

# **Annual Report 2013 - 2014**



**Elgi Rubber Company Limited**

# Elgi Rubber Company Limited

## Annual Report 2013 - 2014

### Chairman & Managing Director

Sudarsan Varadaraj

### Non Executive Directors

Dr Jairam Varadaraj

Suresh Jagannathan

M D Selvaraj

P Vijay Raghunath

Vidyasankar Bhuvanewari

### Key Managerial Personnel

Sudarsan Varadaraj

(Chairman & Managing Director)

SR Venkatachalam

(Vice President Finance - CFO)

C Shankar

(Company Secretary)

### Head Office

2000, Trichy Road  
Coimbatore - 641 005  
Tamilnadu

### Bankers

State Bank of India  
Commercial Branch  
Coimbatore

### Registered Office

2000, Trichy Road  
Coimbatore - 641 005  
Tamilnadu  
CIN : L25119TZ2006PLC013144

### Auditors

Reddy, Goud & Janardhan  
Chartered Accountants  
Bangalore

### Plants

Kanjikode, Palakkad  
Annur, Coimbatore  
Kurichi, Coimbatore  
Kovilpalayam, Coimbatore  
Thimmavaram, Chengalpattu  
Colombo, Sri Lanka  
Nairobi, Kenya  
Lorena, SP, Brasil  
Luling, Texas, USA  
Maastricht, The Netherlands  
New South Wales, Australia

### Internal Auditors

MS Jagannathan & Viswanathan  
Chartered Accountants  
Coimbatore

M Ramakrishnan  
Chartered Accountant  
Coimbatore

### Registrar & Share Transfer Agent

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg  
Bhandup (West)  
Mumbai - 400 078

### Registrar & Share Transfer Agent - Branch Office

Link Intime India Private Limited  
"Surya", 35, May Flower Avenue  
Behind Senthil Nagar  
Sowripalayam, Coimbatore - 641 028

## Directors' Report

The Board of Directors take pleasure in presenting the 8th annual report and the audited accounts for the year ended March 31, 2014. The Management Discussion and Analysis (MD & A) Report have been included at the appropriate places in this report.

### Abstract of the Financial Results of the Company

	(Rs. in million)	
	2013-2014	2012-2013
<b>Profit before depreciation and tax</b>	<b>259.99</b>	<b>268.96</b>
Less : Depreciation	50.92	36.30
<b>Profit before taxation</b>	<b>209.07</b>	<b>232.66</b>
Less: Provision for taxation	51.63	52.13
(Add) / Less: Provision for deferred tax	6.20	3.22
<b>Profit after tax</b>	<b>151.24</b>	<b>177.31</b>
Add: Opening surplus	932.76	812.94
Add: Dividend distribution tax of earlier year return back		3.85
<b>Profit available for appropriation</b>	<b>1,084.00</b>	<b>994.10</b>
<b>Appropriation</b>		
General reserve	15.12	17.73
Proposed dividend	18.52	40.04
Dividend distribution tax	-	3.57
<b>Balance surplus carried to balance sheet</b>	<b>1,050.36</b>	<b>932.76</b>

### Dividend

The directors recommend a dividend of INR 0.37 per equity share of INR 1.00 each. This comes to INR 18.52 million. The dividend will be paid, upon approval by the members of the Company at the ensuing annual general meeting to the registered members, who are in the register of members as on the book closure date and in respect of the dematerialised shares, dividend will be paid to the beneficial owners based on the list provided by the depositories.

### Review of Operations and Future Outlook

During the year under review, the Company recorded sales of INR 1442.86 million as against INR 1407.32 million in the previous year. The company earned a net profit of INR 151.24 million as against INR 177.31 million in the previous year.

The Indian Subsidiaries, Treadsdirect Limited and Titan Tyrecare Products Limited achieved sales of INR 1670.88 million and INR 45.66 million respectively during the year under review. The revenue from windmill operations increased to INR 35.41 million from INR 33.63 million in the previous year recording an increase of 5%.

