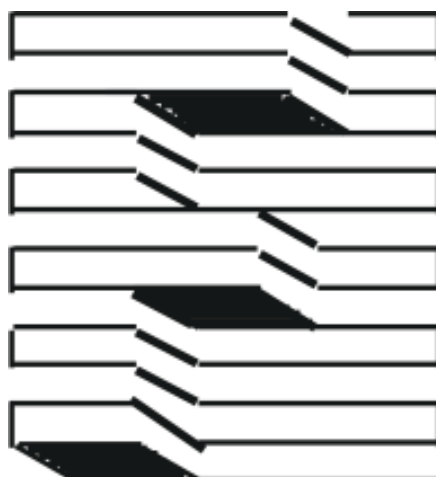




**FINE-LINE**

**CIRCUITS LIMITED**



**TWENTY FOURTH ANNUAL REPORT 2013- 2014**

[www.finelineindia.com](http://www.finelineindia.com)

## CIRCUITS LIMITED

### Vision:-

A Globally Respected Performance Driven Growing Manufacturer.

### Mission:-

A Solutions provider to the various Electronic Interconnect needs of Circuit, Material, Delivery & Volumes.

### Goal:-

To efficiently execute the manufacturing ensuring a timely delivery of defect free products in the small to medium volume high part number mix PCBs arena.

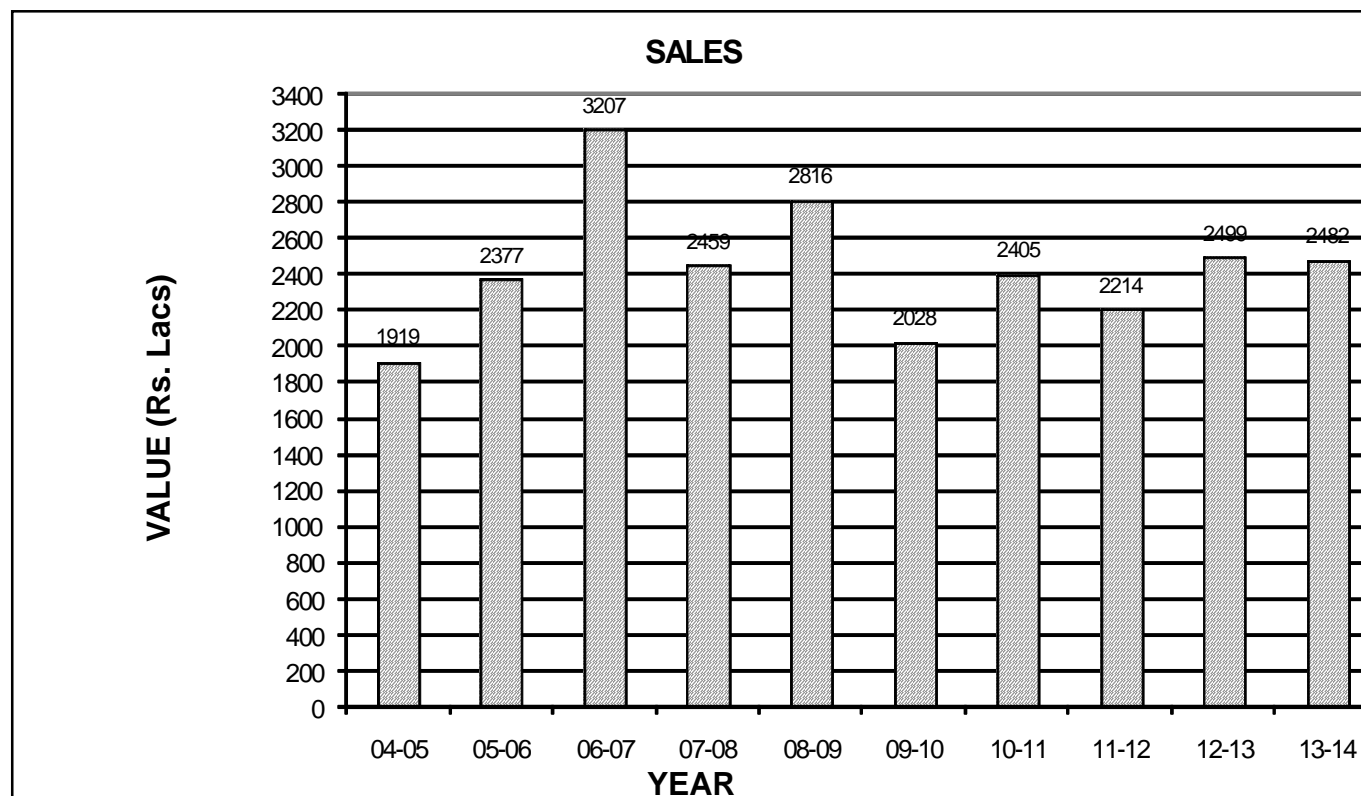
### Strategy:-

On an ongoing basis the management will fulfill this vision by continuously improving the Company by making it:

