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12th ANNUAL
2003-2004

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GUJARAT INTRUX LIMITED

Regd. Office :

Survey No. 84/P, 17 km. Rajkot-Gondal Road,

Village : Shapar, Taluka : Kotda Sangani, Dist. : Rajkot - 360 002.



GUJARAT INTRUX LIMITED

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GUJARAT INTRUX LIMITED

BOARD OF DIRECTORS

| | |
|---------------------|-------------------------------------|
| Amrutlal J.Kalaria | Chairman Cum Non-Executive Director |
| Dhiraj D.Pambhar | Wholetime Director |
| Raman D.Sabhaya | Director |
| Dilip.M.Dudhagara | Director |
| Madhubhai S.Patolia | Director |
| Bharat M.Choksi | Director |
| Mahendra K.Sheth | Director |
| Keshavlal H.Patolia | Director |
| Bhupat O.Jadav | Director |
| Bharat M.Sanghavi | Independent Director |
| Yogendra C.Anarkat | Independent Director |
| Gordhan K.Sorathia | Independent Director |

| Registered Office | Auditors | Bankers |
|---|---|--|
| Gujarat Intrux Limited Survey No.84/P., 17 K.M.- Rajkot-Gondal Road, Village: Shapar, Taluka: Kotda Sangani, District.: Rajkot. Phone No: 02827-252851 02827-252852 Fax No : 02827-252854 Email : intrux@icenet.net | H.B.Kalaria & Associates Chartered Accountants 203/204, Alap-A, Limda Chowk, Rajkot. | Dena Bank Para Bazar, Rajkot. IDBI Bank Ltd Dyneswar Paduka Chwok, F.C.College Road, Pune. |

**GUJARAT INTRUX LIMITED****NOTICE**

NOTICE is hereby given that the **TWELVETH ANNUAL GENERAL MEETING OF GUJARAT INTRUX LIMITED** will be held at the Registered Office of the Company at Survey No. 84/p, Rajkot-Gondal Highway, Village :Shapar, Taluka : Kotda Sangani, Dist : Rajkot on Monday the 27th September, 2004 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider, and adopt the Audited Balance Sheet as on 31st March, 2004 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and the Auditors' there on.
2. To Declare a Dividend.
3. To appoint a director in place of Shri Madhubhai S. Patolia, who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Shri Dilipbhai M. Dudhagara, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Bharatbhai M. Choksi, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of Next Annual General Meeting and to fix their remuneration.

Place : Shapar
Date : 30th July, 2004.

By Order of the Board
For, Gujarat Intrux Limited

Amrutlal J. Kalaria
(Chairman)

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APOINT A PROXY, TO ATTEND AND VOTE, INSTEAD OF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.
2. The Proxy form duly executed and stamped should be deposited at Registered office of the Company not later then 48 hours before the time of the meeting.
3. The register of members and Share Transfer Book will remain closed from 22nd Septeber,-2004 to 27th September, 2004 (Both days inclusive)
4. The Members/Proxies are requested to produce the attendance slip duly completed and signed at the entrance of the meeting.
5. Shareholders are requested to bring their copies of Annual Report at the meeting.
6. Members are requested to immediately intimate any change in their address registered with the company to its registered office.

**GUJARAT INTRUX LIMITED****MANAGEMENT DISCUSSION AND ANALYSIS****OVERALL REVIEW:**

Overall Performance of the company compare to last year has been shown growth in terms of sales. Following data shows the same:-

| | |
|--------------------------|-----------------|
| Overall Production | 12.61% Grown Up |
| Overall Turnover (in Rs) | 32.24% Grown Up |
| Domestic Turnover(in Rs) | 14.31% Grown Up |
| Export Turnover (in Rs) | 50.07% Grown Up |

The Main products of the company is Stainless Steel, Alloy Steel and Non-Alloy Steel Castings.

Other Income Rs.37.71Lacs mainly for DEPB Licence Income which is also increase compare to last year due to increased in Export sales.

