

24<sup>th</sup> Annual Report 2015-2016



**GUJARAT INTRUX LIMITED**



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## **BOARD OF DIRECTORS**

Ramankumar D. Sabhaya	Chairman cum Non-Executive Director
Dhiraj D. Pambhar	Managing Director
Amrutlal J. Kalaria	Non-Executive Director
Dilipbhai M. Dudhagara	Non-Executive Director
Madhubhai S. Patoliya	Non-Executive Director
Bharatkumar M. Dhorda	Non-Executive Director
Narendrabhai C. Pithadia	Independent Director
Rameshbhai M. Bhimani	Independent Director
Mahendra K. Sheth	Independent Director
Gajanan R. Kamat	Independent Director
Gordhan K. Sorthia	Independent Director
Rina L. Adhiya	Independent Director

## **KEY MANAGERIAL PERSONNEL**

Shri Dhiraj D. Pambhar	Managing Director
Sanjay J. Vagadia	Chief Financial Officer
Jay K. Rathod	Company Secretary & Compliance Officer

## **STATUTORY AUDITORS**

**Chandabhoy & Jassoobhoy**  
Chartered Accountants  
605 / 606 / 607, Silver Okas,  
Nr. Mahalaxmi Char Rasta, Paldi,  
Ahmedabad-380 007.

## **SECRETARIAL AUDITORS**

**M/s. K. P. Rachhh & Co.**  
Company Secretaries  
317, Krishna Con Arch-2,  
Tagore Road, Rajkot-360 002.

## **REGISTRAR & SHARE TRANSFER AGENT**

**Link Intime India Pvt. Ltd.**  
303, 3<sup>rd</sup> Floor, Shoper's Plaza-V,  
Opp. Municipal Market,  
Off. C. G. Road, Navrangpura,  
Ahmedabad-380 009.  
Phone No. : 079-26465179

## **STOCK EXCHANGE DETAILS**

**Bombay Stock Exchange Limited**  
Script Code: 517372  
ISIN: 877E01015  
**Ahmadabad Stock Exchange Limited**  
Script Code: 21290

## **BANKERS**

**IDBI BANK LIMITED** Special Corporate Branch,  
"Amrish", Nr. KKV Hall, Kalawad Road, Rajkot.

## **REGISTERED OFFICE & WORKS**

**GUJARAT INTRUX LIMITED**  
Survey No. 84/p., 17 K.M. Rajkot-Gondal Road,  
Village : Shapar, Taluka : Kotda Sangani, District : Rajkot  
PIN 360 024, Gujarat. (India)  
**Phone No. :** 02827-252851/52, Fax No. 02827-252854  
**Website :** [www.gujaratintrux.com](http://www.gujaratintrux.com)

## **INVESTOR RELATIONS EMAIL IDs.**

[info@gujaratintrux.com](mailto:info@gujaratintrux.com)  
[jay.r@gujaratintrux.com](mailto:jay.r@gujaratintrux.com)

**CIN : L24129GJ1992PLC016917**



## NOTICE

**NOTICE** is hereby given that the **TWENTY FOURTH ANNUAL GENERAL MEETING OF GUJARAT INTRUX LIMITED** will be held at the Registered Office of the Company at Survey No. 84/p, 17 K.M. Rajkot-Gondal Road, Village : Shapar, Taluka : Kotda Sangani, Dist.: Rajkot-360 024 on Friday the 23<sup>rd</sup> September, 2016 at 11:00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To Receive, consider, approve and adopt the Audited Financial Statements of 31<sup>st</sup> March, 2016 and the reports of the Board's and the Auditors' there on.
2. To appoint a Director in place of Mr. Ramankumar D. Sabhaya, (DIN 00569058) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Dhiraj D. Pambhar, (DIN 00187371) who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Statutory Auditor of the Company and to fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the appointment of M/s. Chandabhoy & Jassoobhoy & Co., having Firm Registration No. 101648W, Chartered Accountants, who were appointed as Statutory auditors of the Company to hold office from Annual General Meeting concerning of the financial year 2013-14 till the conclusion of the Annual General Meeting concerning of the financial year 2016-17, after receiving a recommendation in this regard from the Audit Committee and pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, be and are hereby ratified and confirmed as Statutory Auditors of the Company to carry out statutory audit for the financial year 2016-17, at a remuneration as may be recommended by the Audit Committee and fixed by the Chairman in consultation with the Auditors, plus applicable service tax and re-imbursement of traveling and out of pocket expenses incurred by them for the purpose of audit."