There was only marginal improvement in overall sales due to global economic slowdown. The decrease in input costs was inadequate to offset the increases in employee, depreciation and overhead costs. Hence the margins were lower.

In February 2014, the Company commenced manufacture of buffing rasp blades, with the installation and commissioning of a state of the art furnace and relocated two presses at Kovilpalayam in September 2013 at total cost of INR 72.75 million.

The Company acquired the entire business of its wholly owned subsidiary Titan Tyrecare Products Limited with effect from 01.09.2013 consisting of manufacture of retreading machineries and a 100% EOU division engaged in manufacture of brazed carbide products for a consideration of INR 169.63 million.

During the year under review, two hydraulic presses were installed at Annur and new moulds were procured at a total cost of INR 20.62 million.

The Karur facility manufacturing tyre repair units was shifted to Annur in order to consolidate operations.

The wholly owned subsidiary Treadsdirect LLC, USA acquired the assets of Western states manufacturing company Inc which was engaged in manufacture and distribution of tyre repair and related products.

The Company has successfully retreaded aircraft tyres for the Indian Airforce on commercial basis in November 2013.

The Company expects to have considerable growth in sales and profitability in future on account of substantial capital investments made during the year.

### Risk and Concerns

The company does not face any risks other than those that are prevalent in the industry. The company has taken all possible steps to overcome such risks. The main concerns are the volatility in raw material prices and fluctuations in foreign exchange rates. Effective

planning in raw material purchasing and the ability to pass on raw material price increases have minimised the risk relating to the volatility in raw material prices. Foreign exchange fluctuation risk is minimised through proper planning and natural hedging.

As a part of the overall risk management strategy, all assets are appropriately insured.

### **Internal Control Systems**

Quarterly Internal Audit is carried out by an independent firm of Chartered Accountants and the observations are reported to the management. Immediate steps are taken to rectify any discrepancies. All significant audit observations are discussed in the audit committee meetings.

### **Human Resources and Industrial Relations**

The Company continues to enjoy a cordial relationship with all its employees. The employee count as on March 31, 2014 is 306.

### **Subsidiaries**

The consolidated financial statements presented in this annual report include financial results of all the subsidiary companies. The details of the Subsidiary Companies are furnished in the statement pursuant to section 212 of the Companies Act, 1956.

### **Directors**

The Board of Directors, at their meeting held on 31<sup>st</sup> July, 2014, have appointed Ms Vidyasankar Bhuvaneswari as an Additional Director of the Company and she holds office upto the ensuing Annual General Meeting. Further, the Board has recommended the appointment of Ms Vidyasankar Bhuvaneswari as the Independent Director and accordingly necessary Resolution has been included in the Agenda of the Notice convening the Annual General Meeting.

Further, the Board of Directors, at their meeting held on 31<sup>st</sup> July, 2014, has recommended the appointment of Mr Suresh Jagannathan, Mr P Vijay Raghunath and Mr M D Selvaraj, as the Independent Directors of the Company for a period of 5 consecutive years. Accordingly, necessary Resolution(s) proposing their appointment(s) has been included in the Agenda of the Notice convening the Annual General Meeting.

Dr Jairam Varadaraj, Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

### **Auditors**

Pursuant to the Section 139 of Companies Act, 2013 read with the Company (Audit and Auditors) Rules, 2014, the present auditors, M/s. Reddy, Goud and Janardhan, Chartered Accountants, Bangalore, is recommended for appointment as Statutory Auditors of the Company to hold the office for 3 years from the conclusion of the ensuing Annual General Meeting till the conclusion of 11<sup>th</sup> Annual General Meeting of the Company. Further, such appointment is liable to ratification by the members of the company at every annual general meeting during their tenure of office.