Earning Per Share is Rs. 5.59

FUTURE OUTLOOK

Management is hopeful for better performance in the forthcoming year. Company has capture potential market share in domestic as well as export market. The Company has achieved production of 100 MT/PM and to enhanced production capacity necessary infrastructure developed and applied to GEB for additional Power Demand from 475 KVA to 750KVA.

SEGMENT WISE PERFORMANCE

The Company has only one segments as its total investment is in Sand Castings only. The Production/Turnover of Alloy Steel, and Non-Alloy Steel Castings is quite higher than Stainless Steel Castings.

OPPORTUNITIES AND THREATS

The Foundry industries is depends upon competition among various segments of manufacturers within country and from manufacturers of outside the country. The Threats of competetion is comparatively less in the products which your company is manufacturing viz. Stainless Steel, Alloy Steel, Non-Alloy Steel castings. The Awareness towards quality product and potentiality of Indian casting in foreign market will provide opportunity to your company to increase its sale and capture more market share.

RISK FACTORS

In Foundry basic raw materials is scrap & ferro alloys. Prices of Scrap and Ferro Alloys are fluctuating, in furtherance electricity and labour cost are also matter of concern. The Company is utilizing some zircon base products for manufacturing, however zircon is at present in crisis which resulted in the price hike of such materials. Fuel (diesel, LPG, Kerocin) is always matter of concern for every industry, now it is more important after decentralization of pricing of the same. Above this competition in the industry is increased, which has made it hard to raise the price of the product through cost of the final product is higher.

Changes in Government Policy, Foreign Exchange rate may affect the company. However, Company is trying to minimize certain risk by taking the steps which are in the hand of the company.

ADEQUACY OF INTERNAL CONTROL

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. Company have a adequate internal control system to ensure that all assets of the company are safeguarded, protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.



GUJARAT INTRUX LIMITED

Company has an internal control system towards achieving efficiency in operations, optimum utilization of resources, effective monitoring, and compliances with applicable laws and regulations.

Company has established Internal Audit Panels by In-house team, to ensure reliability of financial and other records, and to prepare financial statements and other data, and to maintain accountability. Audit Committee of the Board reviews the findings and recommendations of the internal audit Panel.

QUALITY OF PRODUCTS

Company is committed to continuous improvement in quality of the products manufactured by the company. Company has full-fledged laboratory and having a Spectrophotometer for Analysis, having Radiographic facilities, etc. Company has achieved ISO 9000: 2000.

HUMAN RESOURCE AND DEVELOPMENT

Your Company has undertaken certain employees' development initiatives which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Company has also adopted appraisal system & performance review system in some key area. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc.

FOREIGN EXCHANGE AND EXPORTS

During the year 2003-2004 company has earned Foreign Exchange Income of Rs.276.29 Lacs by way of Exports sales. Company Export its products to Israel, U.K., Spain, Germany, U.S.A., and Australia. The company has achieved remarkable growth in the export sale compare to last year. Our marketing team is still making efforts to capturing more export market.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

Place : Shapar

Date : 30th July, 2004

By Order of the Board
For, Gujarat Intrux Limited

Amrutlal J.Kalaria
(Chairman)



GUJARAT INTRUX LIMITED

REPORT ON CORPORATE GOVERNANCE**INTRODUCTION:**

Corporate Governance is very important to built confidence and trust which leads to strong, stable and long term partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange/s is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability. It further Envisages commitment to ensure customer satisfaction through better services and satisfaction of grievances if any, of all its stakeholders and with due concern for social responsibility

2. BOARD OF DIRECTORS:

The Board consists of 12 Directors showing the fair combination of Executive, Non-Executive and Independent Directors. The directors are different in respect of the knowledge and expertise in the field. Some of the directors are professionals from different field; some are having the vast knowledge and experience of marketing/production.