Predictable Via	Sustainable Via	Profitable Via	Scalable Via
1. Listening to & responding to Customers, Suppliers & Stakeholders	1. Creating wealth & sharing it fairly with each stakeholders	1. Continuously increasing the value proposition to the customer	1. Upon reaching certain Critical Mass & Team Strength we will scale up.
2. Constant Diversification of markets in terms of Geography, Industries & Customers	2. Conducting business with integrity & professionalism & financial prudence & Social responsibility	2. Continuously improving the quantum & velocity throughput of a high variety mix with low inventory & controlled operating costs.	
3. Vigorous Employee interaction & issue resolution & Allowing everybody to work within a framework freely	3. Constant Technology growth focus & Actively Innovate on process, Capability & Product Range.	3. Constant cost reduction with special focus on Rejection reduction & Energy conservation & Water conservation.	
4. Paying attention to detail & executing efficiently	4. Constant efforts at Derisking the business & Deskillling the work.	4. Continuously increasing productivity with efficiently coordinated efforts & automation.	
5. Exceedingly strong sales team & order loading on the plant	5. Continuously generating a Talent Pipeline with good role clarity & functional competency with empowerment.	5. Continuously increasing panel capacity, panel utilization & panel size & panel complexity & panel layer count.	
6. Over communicate with Transparent information	6. International Approvals (ISO, TS, JSS)	6. Delivering Innovative & Competitive new products.	

**COMPANY ASPIRATION**

Our Aspiration for Fine-Line is to be a Respected, Growing, Performance driven, High Quality, Manufacturer, Exporter "Pleasing Customers 100%" in the High Count Multilayer Rigid and Flex Printed Circuit Board Market with a growing Earnings Per Share.

**AT A GLANCE (Rs. In Lacs)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>SALES &amp; EARNINGS</b>										
Sales	1919	2377	3207	2459	2816	2028	2405	2214	2499	2482
PBDT	241	156	400	87	46	5	84	(186)	73	76
<b>ASSETS &amp; LIABILITIES</b>										
Gross Fixed Assets	1182	1188	1259	1418	1618	1617	1681	1758	1773	1774
Net Fixed Assets	384	240	240	265	319	261	291	328	312	280
Net Current Assets	495	643	874	821	667	654	871	779	933	844
<b>REPRESENTED BY</b>										
Net Worth	879	883	1114	1086	986	915	922	644	652	673
Share Capital	483	483	483	483	483	483	483	483	483	483
Reserves	396	400	631	604	504	432	439	161	169	190
Borrowings	0	0	0	0	0	0	0	0	139	57
<b>RATIOS</b>										
Acid Test Ratio	1.1	1.8	1.9	1.4	1.1	1.5	0.8	0.4	0.5	0.7
Total Liability to Net Worth	0.3	0.2	0.3	0.2	0.3	0.2	0.3	0.4	0.5	0.4
Sales to Net Fixed Assets	5.0	9.9	13.4	9.3	8.8	7.8	8.3	6.8	8.0	8.9

**CORPORATE INFORMATION**
**24th ANNUAL GENERAL MEETING ( AGM )**

Date : 09th August, 2014  
Day : Saturday  
Time : 3.30 p.m.  
Place : Gr. Floor, Frontside SDF-VI,  
SEEPZ - (SEZ), Andheri (East),  
Mumbai 400 096.

