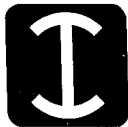




Annual Report 2008-2009

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GUJARAT INTRUX LIMITED

Regd. Office :

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

Village : Shapar, Taluka : Kotda Sangani,

Dist. : Rajkot-360 002. (GUJARAT)

**● INDEX ●**

Contents	Page No.
Company Information.....	02
Notice.....	03
Management Discussion and Analysis.....	05
Report on Corporate Governance.....	07
Certifications by C. E. O. & Chief Financial Officer.....	12
Auditors' Report on Corporate Governance.....	13
Directors' Report.....	14
Auditors' Report.....	17
Balance Sheet.....	20
Profit & Loss Account.....	21
Schedules Forming Part of Balance sheet and Profit & Loss Account.....	22
Cash Flow Statement.....	37
Balance sheet Abstract and General Business Profile.....	38
Proxy Form and Attendance Slip.....	39

BOARD OF DIRECTORS

Raman D.Sabhaya	Chairman cum Non Executive Director
Dhiraj D.Pambhar	Wholetime Director
Amrutlal J.Kalaria	Wholetime Director
Dilip.M.Dudhagara	Wholetime Director
Madhubhai S.Patolia	Director
Bharat M.Choksi	Director
Narendra C.Pithadia	Independent Director
Ramesh M.Bhimani	Independent Director
Bhupat O.Jadav	Independent Director
Gajanan R.Kamat	Independent Director
Yogendra C.Anarkat	Independent Director
Gordhan K.Sorathia	Independent Director

REGISTERED OFFICE

GUJARAT INTRUX LIMITED

Survey No.84/P., 17 K.M.-Rajkot-Gondal Highway, Village: Shapar, Taluka: Kotda Sangani,
District : Rajkot. Phone No: 02827-252851/52 Fax No. : 02827-252854
Email : info@gujaratintrux.com

Auditors		Bankers
H.B.Kalaria & Associates Chartered Accountants 203/204, Alap-A, Limda Chowk, Rajkot.		IDBI Bank Ltd Special Corprate Branch "Amrish", Nr.K.K.V.Hall, Kalawad Road, Rajkot.
ISIN	Registrar & Share Transfer Agent	SCRIPT CODE AT BSE
INE 877E01015	Link Intime India Pvt. Ltd. 211, Sudarshan Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009.	517372

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

NOTICE is hereby given that the **SEVENTEENTH 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 28th September, 2009 at 11.00 A.M.** to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as on 31st March, 2009 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 Final Dividend for the Year 2008-2009.
3. To appoint a Director in place of Shri Bhupat O. Jadav, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Dhiraj D. Pambhar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Raman D. Sabhaya, 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.

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SPECIAL BUSINESS :

7. To consider and , if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:-
"RESOLVED THAT Shri Rameshbhai M.Bhimani, Director appointed as an Additional Director in the meeting of the Board of Directors and who holds office up to the date of ensuing Annual General Meeting and in respect of whom a notice u/s 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Shri Rameshbhai M.Bhimani as candidate for the office of Director of the company be and is hereby appointed as director of the company."
8. To consider and , if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:-
"RESOLVED THAT Shri Narendrabhai C.Pithadia, Director appointed as an Additional Director in the meeting of the Board of Directors and who holds office up to the date of ensuing Annual General Meeting and in respect of whom a notice u/s 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Shri Narendrabhai C.Pithadia as candidate for the office of Director of the company be and is hereby appointed as director of the company."

Place: Shapar (Dist.: Rajkot)

Date: 30th July, 2009.

By Order of the Board Of
Gujarat Intrux Limited

Raman D. Sabhaya
(Chairman)

**GUJARAT INTRUX LIMITED****Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND NEED NOT TO BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE MEETING.
2. To ensure correct identity each member and proxy holders attending meeting is expected to bring with him/her an appropriate ID document like Driving Licence, Passport, Voter ID Card, etc.
3. The register of members and Share Transfer Book will remain close from 21st September, 2009 to 28th September, 2009 (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 who are holding shares in Physical form are requested to intimate any change in their address immediately to the Company's Registrar and Share Transfer Agent LINK INTIME INDIA PVT. LTD., 211, Sudarshan Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380 009 quoting their folio no. Further, please note that in case of members holding shares in demat form, any change(s) required in Address, Bank details, etc. are to be intimated to your DP and not to the Company or our Registrars.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**Item 7**

The Board of Directors have appointed Shri Rameshbhai M. Bhimani as an Additional Director of the company with effect from 30th July, 2009. Shri Rameshbhai M. Bhimani holds the office up to the date of ensuing Annual General Meeting.

