

41st ANNUAL REPORT 2013 - 14



Indo National Limited

INDO NATIONAL LIMITED

(CIN L31909TN1972PLC006196)

Registered Office: 'Lakshmi Bhavan' IVth Floor, No.609, Mount Road, Chennai - 600 006.

Corporate / Head Office: 'Pottipati Plaza' IV Floor, No.77, Nungambakkam High Road, Chennai - 600 034.

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INDO NATIONAL LIMITED

BOARD OF DIRECTORS

Justice S.Natarajan

Chairman (up to 11-04-2014)

V.R. Gupte

Chairman

P. Dwaraknath Reddy

Managing Director

R.P. Khaitan

Joint Managing Director

Dr. S.A. Dave

P. Aditya Reddy

M. Subramanyam

S. Obul Reddy

N. Ramesh Rajan

Mrs. Lakshmmi Subramanian

SECRETARY

J. Srinivasan

AUDITORS

P. Srinivasan & Co.

New No.6 (Old No.24) Sambasivam St.
T. Nagar,
Chennai - 600 017.

BANKERS

Canara Bank

The Bank of Tokyo - Mitsubishi UFJ Ltd.

DBS Bank Ltd

REGISTERED OFFICE

No.609, Mount Road

Lakshmi Bhavan

IVth Floor

Chennai – 600 006

CORPORATE / HEAD OFFICE

‘Pottipati Plaza’ IV Floor,

No.77, Nungambakkam High Road,

Chennai - 600 034.

FACTORY

Tada Village

Nellore District - 524 401.

(Andhra Pradesh)

NOTICE

NOTICE is hereby given that the FORTY-FIRST ANNUAL GENERAL MEETING of INDO NATIONAL LIMITED will be held at Sri P.Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai-600 017 on Friday, the 26th day of September, 2014 at 2.30 P.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Audited Balance Sheet of the Company as at March 31, 2014 and the Statement of Profit and Loss for the year ended that date together with the report of the Auditors' thereon.
2. To declare a Dividend.
3. To appoint a Director in the place of Mr.M.Subramanyam (DIN : 01934138), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. S. Obul Reddy (DIN : 00027829) who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.
5. To re-appoint M/s. P. Srinivasan & Co., Chartered Accountants, Chennai as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Forty-fourth Annual General Meeting of the Company and to authorize the Audit Committee and Board of Directors to fix their remuneration.

Resolved that pursuant to Section 139, 141, 142, 142(8) and other applicable provisions if any, of the Companies Act, 2013, Rules made there under and recommendations of the Audit Committee of the Board the retiring Auditors M/s. P. Srinivasan & Co., Chartered Accountants (Registration no: 004054S) be and are hereby re-appointed as Auditors of

the Company for a period of 3 (Three) years and to hold office from the conclusion of this Annual General Meeting (41st) to the conclusion of (44th) Annual General Meeting (subject to ratification of appointment by the members at every Annual General Meeting held after this Annual General Meeting) on such remuneration as may be fixed by the Board of Directors as determined by the Audit Committee.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

Resolved that pursuant to provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made there under read with Schedule IV of the Companies Act, 2013 and as per clause 49 of the Listing Agreement Mr. N. Ramesh Rajan (DIN : 01628318), who was appointed as Additional Director of the Company by the Board of Directors of the Company with effect from 7th May 2014 who holds office until the date of the Annual General Meeting , in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. N. Ramesh Rajan as a candidature for the office of director of the Company be and is hereby appointed as an Independent Director of the Company to hold office up to May 6th 2019, not liable to retire by rotation.

7. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

Resolved that pursuant to provisions of section 149,152 and other applicable provisions of the Companies Act, 2013 and rules made there under read with Schedule IV of the Companies Act, 2013 and as per clause 49 of the Listing Agreement Mrs. Lakshmmi Subramanian (DIN :00001439), who was appointed as Additional Director of the Company by the Board of Directors of the Company with effect from 17th July 2014 who

holds office until the date of the Annual General Meeting, in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Lakshmmi Subramanian as a candidature for the office of director of the Company be and is hereby appointed as an Independent Lady Director of the Company to hold office up to 16th July 2019, not liable to retire by rotation.