SEEPZ-(SEZ) being Restricted Zone requires Special Prior Permission for entry, please see instructions on Attendance slip for attending the AGM

**REGISTERED OFFICE**

**CIN :L72900MH1989PLC131521**

145, SDF - V, Seepz (SEZ),  
Andheri (East),  
Mumbai - 400 096.  
Tel. # 28290244 Fax # 28292554

**AUDITORS**

D K P & Associates  
Chartered Accountants

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s Universal Capital Securities Pvt. Ltd.  
(Formerly Known as Mondkar Computers Pvt. Ltd.)  
21, Shakil Niwas, Opp. Satyasaibaba Temple,  
Mahakali Caves Road, Andheri (East),  
Mumbai - 400 093.  
Tel : 2820 7201 / 2836 6620  
Fax: 2820 7207

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**BOARD OF DIRECTORS**
**EXECUTIVE DIRECTORS**

Bhagwandas T. Doshi	Executive Chairman
Abhay B. Doshi	Managing Director
Rajiv B. Doshi	Executive Director

**NON - EXECUTIVE DIRECTORS**

Vijay A. Kumbhani  
Gautam B. Doshi

**INDEPENDENT DIRECTORS**

Rajendra V. Gandhi  
Dr. U. Nimmagadda\*\*\*  
Prof. Juzer Vasi  
R. M. Premkumar  
Aparva R. Shah

\*\*\* Independent Director upto 31st March 2014

**AUDIT COMMITTEE**

Aparva R. Shah	Chairman
R. M. Premkumar	Alternative Chairman
Rajendra V. Gandhi	Member
Vijay A. Kumbhani	Member
Prof. Juzer Vasi	Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Vijay A. Kumbhani	Chairman
Abhay B. Doshi	Member
Rajiv B. Doshi	Member
Prema Radhakrishnan	Compliance Officer

**NOMINATION & REMUNERATION COMMITTEE**

Rajendra V. Gandhi	Chairman
Prof. Juzer Vasi	Member
R.M.Premkumar	Member

**SENIOR MANAGEMENT**

Joy Chacko	Nikhil Kumar
Milan J. Trivedi	Prema Radhakrishnan
P. M.Morgaonkar	

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of FINE-LINE CIRCUITS LTD. will be held at Gr. Floor, Front side of SDF-VI, SEEPZ- SEZ, Andheri East, Mumbai- 400096 on **Saturday, August 9, 2014 at 3.30 p.m.** to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Vijay A. Kumbhani, (DIN No. 00040702), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. Gautam Doshi, (DIN No. 00328854), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint the Auditors and to fix their remuneration and in this regards to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. DKP & Associates, Chartered Accountants (Firm Registration No. 126305W), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

### **SPECIAL BUSINESS**

5. Appointment of Shri. Juzer Vasi as an Independent 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 the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Shri. Juzer Vasi (DIN 00040682), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from August 09, 2014 up to August 08, 2019."

6. Appointment of Shri. R. M. Premkumar as an Independent 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 the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Shri. R. M. Premkumar (DIN 00328942), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from August 09, 2014 up to August 08, 2019."

7. Appointment of Shri. Apurva Shah as an Independent 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 the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Shri. Apurva Shah (DIN 00004781), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from August 09, 2014 up to August 08, 2019."

8. Appointment of Shri. Rajendra Gandhi as an Independent 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 the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Shri. Rajendra Gandhi (DIN 00189197), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from August 09, 2014 up to August 08, 2019."

9. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in suppression of the earlier resolution passed at the 18<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> July, 2008, the consent of the Company be and is hereby accorded under Section 180(1)(c) and other applicable provisions if any of the Companies Act, 2013 to the Board of Directors of the Company for borrowing from time to time all such sums of money as they may deem requisite for the purpose of the business of the Company notwithstanding that moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid up share capital of the Company and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount upto which moneys may be borrowed by the Board of Directors shall not, at any time, exceed the sum of Rupees 50 Crores only at any point of time exclusive of interest."

10. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in suppression of the earlier resolution passed at the 18<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> July, 2008, the consent of the Company, be and is hereby accorded under Section 180(1)(a) and other applicable provisions if any of the Companies Act, 2013 to the Board of Directors of the Company to mortgage and/ or charge and/ or hypothecate, on such terms and conditions and at such time or times, and in such form or manner, as it may think fit, the whole or substantially the whole of any one

