physical verification of inventory at reasonable intervals in current financial year. The Company is hopeful to recover doubtful debts of Rs. 30347853/- and hence it has not made any provision thereof. The Company has also started implementing cost records as prescribed by Central Government Section 209(1) (d) of the Companies Act, 1956. The company has implemented the system of internal control procedure commensurate with the size of the company in current financial year. Further, repayment of debts of SICOM Ltd. is under negotiation process.



**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.

**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 assets are adequately insured.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their sincere thanks for valuable timely financial assistance. 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 Extrusion Limited**

**Sd/-**

**Parasmal Kanugo  
Chairman & Managing Director**

**Registered Office:**

Survey No. 65 – 66,  
Village Garadiya, Jarod – Samlaya Road,  
Taluka - Savli, Dist. – Vadodara.

Date: 30/08/2012