### SPECIAL BUSINESS:

5. Re-appointment of Mr. Dhiraj D. Pambhar, (DIN 00187371) as Managing Director of the Company :

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, approval of the members of the Company be and is here by accorded to re-appointment of Mr. Dhiraj D. Pambhar (DIN-00187371), Managing Director of the Company with effect from November 01, 2015 to October 31, 2020 without any remuneration and liable to retire by rotation and Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Dhiraj D. Pambhar.

RESOLVED FURTHER THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required."

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ALSO 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 INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.



A person can act a Proxy on behalf of Members not exceeding fifty in numbers and holding in the aggregate not more than ten percent of the total share capital of the Company carrying Voting Rights. A member holding more than ten percent of the total share capital of the Company carrying Voting Rights may appoint a single person as Proxy for his/her entire shareholding and such person shall not act as a Proxy for another person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. The relevant Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under item no.5 is annexed hereto. Brief profiles of directors to be appointed is attached to this report as **Annexure 01 of Board's Report**.
4. The Register of member and Share Transfer Book of the Company will remain closed from 16th September, 2016 to 23rd September, 2016 (Both days inclusive) in connection with the Annual General Meeting.
5. In terms of the provisions of Section 124 of the Companies Act, 2013 (Corresponding Section 205 of the Companies Act, 1956) the amount of dividend not encashed or claimed within 7 (seven) years after date of transfer to the unpaid dividend account will be transferred to the Investor Education and Protection Fund established by the government accordingly.
6. Members who have neither received nor encashed their dividend warrant(s) from the financial year 2008-09 to 2014-15, are requested to write to the Company or Company's Registrar and Share Transfer Agent LINK INTIME INDIA PVT. LTD., 303, 3rd Floor, Shoper's Plaza-V, Opp. Municipal Market, Off. C.G. Road, Navrangpura, Ahmedabad-380009. Ph. : 079-26465179 mentioning the relevant Folio number or DPID and Client ID, for issuance of duplicate/revalidated dividend warrant.
7. To ensure correct identity of each member and proxy holders attending meeting is expected to bring with him/her an appropriate ID document like Driving License, Passport, Voter ID card, etc.
8. The Members/Proxies are requested to produce the attendance slip duly completed and signed at the entrance of the meeting.
9. Shareholders are requested to bring their copies of Annual Report at the meeting.
10. 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., 303, 3rd Floor, Shoper's Plaza-V, Opp. Municipal Market, Off. C.G. Road, Navrangpura, Ahmedabad-380009, 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 Registrar.
11. In terms of circular issued by the Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of Pan Card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, and transmission of share and transposition of shares. Shareholders are requested to furnish copy of Pan Card for all above mentioned transactions.
12. Members having any questions on accounts are requested to send their queries at least 10 days in advance to the Company at its registered office address to enable the Company to collect relevant information.
13. The Route Map for Venue of 24th Annual General Meeting is given separately in this report.
14. Voting through electronic means :

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting by electronic means and the business may be transacted through e-voting service provided by CDSL :



- I. The voting period begins on 20-09-2016 at 10:00 a.m. and ends on 22-09-2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16-09-2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The Instructions for members for voting electronically are as under :

In case of members receiving e-mail :

- (i) Log on to e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "GUJARAT INTRUX LIMITED" from the drop down menu and click on "SUBMIT".
- (iv) Now enter your user ID
  - a. For CDSL : 16 digit beneficiary ID
  - b. For NSDL : 8 character DPID followed by 8 digits Client ID
  - c. Members holding shares in physical forms should enter Folio Number registered with the Company.
- (v) Next enter the image verification as displayed and click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is given in the Address sticker. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- (xi) Click on the EVSN for the relevant GUJARAT INTRUX LIMITED on which you choose to vote.
  - (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiii) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take out print of the voting done by you by clicking on “click here to print” option on the voting page.
  - (xvii) If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. **iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively** Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) Note for non-individual shareholders and custodians.
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving login details a compliance user should be created using the Admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any; in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and evoting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- II. Mr. Kalpesh P. Rachchh of M/s. K. P. Rachchh & Co., Practicing Company Secretary (Membership no. FCS 5156) (Address : 317 Krishna Con Arch -2, Tagore Road, Rajkot 360 002, Gujarat) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- III. The Result shall be declared within two days of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and communicate to the Stock Exchange.