| Name | Non-Executive Executive Independent | No. of other Directorship held | Board meetings attended | Membership in the committee | Chairmanship at the committee | Attended at the last AGM 27th September, 2003 |
|--------------------|---|--------------------------------------|-------------------------------|-----------------------------------|-------------------------------------|---|
| Mr. A. J. Kalaria | Non-Executive /Chairman | 3 | 6 | 3 | 1 | Yes |
| Mr. D. D. Pambhar | Executive | 1 | 6 | 1 | 1 | Yes |
| Mr. R. D. Sabhaya | Non-Executive | 2 | 6 | 2 | Nil | Yes |
| Mr. M. S. Patolia | Non-Executive | 2 | 6 | Nil | Nil | Yes |
| Mr. D.M.Dudhagara | Non-Executive | 1 | 6 | Nil | Nil | Yes |
| Mr. B.M. Choksi | Non-Executive | 1 | 6 | Nil | Nil | No |
| Mr. M. K. Sheth | Non-Executive | Nil | Nil | Nil | Nil | No |
| Mr. K. H. Patolia | Non-Executive | Nil | Nil | Nil | Nil | No. |
| Mr. B. O. Jadav | Non-Executive | Nil | Nil | Nil | Nil | No |
| Mr. Y.C. Anarkut | Independent | Nil | 1 | 2 | 1 | No |
| Mr. B. M. Sanghavi | Independent | Nil | Nil | 1 | Nil | Yes |
| Mr.G. K. Sorathia | Independent | Nil | Nil | 2 | Nil | No |



GUJARAT INTRUX LIMITED

a) Details of the Directors seeking Appointment/Reappointment in forthcoming Annual General Meeting:

| | | | |
|---|---------------------------------|----------------------|----------------------------|
| Name Of Director | Shri M. S. Patolia | Shri D. M. Dudhagara | Shri B. M. Choksi |
| Date of Birth | 02.02.1960 | 24.09.1961 | 19.10.1956 |
| Date of Appointment | 08.01.1992 | 08.01.1992 | 08.01.1992 |
| Expertise is Specific functional Area | Graduate in Chemical technology | Metallurgy Engineer | Business of Gold Ornaments |
| List of Public Limited Companies in which Directorship held | Nil | Nil | Nil |
| Chairman/Member of the committees | - | - | - |
| Chairman/Member of the committees of Directors of other companies | - | - | - |

b) Board Procedures:

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/ approvals are taken at the Meeting of the Board of Directors such as policy information, business plans, budgets, investment opportunities, Statutory Compliance etc.

3. AUDIT COMMITTEE:

The terms of reference of the Audit committee, as specified by the Board, includes the whole as specified in the clause 49 of the listing agreement, including a review of audit procedures and techniques, financial reporting systems, internal control systems and procedures besides ensuring compliance with regulatory guidelines. The committee members are all non-executive and majority being the independent directors, collectively having requisite knowledge of finance, accounts and company law. The reports of the statutory as well as the internal auditors are reviewed along with managements' comments and action-taken reports. The committee comprises Shri Y. C. Anarkat, Chairman (Non-Executive Independent Director), Shri A.J. Kalaria (Non-Executive Director) , Shri Bharatbhai Sanghavi (Non-Executive Independent Director), Shri Gordhanbhai Sorathiya (Non-Executive Independent Director). The Committee met three times during the financial year 2003-04. Shri Y.C. Anarkat and Shri A.J. Kalaria have attended all the three meeting, Shri Bharatbhai Sanghvi has attended one meeting.



GUJARAT INTRUX LIMITED

4. REMUNERATION COMMITTEE:

The Board Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees.

The Committee comprises the following Directors as members:

1. Shri A. J. Kalaria, Chairman - Non-executive Director
2. Shri R. D. Sabhaya, Member - Non-executive Director
3. Shri Y. C. Anarkat, Member - Non-executive Independent
4. Shri B. M. Sanghavi, Member - Non-executive Independent

Shri A.J. Kalaria and Shri R.D. Sabhaya has attended the meeting held on 1st October, 2003.