**CIRCUITS LIMITED**

or more of the undertakings of the Company including the present and/ or future properties whether movable or immovable, comprised in any existing undertaking or undertakings of the Company, as the case may be for the purpose of securing financial assistance not exceeding Rupees 50 Crores only at any point of time by way of any of the following namely Term Loans in Indian Rupees and Foreign Currency, Export Credit, Equipment Credit Scheme, Leasing Credit Facilities or other facilities from the Financial Institutions and/or Bankers and/or any other parties together with interest thereon, commitment charges, liquidated damages, costs, charges, expenses and other moneys payable by the Company to the respective Financial Institutions and/ or Bankers and/or other parties in terms of their respective Loan Agreements/Deeds of Agreements/ Hypothecation Agreements/ Letters of Sanction/ Memorandum of terms and conditions entered into or to be entered into by the Company in respect of the said financial assistance, such security to rank pari passu with or second or subservient to the mortgages and/ or charges and/ or hypothecation already created or to be created in future by the Company or in such other manner as may be agreed to between the concerned parties and as may be thought expedient by the Board of Directors."

For and on behalf of the Board of Directors

**Bhagwandas T Doshi**  
**Executive Chairman**

Registered Office:  
145, SDF-V, Seepz-SEZ,  
Andheri (East),  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244

E-mail: [fineline@vsnl.com](mailto:fineline@vsnl.com), Website [www.finelineindia.com](http://www.finelineindia.com)

Mumbai, 30<sup>th</sup> May, 2014

**Notes:**

- a) The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business in the notice is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND IN HOLDING NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE.
- c) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 5<sup>th</sup> August, 2014 to Saturday, 9<sup>th</sup> August, 2014 (both days inclusive).
- d) Members seeking further information on the financial accounts are requested to write to the Company at least seven days before the meeting, so that relevant information can be kept ready at the meeting.
- e) All correspondence relating to transfer of shares, change of address, dividend mandates etc. should be sent to the Registrar & Share Transfer agents quoting their folio numbers only at the following address:  
Universal Capital Securities Pvt. Ltd.  
21, Shakil Niwas, Opp. Satyasaibaba Temple,  
Mahakali Caves Road, Andheri (E),  
Mumbai 400 093
- f) In terms of Section 124 of the Companies Act, 2013 (Corresponding to Section 205A (5) of the Companies Act, 1956), dividends remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid / unclaimed dividend account of the Company shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to sub-section (1) of Section 205C of the Companies Act, 1956. Members are requested to seek early settlement of claim for payment of unpaid dividend from the Company. Members may please note that no claim of the transferred unclaimed / unpaid dividend shall lie against the above said fund or the Company after transfer of the amounts to the said fund.
- g) A brief resume of Shri. Vijay A. Kumbhani, Shri. Gautam Doshi, Shri. Juzer Vasi, Shri. R. Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi along with nature of their expertise in specific functional areas, names of the Companies in which they hold Directorship / Chairmanship of Board Committees as stipulated under clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company commends their respective re-appointments.
- h) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
- i) Recently, the Ministry of corporate Affairs (MCA), Government of India, through its Circular nos. 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance. Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with your depositories.  
We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email address.
- j) Members may also note that the Notice of the 24th Annual General meeting and the Annual report for 2013-2014 will also be available on the Company's Website: [www.finelineindia.com](http://www.finelineindia.com) for download.

- k) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the annual general meeting.
- l) In compliance with 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 (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

**The instructions for members for voting electronically are as under:-**

**1. In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) 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. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in 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)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.	

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the Company
- (xi) 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.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then 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 and can also email to [fineline.scrutinizer@gmail.com](mailto:fineline.scrutinizer@gmail.com).



**CIRCUITS LIMITED****2. In case of members receiving the physical copy:**

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- A. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B. The e-voting period commences on Saturday, August 02, 2014 (9:00 am) and ends on Monday, August 04, 2014 (6:00pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, July 04, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- C. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, July 04, 2014.
- D. Mr. Mitesh Dhabliwala, of M/s Parikh Parekh & Associates., Practising Company Secretaries, (Membership No ACS : 24539, CP : 9511) (Address : 111, 11th Floor, Sai Dwar CHS Ltd., Sab TV Lane, Opp. Laxmi Indl Estate, Off Link Road, Andheri (West), Mumbai - 400053.) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.
- E. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- F. As the voting would be through electronic means, the members who do not have access to e-voting, may requisite a Physical Ballot Form from the Company. You are required to fill in the ballot form and enclose it in a sealed envelope and send it to the Scrutinizer appointed by the Board of Directors of the Company, Mr. Mitesh Dhabliwala, Practising Company Secretary, (Membership No. ACS 24539), at the Registered Office of the Company not later than Monday, August 04, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid.
- Unsigned, incomplete or incorrectly ticked forms shall be rejected.
- G. A Member can opt for only one mode of voting, i.e., either through e-Voting or by Ballot. If a Member casts votes by both modes, then voting done through e-Voting shall prevail and Ballot shall be treated as invalid.
- H. Members receiving the Notice of the AGM through electronic means can request for a Ballot Form.
- I. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- J. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.finelineindia.com](http://www.finelineindia.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.