### **Directors' Responsibility Statement**

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that they have

1. In the preparation of the annual accounts, followed the applicable accounting standards and there are no material departures.
2. Selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit of the Company for the financial year.
3. Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. Prepared the annual accounts on a going concern basis.

### **Other Information**

Particulars as required by Section 217(1) (e) of the Companies Act, 1956, relating to Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo are provided as an annexure to this report. There are no employees who are in receipt of remuneration exceeding the specified limit as notified by the Government.

The Company has not accepted any fixed deposits and hence there were no unclaimed fixed deposit as on 31.03.2014.

### **Corporate Governance**

A separate report on the compliance with Clause 49 of the Listing Agreement with the Stock Exchanges and the Auditor's Certificate on the compliance form part of this report.

### **Cautionary Statement**

Statements in this report, especially those relating to MD & A giving details of company's objectives, projections, estimates and expectations may be construed as "forward looking statements" within the realm of applicable laws and regulations. Actual results are liable to differ materially from those either expressed or implied.

### **Acknowledgement**

The Directors thank the Company's customers, vendors, investors, business associates and bankers for their support to the Company. The Directors also wish to place on record their appreciation of the contributions made by all the employees towards the growth of the Company

## Annexure to Directors' Report

### A. Conservation of energy

#### a. Energy conservation measures taken

Energy conservation is an on-going process

#### b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy

There are no significant proposals

#### c. Impact of the measures taken in (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

No significant reduction

#### d. Total energy consumption per unit of production

Not applicable

### B. Technology absorption

#### e. Efforts made in technology absorption

##### i. Research and Development (R & D)

##### 1. Specific areas in which R & D is carried out by the Company

Improvements in products and processes

##### 2. Benefit derived as a result of above R & D

Increase in orders from new markets

##### 3. Future plan of action

No significant plans

##### 4 Expenditure on R & D

Rs. in Million

a. Capital	:	Nil
b. Recurring	:	9.15
c. Total	:	9.15
d. Total R & D expenditure as a percentage of total turnover	:	0.63 %

##### ii. Technology absorption, adaptation and innovation

Not applicable

### C. Foreign exchange earnings & outgo

#### f. Activities relating to exports; initiatives taken to increase exports, development of new export markets for products and services and export plan

The Company is constantly and consciously planning to penetrate unexplored markets to improve its international market share.

#### g. Total foreign exchange earned and used

Foreign exchange earned : Rs. 251.73 million

Foreign exchange used : Rs. 38.38 million

For the Board of Directors

Coimbatore  
31.07.2014

Sudarsan Varadaraj  
Chairman & Managing Director

**Report on Corporate Governance – Annexure to Director's Report**  
**(In compliance with Clause 49 of the Listing Agreement)**

**1. Company's Philosophy on Corporate Governance**

The Company's philosophy on corporate governance is to ensure that its obligations are discharged in a fair and transparent manner and to enhance the value to all its stakeholders through sound and professional governance. The company has adopted a code of conduct for its non - executive directors.

**2. Board of Directors**

- The board of directors of the company comprises of an Executive Chairman & Managing Director and five Non - Executive Directors (out of which four directors are independent directors). None of the directors on the board is a member of more than 10 committees or chairman of more than 5 committees across all companies in which he is a director. Necessary disclosure regarding committee positions in other public companies as on March 31, 2014 have been made by the directors.
- The composition of the directors and their attendance in the board meetings during the year and at the last annual general meeting, and also the number of the other directorships are as follows

Name of the Directors	Category of Directorship	Attendance Particulars		No. of other Directorship held in Public Companies*	No. of Committee positions held in all Companies #	
		Board	AGM		Chairman	Member
Sudarsan Varadaraj	Chairman & Managing Director - Promoter	5	Yes	7	1	2
Dr. Jairam Varadaraj	Non Executive Director - Promoter	1	No	8	-	4
MD Selvaraj	Non Executive Director - Independent	6	Yes	2	2	-
Suresh Jagannathan	Non Executive Director - Independent	2	No	3	-	2
P Vijay Raghunath	Non Executive Director - Independent	6	No	1	1	1

\* Directorships in foreign companies and private companies have not been considered.