Details of remuneration paid:

1. Shri Dhiraj D. Pambhar, Whole-Time Director was paid Rs. 9,00,000/- as managerial remuneration during the year 2003-04.
2. No Sitting Fees, Commission or Stock Option has been offered to the Directors during the Year 2003-2004.

5. SHARE TRANSFER AND SHAREHOLDERS GRIEVANCE COMMITTEE

The Board has constitutes a SHARE TRANSFER AND SHAREHOLDERS GRIEVANCE COMMITTEE for the purpose of, effective redressal of the complaints of the shareholders such as Dematerialisation, Share Transfer, Non-receipt of Balance Sheet, Dividend Warrants etc.

Shri D. D. Pambhar, Chairman and Shri A. J. Kalaria, and Shri R. D. Sabhahya are the Members of the Committee. The Committee met often for share transfer and all related matters.

Shri Sanjay Vagadia, Accounts/Secretarial Executive is the Compliance Officer for the above purpose.

6. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given below:

| Financial Year | Date | Time | Venue |
|----------------|------------|------------|---|
| 2000-2001 | 29.09.2001 | 11:00 a.m. | Survey No. 84/p, Rajkot-Gondal Highway, Village : Shaper, Taluka : Kotda Sangani, District : Rajkot-Gujarat - 360 002 |
| 2001-2002 | 27.09.2002 | 11:00 a.m. | Survey No. 84/p, Rajkot-Gondal Highway, Village : Shaper, Taluka : Kotda Sangani, District : Rajkot-Gujarat - 360 002 |
| 2002-2003 | 29.09.2003 | 11:00 a.m. | Survey No. 84/p, Rajkot-Gondal Highway, Village : Shaper, Taluka : Kotda Sangani, District : Rajkot-Gujarat - 360 002 |

Pursuant to the provisions of Section 192 A of the Companies Act, 1956, there was no matter required to be dealt by the Company to be passed through postal ballot.



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7. DISCLOSURES:

- The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has no subsidiary.
- There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.

8. MEANS OF COMMUNICATIONS:

- In compliance with the requirements of the Listing Agreement, the Company is regularly intimates Un-audited/ Audited Financial Results to the Stock Exchange/s immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Ajaka' or in 'Jansata' in Gujarati and 'Indian Express'/'Western Times' or 'Business Standard' in English. Results are not displaying on Website and are not sent individually to the individual to the Shareholders.
- During the year ended on 31st March, 2004, no presentation was made to Institutional Investors or analyst or any other enterprise.
- Management Discussion and Analysis form part of this Annual Report.

9. SHAREHOLDERS' INFORMATION:

| Registered Office | Annual General Meeting | Financial Calander |
|---|--|--|
| Survey No.84/P, 17 K.M.Rajkot-Gondal Road, Village: Shapar, Taluka: Kotda Sangani, Dist: Rajkot Pincode-360 002. | Day: Monday Date : 27th September, 2004 Time : 11.00 a.m. Venue : At the Regd. Office of the Company at Survey No. 84/p, 17 K.M.Rajkot-Gondal Road, Village : Shapar Tal. : Kotda Sangani, Dist. Rajkot. Pincode- 360 002. | 1st Quarter Results : End- July, 2004. Half-yearly Results : End-October, 2004. 3rd Quarter Results : End-January, 2005. Audited yearly Results : End-June, 2005. |
| Book Closure Dates | Listing of Shares on | Stock Code |
| From : Wednesday, 22nd September, 2004 To : Monday, 27th September, 2004. (Both Days inclusive) | 1. The Stock Exchange, Kamdhenu Complex, 1st Floor, Opp. Sahajanand College, Panjara Pole, Ahmedabad-380015. 2. The Sauarashtra Kutch Stock Exchange Popatbhai Sorathia Bhavan, Opp. Sadar Police Chowki, Rajkot-360 001. 3. Bombay Stock Exchange Jeejibhoy Tower, Dalal Street, Mumbai-400 003. | BSE : 517372 ASE : 21290 |