For and on behalf of the Board of Directors

Bhagwandas T Doshi  
**Executive Chairman**

Registered Office:  
145, SDF-V, Seepz-SEZ,  
Andheri (East),  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244

E-mail: [fineline@vsnl.com](mailto:fineline@vsnl.com), Website [www.finelineindia.com](http://www.finelineindia.com)

Mumbai, 30<sup>th</sup> May, 2014

**ANNEXURE TO NOTICE****Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 in respect of the special business contained in the notice of Annual General Meeting.****Item No 5 to 8.**

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with the Stock Exchange, appointed Shri. Juzer Vasi, Shri. Ramunni Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi, as Independent Directors at various times, in compliance with the requirements of the Clause.

Pursuant to the provisions of Section 149 of the Act, which came in to effect from April 1, 2014, every listed company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Shri. Juzer Vasi, Shri. Ramunni Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act.

In the opinion of the Board Shri. Juzer Vasi, Shri. Ramunni Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and that they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Shri. Juzer Vasi, Shri. Ramunni Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi as Independent Directors is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.



A brief profile of the Directors to be appointed is given below:

**Shri. Juzer Vasi**

Prof. Juzer Vasi, aged 67 years is B.Tech in Electrical Engineering and has obtained Ph. D from Johns Hopkins University 1973. He is associated with Indian Institute of technology and Johns Hopkins University for many years through his teaching professional expert in Microelectronics particularly CMOS devices technology and design. He is interacting with the industries in the countries like USA, Germany, Japan and Singapore in the field of Microelectronics. Prof. Juzer Vasi is a fellow of IETE, Indian National Academy of Engineering (INAE) a senior Member and distinguished lecturer at IEEE Electron Devices Society.

**Shri. Ramunni Premkumar**

Shri. R.M Premkumar is an IAS Officer of 1968 Batch and held important posts as follows: Collector, Kolhapure; CEO, Maharashtra Industrial Development Corporation; MD, Maharashtra Tourism Development Corporation; Development Commissioner; Seepz, Principal Secretary (Revenue); Government of Maharashtra; Additional Secretary; Department of Atomic Energy; Chairman, Food Corporation; Chief Secretary, Government of Maharashtra and presently Chairman of SICOM Limited.

**Shri. Apurva Shah**

Shri Apurva R. Shah, a Chartered Accountant and Cost and Works Accountant has graduated from the London School of Economics and Political Sciences with a distinction in International Accounting and Finance. He was a rank holder in the chartered Accounting Examinations with an award for the highest distinction in Financial Accounting and in Direct Tax Laws. He is a partner at M/s. Rajendra & Company, Chartered Accountants. He has over the years, developed expertise in areas such as Direct Taxation, Foreign Exchange Management Law, Financial Management and Business Restructuring and in Accounting.

**Shri. Rajendra Gandhi**

Shri Rajendra V. Gandhi, aged about 65 years is an industrialist and is on the Board of the Company as Director from the inception of the Company.

Shri. Juzer Vasi, Shri. Ramunni Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi, respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

No other Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolutions.

**Item No 9.**

Section 180 (1) (c) of the Companies Act, 2013, requires Shareholders approval for the limit of moneys to be borrowed by the Company when they exceed the aggregate of the paid up Capital of the Company and its free reserves.

As a part of future growth and expansion plans of the Company, the Company may have to borrow more funds from banks and financial institutions and other parties in excess of the paid-up capital and free reserves of the Company and thus it is necessary that a higher ceiling limit for borrowing be approved by the members to enable the Board of Directors to procure working funds for business purposes as and when required. It is therefore proposed to authorise the Board of Directors to borrow in excess of the paid-up capital and free reserves of the Company subject to a maximum of Rupees Fifty Crores only.

A special resolution under Section 180 (1) (c) of the Companies Act, 2013 is therefore proposed for approval by the members.