# Only audit committee and share transfer committee are considered.

Sudarsan Varadaraj, Chairman & Managing Director and Dr Jairam Varadaraj, Director are related to each other. None of the other directors are related.

Six board meetings were held during the year and the gap between the meetings did not exceed four months. The date on which the board meetings were held are as follows

Sl No	Date of Board Meeting	No. of Directors Attended
1	17.05.2013	5
2	03.07.2013	3
3	31.07.2013	4
4	21.10.2013	3
5	16.01.2014	2
6	21.01.2014	3

**3. Audit Committee**

The Audit Committee has been constituted by the Board of Directors of the Company, on January 06, 2011, with three Non-Executive Independent Directors and all such members of the Committee possess knowledge in the fields of accounts, finance and allied areas. The quorum for the meeting is minimum of two Independent Directors.

The role, powers and functions of the committee are as per section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreement with the stock exchange. The terms of reference of this committee are as required by SEBI – under clause 49 of the listing agreement. Besides having access to all the required information from within the company, the committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the company. It is authorised to select and establish accounting policies, review reports of the statutory and the internal auditors and meet with them to discuss their findings, suggestions and other related matters. The Committee is empowered to recommend the appointment and remuneration payable to the statutory auditors.

During the year under review the committee met 4 times on May 14, 2013, July 31, 2013, October 21, 2013 and January 21, 2014.

The composition of the audit committee and particulars of meetings attended by the members of the audit committee are given below

Name	Category	No. of Meetings during the year 2013 - 2014	
		Held	Attended
MD Selvaraj (Chairman)	Non Executive Director – Independent	4	4
Suresh Jagannathan (Member)	Non Executive Director – Independent	4	2
P Vijay Raghunath (Member)	Non Executive Director – Independent	4	4

The representatives of both Statutory and Internal Auditors of the Company and the Vice President Finance of the Company attend the committee meetings. Company secretary and compliance officer act as secretary of the audit committee. The minutes of the audit

committee meetings are circulated to the board, where it is discussed and duly recorded. The committee considered and reviewed the accounts for the year 2013 – 2014, at their meeting held on May 19, 2014 before it was placed in the board.

The Board of Directors of the Company, at their meeting held on 19<sup>th</sup> May 2014, have revised the terms of reference of the Audit Committee in conformity with the provisions of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

#### 4. Remuneration Committee

- i. The Remuneration Committee consists of the following Non-Executive Independent Directors as its members
  - a. MD Selvaraj - Non Executive Independent Director
  - b. Suresh Jagannathan - Non Executive Independent Director
  - c. P Vijay Raghunath - Non Executive Independent Director
- ii. The Committee is responsible for the appointment of, determining the compensation payable to the Executive and Non - Executive Directors and other responsibilities specified in the Section 178 read with the Schedule V of Companies Act, 2013 and the Companies (Meeting of Board and Its powers) Rules, 2014.
- iii. No Committee meetings were held during the year under review.
- iv. M D Selvaraj, Director of the Company is the Chairman and C Shankar, Company Secretary of the Company is the Secretary of the Committee.
- v. The Board of Directors of the Company, at their meeting held on 19<sup>th</sup> May 2014, have renamed its Remuneration Committee as “Nomination and Remuneration Committee” and have also revised the terms of reference of the said Committee in conformity with the applicable provisions of Section 178 of the Companies Act, 2013 read with the amended Clause 49 of the Listing Agreement.

Details of remuneration paid to the directors for the year ended March 31, 2014 are as follows

##### a. Executive Directors

Remuneration paid to Managerial personnel during the year is given below

Name	Position	Total Remuneration (in Rs.)	Service Contract
Sudarsan Varadaraj	Chairman & Managing Director	4,032,000	For a period of 5 years w.e.f. 01.01.2011

Remuneration includes salary & Company's contribution to provident fund.