8. To re-appoint Mr. P. Dwaraknath Reddy (DIN: 00277929) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"Resolved that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the re-appointment of Mr. P. Dwaraknath Reddy (DIN: 00277929) as Managing Director of the Company, for a period of 3 (Three) years with effect from 1st October 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. P.Dwaraknath Reddy, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Further resolved that pursuant to sub-section (3) of Section 197 of the Companies Act, 2013, Mr. P. Dwaraknath Reddy, Managing Director be paid minimum remuneration and perquisites in case of absence or inadequacy

of profits in any financial year of the Company during his term of office but does not exceeding the limit specified under Section II of Part-II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

9. To re-appoint Mr.R.P. Khaitan (DIN: 00015801) as Joint Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

Resolved that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the re-appointment of Mr. R.P.Khaitan (DIN: 00015801) as Joint Managing Director of the Company, for a period of 3 (Three) years with effect from 1st October 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. R.P.Khaitan, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Further resolved that pursuant to sub-section (3) of Section 197 of the Companies Act, 2013, Mr. R.P. Khaitan, Joint Managing Director, be paid minimum remuneration and perquisites in case of absence or inadequacy

of profits in any financial year of the Company during his term of office but does not exceeding the limit specified under Section II of Part-II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

Resolved pursuant to the provisions of Section 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013, an amount not exceeding 1% of the Net Profits of the Company for each financial year computed in the manner prescribed under Section 198 of the Companies Act, 2013, be paid and distributed amongst the Non- Executive Independent Directors of the Company or some or any of them in such amounts or proportions and in such manner as may be decided by the Board of Directors for each such year subject to a limit of Rs.3,00,000/- per director, for a period of Three financial years commencing from and including the financial year 2013-14, and that such payment will be made in addition to the sitting fees payable for attending meetings of the Board or Committee thereof.

11. To consider and if thought fit to pass with or without modification, the following as a SPECIAL RESOLUTION:

Resolved that pursuant to section 188 and other applicable provisions if any, of the Companies Act, 2013, and rules made thereunder, including any amendment, modification, variation are re-enactment thereof for the time being in force, the consent of the company be and is hereby accorded for entering in to Related Party Transactions by the company with effect from 1st October 2014 to 30th September, 2015 as per chart appended below.

S.No.	Name of the Related Party	Transactions defined u/s.188 of the Companies Act, 2013	Value of transaction
1	M/s. RAL Consumer Products Ltd	Sale / Supply of Nippo Brand Products	Rs.125 Crs. (Rupees One Hundred Twenty-Five Crores only)

Resolved further that to give effect to the resolution the Board of Directors /Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary to finalise any documents and writings related thereto.

For and on behalf of the Board of Directors
For Indo National Ltd

Place: Chennai
Date: 14th August, 2014

V.R.Gupte
Chairman
(DIN : 00309699)

NOTES:

1. The Explanatory Statement as per the provisions of section 102 of the Companies Act, 2013 in respect of the items of the Special Business as set out above is annexed.
2. A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on his behalf. Such a proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered / Corporate Office of the Company not less than Forty-Eight hours before the commencement of the meeting.
3. Pursuant to Section 105 of the Companies Act, 2013 a person can act as a proxy on behalf of members not exceeding fifty 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 and such person shall not act as a proxy for any other person or shareholder.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from 19th September, 2014 to 26th September, 2014 (Both days inclusive).
5. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mr. M. Damodaran of M.Damodaran & Associates, Practicing Company Secretaries, Chennai as Scrutinizer.

The procedure and instructions for e-voting are as under:

- i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- ii) Now click on "Shareholders" to cast your votes.
- iii) Now, select the "Company Name" from the drop down menu and click on "SUBMIT".
- iv) Now, fill up the following details in the appropriate boxes:

User ID	<p>For Members holding shares in Demat Form:-</p> <p>a) For NSDL:- 8 Character DP ID followed by 8 digits Client ID</p> <p>b) For CDSL:- 16 digits beneficiary ID</p> <p>For Members holding shares in Physical Form:-</p> <ul style="list-style-type: none"> • Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department

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.

*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 (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) 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 and company please enter the Member id / folio number in the Dividend Bank details field.

- v) After entering these details appropriately, click on "SUBMIT" tab.
- vi) Members holding shares in Physical form will then reach directly to the voting screen.
- vii) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is also to be used by the Demat holders for voting for resolution 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.

- viii) 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 communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- ix) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- x) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Notice.
- xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- xii) 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.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies)

who are authorized to vote, to the Scrutinizer through e-mail at secretarial@mdassociates.co.in with a copy marked to helpdesk.evoting@cdslindia.com.

- xv) In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.
 - xvi) The e-voting period commences on Thursday the 18th September, 2014 @ 9.00 am and ends on Saturday the 20th September, 2014 @ 6.00 pm.
 - (xvii) During this period members holding shares in physical or dematerialized form as on 22nd August 2014 may cast their vote electronically. The e-voting module shall be displayed by CDSL for voting thereafter.
 - (xviii) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd August 2014.
6. The Dividend upon its declaration at the meeting will be paid to those members, whose names stand in the Register of Members as on 26th September, 2014. The said dividend will be paid on 30th September, 2014. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL and CDSL for this purpose.
 7. Members holding shares in electronic mode may please note that the dividend payable to them would be paid through Electronic Clearing Services (ECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their Depository Participants (DPs). In absence of availability of ECS facility, the dividend will be paid through warrants and the bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations.
 8. In respect of shares held in physical form, members desirous of receiving dividends by way of direct credit to their bank accounts through ECS may authorize the Company

with their ECS mandate. The Shareholders desirous of obtaining the ECS mandate may download the form from the website of the company at www.nippobatteries.com or may write to the company secretary at the Registered Office of the Company.