As required under section 257 of the Companies Act, 1956 notice has been received by the company from the members of the company signifying their intention to propose Shri Rameshbhai M. Bhimani as the candidate for the office of director of the company. The Company has also received the deposit of Rs. 500/- in respect of the candidate, from the said member as required under act.

The Board of Directors recommend his appointment as the director.

None of the directors except Shri Rameshbhai M. Bhimani is in any way concerned or interested in passing of the resolution.

Item 8

The Board of Directors have appointed Shri Narendrabhai C. Pithadia as an Additional Director of the company with effect from 30th July, 2009. Shri Narendrabhai C. Pithadia holds the office up to the date of ensuing Annual General Meeting.

As required under section 257 of the Companies Act, 1956 notice has been received by the company from the members of the company signifying their intention to propose Shri Narendrabhai C. Pithadia as the candidate for the office of director of the company. The Company has also received the deposit of Rs. 500/- in respect of the candidate, from the said member as required under Act.

The Board of Directors recommend his appointment as the director.

None of the directors except Shri Narendrabhai C. Pithadia is in any way concerned or interested in passing of the resolution.

Place: Shapar (Dist: Rajkot)

Date: 30th July, 2009.

By Order of the Board Of
Gujarat Intrux Limited

Raman D. Sabhaya
(Chairman)

**MANAGEMENT DISCUSSION AND ANALYSIS****OVERALL REVIEW:**

During the year 2008-2009 in overall industries and almost all sectors faced slowdown in growth and reflected in lower industrial production that has also affected our company, however management have tried to develop export potential and increased export sales in the year. In the year even though production reduced, Sales reduced but Margin almost Maintained by the company.

Particulars	Year: 2008-09	Year: 2007-2008	% wise Up/Down
Production(in MT)	1026	1330	22.85% Down
Export Sales (Rs in Lakhs)	1256.00	1178.49	06.57% Up
Domestic Sales(Rs.in Lakhs)	1000.89	2002.82	50.02% Down
Total Sales(Rs.in Lakhs)	2256.89	3181.31	29.06% Down
Other Income(Rs.in Lakhs)	87.32	99.67	12.39% Down
Earning Per Share	7.06	9.69	27.14% Down
Dividend %	10%	10%	-

FUTURE OUTLOOK

The Expansion related work majority completed and company has installed Big induction furnace of 1500Kgs and 3000Kgs crucibles. Now company can also manufacture bigger sizes of castings. For Plant make fully equipped still Sand Plant, Knock-out machine and spectrophotometer are yet to purchase. The procurement process is under pipeline. The company has started to develop new customers for bigger castings but due to current situation of market, capacity not utilized.

The company is mainly manufacturing castings for Valves, Pumps and Earthmoving industries, but due to recession in global market all these sectors are badly affected and demand has decreased. The performance of our company also depends on all those criteria. However, company is making efforts to capture castings market of other industries also.

To match with current situation and maintain profit margin your company is making continuous efforts for higher margin items/products.

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 company has setup basic infrastructure of manufacturing castings up to 2000Kgs single piece and enhanced capacity of plant from 150MT to 300MT per month, but at the same time due to recession in market affected. The demand growth and recovery in market situation can achieve company's target and utilize maximum of capacity.

The fluctuation in raw material prices, foreign exchange, and business competitors may affect the company, but maintaining high quality standards and continual improvement towards quality will lead company to survive against those factors.

RISK FACTORS

The basic raw material is Steel and M.S. Scrap & Ferro Alloys and Prices of Scrap and Ferro Alloys are fluctuating. The Cost of Fuel (i.e. LPG, Diesel), Electricity and Labour are also matter of concern.

Above this competition in the industry is increased, which has made it hard to raise the price of product though cost of the final product is higher.

The 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 company.



GUJARAT INTRUX LIMITED

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 has an adequate internal control system to ensure that :

- all assets and resources are acquired economically, used efficiently and are adequately protected;
- significant financial, managerial and operating information is accurate, reliable and is provided timely; and
- all internal policies and statutory guidelines are complied with.

The Company has an Audit Committee, which regularly reviews the reports submitted by Internal Audit team. Company has an internal control system towards achieving efficiency in operations, optimum utilization of resources, effective monitoring, and compliances with applicable laws and regulations.

The Company has appointed **Deloitte Touche Tohmatsu India Pvt Ltd, Baroda** for Internal audit of the company 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 by Deloitte.