##### b. Non Executive Directors

Sitting fees for attending board / committee meetings paid to non executive directors are given below

Name of the Directors	Sitting Fees Paid (in Rs.)
Dr Jairam Varadaraj	10,000
MD Selvaraj	1,00,000
Suresh Jagannathan	40,000
P Vijay Raghunath	1,00,000

The Company does not pay any remuneration to its non executive directors except sitting fees for attending the board / committee meeting(s) during the year.

##### c. The Company does not have any Employee Stock Option Scheme.

##### d. Shareholdings of Non Executive Directors

Name of the Director	No. of Shares held (as on March 31, 2014)
Dr Jairam Varadaraj	141,750
MD Selvaraj	116

None of the other non executive directors are holding any shares in the Company. There has been no materially relevant pecuniary transaction or relationship between the Company and its non executive independent directors during the year.

#### 5. Share Transfer & Stakeholders Relationship Committee

The Company has constituted Share Transfer & Investors' Relation Committee with majority of Independent Directors, to look into the redressal of complaints of investors such as transfer / transmission of shares, non receipt of dividend warrants and to approve transfers, transmissions, consolidation and splitting of share certificates and to make necessary endorsements on the share certificates.

The committee had met 24 times during the year 2013 – 2014. The composition of Share Transfer & Investors Relations Committee and the attendance of the members in the meeting are as given below

Name of the Directors	Category	No. of Meetings Attended
MD Selvaraj - Chairman	Non Executive Independent Director	24
Sudarsan Varadaraj - Member	Chairman & Managing Director	11
P Vijay Raghunath - Member	Non Executive Independent Director	24

C Shankar is Company secretary and compliance officer of the Company. The minutes of the Share Transfer & Stakeholders Relationship Committee were placed before the board meeting for due ratification and approval.



During the year, the Company had received five complaints from the shareholders and all of them were resolved satisfactorily by furnishing the requisite information / documents to the shareholders.

The Board of Directors of the Company at their meeting held on 19<sup>th</sup> May 2014, have renamed its Share Transfers and Investors' Relations Committee as "Stakeholders Relationship Committee" and have also revised the terms of reference of the said Committee in conformity with the applicable provisions of Section 178 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement.

#### Unclaimed Suspense Account

Pursuant to Clause 5A of the listing agreement, the Company had transferred 273,958 Unclaimed shares to Elgi Rubber Company Limited Unclaimed Securities Suspense Account, opened with SBICAP Securities Limited.

The claimed details of the Unclaimed Securities Suspense Account is given below

Unclaimed Shares as on 01.04.2013		Shares claimed during the year		Unclaimed Shares as on 31.03.2014	
No. of Share Holders	No. of Shares	No. of Share Holders	No. of Shares	No. of Share Holders	No. of Shares
222	273,958	2	2,884	220	271,074

The voting rights of the shares lying in the Unclaimed Securities Suspense Account will remain frozen till the rightful owner claims the shares.

#### Investors' complaints

The Company has attended to the investors' grievances and correspondence within a maximum period of 5 days from the date of receipt of the same during the year 2013 – 2014. There were no outstanding complaints as on March 31, 2014.

#### Number of shares transferred during 2013 - 2014

Physical transfers	: 235 Nos. constituting 318,226 shares
Transmission	: 7 Nos. constituting 11,309 shares
No. of pending share transfers / demat requests as on March 31, 2014	: NIL
Average turn around time	: 10 days for transfer / transmission of physical shares.
Bad deliveries received	: NIL

#### Management Discussion and Analysis Report

The contents of the Management Discussion and Analysis Report have been included in the Directors' Report at the appropriate places and thus the said report forms part of the annual report.

### 6. Annual General Meetings

Location and time where the last three annual general meetings were held and details of the special resolutions passed.