None of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

The Board commends your approval of the said resolution.

**Item No 10.**

The borrowings from the Banks, financial institutions or other parties might be secured by mortgaging or charging the moveable and/or immovable assets of the Company. This may attract the provisions of Section 180(1)(a) of the Companies Act, 2013 which requires Shareholders approval.

A special resolution under Section 180 (1) (a) of the Companies Act, 2013 is therefore proposed for approval by the members.

None of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

The Board commends your approval of the said resolution.

For and on behalf of the Board of Directors

Bhagwandas T Doshi  
Executive Chairman

Registered Office:  
145, SDF-V, Seepz-SEZ,  
Andheri (East),  
CIN: L72900MH1989PLC131521  
Tel: 22 2829 0244

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Mumbai, 30<sup>th</sup> May, 2014

#### DIRECTORS' REPORT

To  
The Members,  
The Directors are pleased to present their Twenty Fourth Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

#### 1. FINANCIAL RESULTS

Rs. in Lakhs

	2013-14	2012-13
Sales and other Income	2481.59	2498.52
Gross Profit before depreciation and tax	75.72	72.51
Less: Depreciation	49.88	59.50
<b>Profit / (Loss) before Tax</b>	<b>25.84</b>	<b>13.01</b>
Less: Provision for current tax	0.60	0.78
Provision for deferred tax	3.67	4.47
Fringe Benefit tax	-	-
<b>Profit / (Loss) after Tax</b>	<b>21.57</b>	<b>7.76</b>
Add: Excess/(Short) provisions of earlier year	-	-
Add: Balance brought forward from previous year	89.79	82.03
<b>Balance carried to Balance Sheet</b>	<b>190.10</b>	<b>168.52</b>

#### 2. PERFORMANCE AND OPERATIONAL RESULTS

Even amidst a flat turnover relative to previous year due to cost control, we have achieved a slightly improved performance with a higher net profit this year as compared to previous year.

The Company continues to export its products to the G20 Nations and has added new PCB products of more materials, surface finishes and design tolerances which augurs well for the coming years.

#### 3. DIVIDEND

To conserve the resources your directors do not recommend any dividend this year.

#### 4. CORPORATE GOVERNANCE

Pursuant to Clause - 49 of the Listing Agreement with the Stock Exchange a report on Corporate Governance, Management Discussion and Analysis, and a Certificate obtained from the Auditors of the Company regarding Compliance with the conditions of Corporate Governance, form part of this Report.

#### 5. FIXED DEPOSIT

The Company has not accepted any fixed deposits during the year.

#### 6. DIRECTORS

Shri. Vijay Kumbhani and Shri. Gautam Doshi, Directors of the Company retire by rotation and being eligible; offer themselves for reappointment at the ensuing Annual General Meeting of the Company.

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with Stock Exchange, appointed Shri. Juzer Vasi, Shri. Ramunni Premkumar, Shri. Apurva Shah and Shri. Rajendra Gandhi as Independent Directors of the Company.

As per Section 149(4) of the Companies Act, 2013 ('Act'), which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. As per Clause 49 of the Listing Agreement your company is required to have atleast fifty percent of directors as Independent Directors. In accordance with the provisions of Section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company. Steps are being taken to adhere to the requirement of Clause 49 of the Listing Agreement.

#### 7. COMPLIANCE CERTIFICATE

The Compliance Certificate of the secretary in wholetime practice under section 383A of the Companies Act, 1956 is attached.

#### 8. LISTING ARRANGEMENTS

The Equity Shares of the Company continue to be listed on BSE Limited, Mumbai and the listing fees has been paid up to 31<sup>st</sup> March 2015.

#### 9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

##### A. CONSERVATION OF ENERGY

The Company has systematic in-house energy conservation program. Several measures have been taken to conserve the energy and those are being satisfactorily implemented.

##### B. ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY

The Company continuously substitutes high power consuming equipments wherever feasible with low power consuming equipments and for that the necessary changes in requisite process operations are planned, implemented and reviewed regularly.

##### C. TECHNOLOGY ABSORPTION

###### a. Research & Development

Since last 15 years, through pursuit of R&D endeavours, the Company has been regularly incurring R&D expenditure on the following activities

- Development of new products and of complex designs.
- Continuous improvement of existing products, for enhanced, Thermal, Mechanical & Electrical Reliability.
- Testing and adapting new materials.