QUALITY OF PRODUCTS

As a part of continual improvement in quality of the products manufactured by the company,

The company has ISO 9001: 2000 and in process for ISO 9001: 2008. The company has PED certificate, AD-2000 Merkblatt W O certificate, and DNV approval certificate.

HUMAN RESOURCE AND DEVELOPMENT

Your Company has undertaken 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 2008-2009 company has earned Foreign Exchange Income of Rs.1256.00 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 (Dist. : Rajkot)

Date : 30th July, 2009

For and on behalf the Bord of
Gujarat Intrux Limited

Raman D. Sabhaya
(Chairman)



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 strongly 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:

(i). Board Composition

The Board of Directors of your company consist of twelve directors as under:-

-Chairman being Non-Executive Director.

-Three Wholtime Directors.

-Two Non Executive Directors.

-Six Independent Directors (being ½ of the Board of Directors).

-No Director is related to any directors in the Board of Directors.

-None of the directors have any business relationship with the company.

-None of directors received any loans and advances from company during the year.

(ii). Attendance at the Board meetings/last AGM, Directorship and Chairmanship in other Board/Board Committees:

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 26th September, 2008
R. D. Sabhaya	Non-Executive/ Chairman	2	7	2	1	Yes
D. D. Pambhar	Executive	1	7	2	1	Yes
A. J. Kalaria	Executive	2	7	1	Nil	Yes
D.M.Dudhagara	Executive	2	7	Nil	Nil	Yes
M. S. Patolia	Non-Executive	2	7	Nil	Nil	Yes
B.M.Choksi	Non-Executive	1	6	Nil	Nil	Yes
M. K. Sheth *	Non-Executive	Nil	Nil	Nil	Nil	No
K. H. Patolia *	Non-Executive	Nil	Nil	Nil	Nil	No
B. O. Jadav	Independent	Nil	Nil	Nil	Nil	No
Y.C. Anarkat	Independent	Nil	2	2	1	No
G. K. Sorathia	Independent	1	2	2	Nil	Yes
G.R.Kamat	Independent	Nil	Nil	1	Nil	No
N.C.Pithadia **	Independent	Nil	N.A	NIL	Nil	No
R.M.Bhimani**	Independent	Nil	N.A	NIL	Nil	No

*Ceased as director due to resignation.

**Appointed as Additional Director as on 30.07.2009.

None of the directors on the board is a member of more than 10 committees or chairman of more than 5 committees as specified in clause 49, across all the companies in which he is directors. The Director have made necessary disclosure regarding committee positions held in other public limited company.

**GUJARAT INTRUX LIMITED****III) Details of the Directors seeking Appointment/Re-appointment in forthcoming Annual General Meeting:**

Name Of Director	Shri. B. O. Jadav	Shri D.D. Pambhar	Shri R. D. Sabhaya	Shri N. C. Pithadia	Shri R. M. Bhimani
Date of Birth	23-07-1956	23-03-1957	27-02-1959	04-02-1956	23-03-1962
Date of Appointment	08-01-1992	08-01-1992	08-01-1992	30-07-2009	30-07-2009
Expertise is Specific functional Area	Photography & Development	Overall Daily Production	Quality Assurance & Production Activities	Photography Bussiness Activities	Construction Business
List of Public Limited Companies in which Directorship held	Nil	Nil	Nil	Nil	Nil
Chairman/Member of the committees	-	2	2	NIL	NIL
Chairman/Member of the committees of Directors of other companies	-	-	-	-	-

(IV) NUMBER & DATES OF BOARD MEETINGS/DATE OF LAST AGM:

- (a). Seven Board meeting were held during the year and gap between two meeting did not exceed Four months. The last Annual general meeting was held on 26th September, 2008.
- (b). Necessary information has been placed before the board for their consideration.

3. AUDIT COMMITTEE:

I. The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the listing agreement and in Section 292 of the Company Act, 1956. Brief description of the terms of reference of the audit committee are as follows:-

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required the replacement or removal of the statutory auditor and fixation of audit fees, and also approval for payment of any other services rendered by the statutory auditors.
- Discussion with statutory auditors before the audit commences about nature and scope of audit as well as postaudit discussion to ascertain any area of concern.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particulars reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on exercise of judgment by management.
 - Significant adjustments made in financial statements arising out of audit findings.
 - Compliance with Listing and other legal requirements relating to financial statements.
 - Disclosure of any related party Transactions
 - Qualification in the draft audit report.
- Review the adequacy of internal audit report.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking in to the reasons for substantial defaults in payments to the shareholders and creditors.