Details of meeting	Date of meeting	Time of meeting	Venue of meeting	Special Resolutions
Annual General Meeting 2010 - 2011	16.08.2011	3.00 P M	Siruthuli, Noyyal Life Centre, Sungam Bye Pass Road, Coimbatore - 641 045	Appointment of Sudarsan Varadaraj as Chairman & Managing Director of the Company.
Annual General Meeting 2011 - 2012	13.08.2012	3.00 P M	Siruthuli, Noyyal Life Centre, Sungam Bye Pass Road, Coimbatore - 641 045	Nil
Annual General Meeting 2012 - 2013	12.08.2013	3.00 P M	Siruthuli, Noyyal Life Centre, Sungam Bye Pass Road, Coimbatore - 641 045	Nil

No extra ordinary general meeting was held during the financial year 2013 - 2014.

#### Postal ballots

During the year there were no ordinary or special resolutions passed by the members through Postal ballot. As required under Clause 35B of the Listing Agreement, the company has proposed to provide e-voting /postal ballot (in-lieu of e-voting) in respect of all resolutions to be passed at ensuing Annual General Meeting.

### 7. Disclosures

#### i. Disclosures on materially significant related party transactions

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large. (Kindly refer to the notes forming part of accounts for details of related party transactions.)

#### ii. Details of non compliance by the Company, penalties, strictures imposed on the company by stock exchange or SEBI or any Statutory Authorities or any matter relating to capital markets during the last three years

The Company has complied with all the requirements of the listing agreement of the stock exchange as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets during the last year.



### iii. Notes on Whistle Blower Policy

The Company has adopted a whistle blower policy and has established necessary mechanism for employees to report concerns about unethical behaviour. Any employee if he/she so desires, would have free access to meet the Audit Committee/Senior level management and report any matter of concern.

### iv. Details of compliance with mandatory requirements and adoption of the non mandatory requirements of clause 49 of Listing Agreement

The Company has complied with all the mandatory requirements of corporate governance norms as enumerated in Clause 49 of the Listing Agreement with the stock exchange.

The Company has adopted the non mandatory requirement of corporate governance recommended under Clause 49 of the Listing Agreement and constituted a Nomination & Remuneration Committee comprising of three non executive independent directors. The Company has not adopted any other non - mandatory requirements.

## 8. Code of Conduct

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all directors / officers / designated employees. The code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

The board of directors have laid down a code of conduct for all board members and senior management of the Company. The same has been posted on the website of the Company. All board members and senior management personnel have affirmed their compliance with the code of conduct for the year under review.

The Company's Chairman & Managing Director's declaration to this effect forms part of this report.

## 9. Means of Communication

- The quarterly / half yearly unaudited financial and the annual audited financial results are normally published in Financial Express & Malai Malar. The book closure and dividend declaration notices are published in Financial Express & Malai Malar. The financial results are also placed on the Company's website – [www.elgirubber.com](http://www.elgirubber.com).
- The copies of the results are forwarded to concerned stock exchanges immediately after they are approved by the board for publication in their website. The company has a dedicated help desk with mail id [info@elgirubber.com](mailto:info@elgirubber.com) for providing necessary information to investors.
- There were no specific presentations made to Institutional Investors or to the analysts during the year.

## 10. General Shareholder Information

### i. Annual General Meeting

Date : September 27, 2014  
Time : 10.00 A.M.  
Venue : Siruthuli, Noyyal Life Centre, Sungam Bye Pass Road, Coimbatore - 641 045

### ii. Financial Calender

Year Ending : March 31  
AGM : September 27, 2014  
First Quarter Results : 2<sup>nd</sup> Fortnight of July 2014  
Second Quarter Results : 2<sup>nd</sup> Fortnight of October 2014  
Third Quarter Results : 2<sup>nd</sup> Fortnight of January 2015  
Annual Results : 2<sup>nd</sup> Fortnight of May 2015  
Dividend Payment : October 8, 2014  
Date of Book Closure : From September 20, 2014 to September 27, 2014 (Both days inclusive)

### Listing on Stock Exchanges

The shares are listed in National Stock Exchange of India Limited, Exchange Plaza, 5th floor, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051. Annual listing fee have been duly paid to National Stock Exchange of India Limited, Mumbai.