## EXPLANATORY STATEMENT

Explanatory Statement pursuant to section 102 of the Companies Act, 2013:

### Item No. 5

The Term of Mr. Dhiraj D. Pambhar as Managing Director of the Company has expired on 31-10-2015 and as such on the recommendation of Nomination and Remuneration Committee and pursuant to provisions of



## GUJARAT INTRUX LIMITED

196,197,198,203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof ) read with Schedule-V of the Companies Act, 2013, Board of Directors of the Company has re-appointed Mr. Dhiraj D. Pambhar as Managing Director of the Company w.e.f. 01-11-2015 to October 31, 2020 for a period of 5 years with no Remuneration and subject to liable by retire by rotation.

Pursuant to provision of section 196(4), the Re-appointment of Managing Director and the terms and conditions of such Re-appointment approved by Board is also required to be approved by Members of the Company and as such your Directors recommend the resolution as at Item No. 5 for your approval.

Except Mr. Dhiraj D. Pambhar, None of the Directors and/or Key Managerial Personnel of the Company and their relatives are interested in the Resolution.

for and on behalf the Board of  
**Gujarat Intrux Limited**

**Ramankumar D. Sabhaya**  
**(Chairman)**  
DIN: 00569058

Place : Shapar (Dist.:Rajkot)  
Date : 28<sup>th</sup>July, 2016





### OVERALL REVIEW:

Particulars	Year:2015-2016	Year:2014-2015	% wise Up/Down
Production(in MT)	1107.58	1588.01	30.25% Down
Export Sales (Rs. In Lakhs)	1480.82	1569.71	5.67% Down
Domestic Sales (Rs. In Lakhs)	2913.81	4867.05	40.13% Down
Total Sales (Rs. In Lakhs)	4394.63	6436.76	31.72% Down
Other Income (Rs. In Lakhs)	31.27	34.22	8.62% Down
Earnings Per Share	1.01	9.42	89.27% Down
Dividend %	-	10%	-

## FUTURE OUTLOOK

## SEGMENT WISE PERFORMANCE

## OPPORTUNITIES AND THREATS

The Company's exports, which constitutes around more than 34% of its turnover, give rise to market risk exposure related to change in foreign exchange rates, Interest rates, raw material prices and other market factors. The competitors may affect adversely.

## RISK FACTORS

(1) Economic Risks                      (2) Foreign Exchange Risks                      (3) Industrial Risks.

The Risk mitigation process reviewed by Audit and Risk Management Committee of your company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company also have safe working environment with prescribed safety standards which are periodically reviewed. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. The Company has well documented policies, procedures and authorization guidelines commensurate with the level of responsibility and Standard Operating procedures specific to the 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 provided timely; and
- All internal policies and statutory guidelines are complied.



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

## QUALITY OF PRODUCTS

Your Company has continued emphasis on Research & Development. A dedicated Quality Assurance ("QA") team is monitoring product quality. The CAPEX has been incurred towards quality improvement and product innovation.

The Company is manufacturing *Quality Castings* by making continual improvement in manufacturing process.

## HUMAN RESOURCE AND DEVELOPMENT

Your Company believes that the employees are one of the most valuable assets of the Company. During the year under review, the Company organized various programs at all level to enhance skill of the employees. The Company gives special attention towards human relation development.

Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out, etc.

The company also have safe working environment with prescribed safety standards which are periodically reviewed which builds the trust.

## CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to conduct its business in a socially responsible manner, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company. The CSR activities are focused on *empowering kindness* programs. Under this program your company has contributed in the health care and education sector recently at Rajkot Locality.

## EXPORTS

Export turnover of the Company remains level compare to last year, moreover our marketing team taking steps to boost up export of the Company.

## 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.

for and on behalf the Board of  
**Gujarat Intrux Limited**

**Ramankumar D. Sabhaya**  
**(Chairman)**

DIN: 00569058

Place : Shapar (Dist.:Rajkot)

Date : 28<sup>th</sup> July, 2016

## REPORT ON CORPORATE GOVERNANCE

### INTRODUCTION

Corporate Governance is very important to build confidence and trust which leads to strong, stable and long term relation with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance as incorporated in Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements), (i.e. LODR), 2015 is as follows :

#### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company has been adhering to principles of Corporate Governance by conducting its affairs in transparent manner with regularity, responsibility and accountability.