II. COMPOSITION OF AUDIT COMMITTEE

The Audit committee of the Board consist Four Non-Executive Directors. Shri Y.C. Anarkat, Chairman is chartered accountant and having adequate financial and accounting qualification and expertise.

The Other members of the audit committee i.e. Shri Gordhanbhai Sorathia (Non-Executive Independent Director) Shri G.R. Kamat (Non- Executive Independent Director) and R. D. Sabhaya (Non-executive Director and chairman of the company) also has knowledge relating to finance.

During the year five meeting were held and all the directors have attended all the meeting except Shri G. R. Kamat who attended 3 meetings.

**GUJARAT INTRUX LIMITED****Whistle Blower Policy**

The Audit Committee is continuously verifying the Whistle Blower Policy which provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the exiting Code of Conduct of the company, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. Under the Policy, each employee of the Company has an assured access to the Ethics Counsellor/Chairman of the Audit Committee.

4. REMUNERATION COMMITTEE:**I. BRIEF DESCRIPTION OF TERMS OF REFERENCE**

The Broad terms of reference of Remuneration Committee are as follows:-

- to determine and recommend to the Board of Directors the remuneration package of Whole Time Directors.
- to approve, in the event of loss or inadequate profits in any year, minimum remuneration payable to the Whole time directors within the limits and to the parameters prescribed in Schedule XIII to Companies Act, 1956.

II. COMPOSITION OF REMUNERATION COMMITTEE

The Remuneration Committee of the Board as on 31st March, 2009 comprised three members namely Shri R.D. Sabhaya, Chairman (Non Executive Director), Shri G. K. Sorathia (Non Executive Independent Director), Shri D.D. Pambhar (Executive Director). During the year one meeting was held and all the members have attended the meeting.

III. REMUNERATION POLICY

The remuneration of the Whole Time Directors is determined by the Board within the statutory limits subject to the shareholder's approval in a General meeting on the basis of recommendation of the remuneration Committee.

Details of Remuneration for the financial year ended 31st March, 2009 to the Wholetime Directors are given below:-

Name of Directors	Category	Salary Per Annum	Period of Appointment
D.D.Pambhar	Whole Time Director	Rs.15,00,000	Five Years w.e.f. 01.04.2007
A.J.Kalaria	Whole Time Director	Rs.15,00,000	Five Years w.e.f. 01.10.2007
D.M.Dudhagara	Whole Time Director	Rs.15,00,000	Five Years w.e.f. 01.10.2007

Details of Remuneration for the financial year ended 31st March, 2009 to the Non Executive Directors are given below:-

Name of Directors	Category	Sitting Fess
R.D.Sabhaya	Non-Executive Director	Rs.4000
B.M.Choksi	Non-Executive Director	Rs.6000
M.S.Patolia	Non-Executive Director	Rs.6000

5. SHARE TRANSFER AND SHAREHOLDERS GRIEVANCE COMMITTEE:**I.COMPOSITION OF THE COMMITTEE**

The Shareholders'/Investors grievance committee of the Board as on 31st March, 2009 comprised Three members namely Shri D. D. Pambhar (Executive Director), Chairman, Shri A. J. Kalaria (Executive Director) And Y.C.Anarkat (Non executive Independent Director).

During the year the committee met two times and all the members were attended the meeting.

II. BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

The terms of reference of the committee are to look in to redressal of shareholders'/investors' complaints relating to non-receipt of notices, share certificates, annual reports, dividends, transfer of shares, dematerialization of share and other grievances.

III. NAME AND DESIGNATION OF THE COMPLIANCE OFFICER

Mr.Sanjay Vagadia Accounts and Secretarial Executive GUJARAT INTRUX LIMITED Survey No.84/P., 17 K.M.Rajkot-Gondal Road, Village: Shapar Dist: Rajkot-360 002.

6. GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Venue
2005-2006	28.09.2006	11:00 a.m.	Survey No. 84/p, Rajkot-Gondal Highway, Village : Shapar, Taluka : Kotda Sangani, District : Rajkot-Gujarat - 360 002
2006-2007	28.09.2007	11:00 a.m.	Survey No. 84/p, Rajkot-Gondal Highway, Village : Shapar, Taluka : Kotda Sangani, District : Rajkot-Gujarat - 360 002
2007-2008	26.09.2008	11:00 a.m.	Survey No. 84/p, Rajkot-Gondal Highway, Village : Shapar, 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.