The quarterly, half yearly and annual results of the Company are published in leading newspapers in India which include the Financial Express and Malai Malar.

Type of Security : Equity  
Trading group in stock exchange : B1  
Stock Code at the stock exchanges : ELGIRUBCO (NSE)  
International Securities Identification Number (ISIN) under depository system : INE819L01012

### Share Price Movements (Monthly High & Low)

The high and low prices during each month in the last financial year on National Stock Exchange of India Limited are given below

Month	Apr'13	May'13	June'13	July'13	Aug'13	Sep'13	Oct'13	Nov'13	Dec'13	Jan'14	Feb'14	Mar,14
High Price	25.00	24.40	24.45	24.00	24.00	24.00	23.00	23.00	24.00	23.00	22.65	22.50
Low Price	21.20	21.00	21.15	23.10	21.00	18.65	18.20	18.00	19.95	19.70	16.40	19.50

**Registrar & Share Transfer Agent: (For both physical & demat segments)****Head Office**

M/s Link Intime India Private Limited, C/13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai 400 078.  
Ph.: 91 - 022 - 25963838, E-Mail: [helpline@linkintime.co.in](mailto:helpline@linkintime.co.in)

**Branch**

M/s Link Intime India Private Limited, Surya, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028. Ph: 0422 - 2314792/ 2315792, E mail: [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in)

**Reconciliation of Share Capital Audit**

A qualified Company Secretary carried out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL & CDSL.

**Share Transfer System**

The company's shares are transferable through the depository system. Shares in physical form are processed by the registrar and share transfer agents, Link Intime India Private Ltd and approved by the Share transfer & investor relation committee of the Company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by Link Intime India Private Limited, if the documents are complete in all respects. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Share transfer and Investors' Relation Committee generally meets once in fortnight or in such other frequency as necessary for approving share transfers and other related activities.

Legal proceeding / disputes on share transfer against the company : Nil

Shares under lock - in : Nil

**Share Holding Pattern**

Category	No of Shares	% of Share Holding
Directors and their relatives	26,959,388	53.87
Domestic Companies	8,140,119	16.26
Non Domestic Companies	Nil	Nil
Mutual Funds	815	0.00
Commercial Banks	36,484	0.07
Non Resident Indians	95,453	0.19
Public Financial Institutions	1,360,041	2.72
Foreign Institutional Investors	350	0.00
Resident Individuals	13,457,350	26.89
<b>Total</b>	<b>50,050,000</b>	<b>100.00</b>

**Distribution of Shareholding**

Range of Shareholding	No of Shares	% of Share Holding
0001 - 5000	7,541,389	15.07
5001 - 10000	1,946,465	3.89
10001 - 20000	1,516,450	3.03
20001 - 30000	816,773	1.63
30001 - 40000	638,064	1.27
40001 - 50000	353,523	0.71
50001 - 100000	1,207,295	2.41
100000 and above	36,030,041	71.99
<b>Total</b>	<b>50,050,000</b>	<b>100.00</b>

**Number of Shareholders as on March 31, 2014** : 11,777

**Dematerialisation of shares and liquidity** : There are 47,738,019 Equity shares accounting for nearly 95.38% of the paid up capital of the Company has been dematerialised as on March 31, 2014. The Company has entered into agreements with both NSDL (National Securities Depository Limited, Mumbai) & CDSL (Central Depository Services (India) Limited, Mumbai) whereby shareholders have an option to dematerialise their shares with any one of the two depositories. There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

**Plant Locations** : Thimmavaram, Kanjikode, Annur, Kovilpalayam, Kurichi.