9. Members holding shares in physical form are requested to notify change of address immediately to the Share Transfer Agent of the Company, M/s. Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai-600 002 for the purpose of mailing Dividend Warrants etc. As per SEBI circular, members holding shares in physical form and in case of transfer of shares means, the Transfer Deed should contain PAN of both Transferor and Transferee.
10. The shares of the company have been activated for dematerialisation with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL) vide ISIN INE567A01010. Members wishing to dematerialise their shares may approach any Depository Participant (DP).
11. Kindly mention your Folio Number / PAN NO / Client ID / DP ID Number (in case of shares held in electronic form) in all your correspondence to Share Transfer Agents and in the case of electronic form to the Depository Participant in order to reply to your queries promptly.
12. Pursuant to Section 205A of the Companies Act, 1956, an amount of Rs.3,81,960/- remaining unclaimed out of the dividend for the year 2005-06 (declared on 20th June 2006) was transferred to the Investor Education and Protection Fund established under Section 205C(1) of the Act on 27th July 2013. The unclaimed dividend, of Rs.3,58,288/- for the year 2006-2007 has been transferred to the "Investor Education and Protection Fund" on 25th July 2014. It is hereby notified to the members that once the dividend amount is transferred to the Fund, as per Section 205A (5) of the Act, the same cannot be claimed by the members from the Fund established.

Pursuant to Investor Education and Protection fund (Uploading of information regarding

unpaid and unclaimed amount lying with companies) Rules 2012 the Company shall provide/ host the required details of unclaimed amounts referred to Sec.205C (2) of the Companies Act, 1956 on its website and also Ministry of Corporate Affairs (MCA) website in relevant form every year. The Company has uploaded the information in respect of the unclaimed dividend from the financial year 2006-07 onwards as on the date of Annual General Meeting held on 27th September 2013 on the website of the IEPF and on the website of the Company.

13. Members seeking any information or clarification with regard to the accounts are requested to write to the Company atleast ten days in advance of the meeting so as to enable the Company to keep the information ready.
14. Members who hold shares in demat form are requested to notify any change in their particulars like change in address, bank particulars etc. to their respective Depository Participants.
15. The Ministry of Corporate Affairs vide its circular dated 21st April 2011 allowed the companies to send notices, annual reports and other documents by means of e-mail to the members of the Company. Hence members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with the Company/ Registrar.
16. Pursuant to provisions of Section 72 of the Companies Act, 2013, Members can avail of the facility of nomination in respect of shares held by them in physical form. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Company's Registrar and Share Transfer Agent: Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
17. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their

representatives to attend and vote on their behalf at the Meeting.

18. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE FORTY FIRST ANNUAL GENERAL MEETING OF THE COMPANY AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO.6

The Board at its meeting held on 7th May 2014, appointed Mr. N. Ramesh Rajan, as an Additional Director of the company with effect from 7th May 2014 pursuant to section 161 of the Companies Act, 2013 and hence he hold office only up to the date of this Annual General Meeting. A notice in writing from a member has been received u/s. 160 of the Companies Act, 2013 along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. N. Ramesh Rajan for the office of Independent Director, to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

The Company has received

- (i) The consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and qualification of Directors) Rules 2014;
- (ii) Intimation in form DIR-8 in terms of Companies (Appointment and qualification of Directors) Rules 2014 to the effect that he is not disqualified u/s.164(2) of the Companies Act, 2013; and
- (iii) A declaration to meet the criteria of independence as per section 149(6) of the Companies Act, 2013.

The matter regarding the appointment of Mr. N. Ramesh Rajan as an Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a period of 5 (Five) years from 7th May 2014 to 6th May 2019.

The Board of directors opined that Mr. N. Ramesh Rajan fulfills the conditions for appointment as Independent Director of the company specified in

the Companies Act, 2013 and rules made there under.

The resolution seeks the approval of the members for the appointment of Mr. N. Ramesh Rajan as an Independent Director of the Company up to 06th May 2019 pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and rules made there under. He is not liable to retire by rotation.

A copy of the draft letter for the appointment of Mr. N. Ramesh Rajan as an Independent Director is available for inspection without any fees by the members of the Company at the registered office of the Company during working hours on working days up to the date of the Annual General Meeting of the Company.

No Director or key managerial person or their relatives, except, Mr. N. Ramesh Rajan, to whom the resolution relates is interested or concerned in the resolution.

The Board recommends the resolution, for appointment of Mr. N. Ramesh Rajan as an Independent Director of the Company, for the approval of members.

ITEM NO.7

The Board at its meeting held on 17th July 2014, appointed Mrs.Lakshmmi Subramanian, as an Additional Director of the company with effect from 17th July 2014 pursuant to section 160 of the Companies Act, 2013 and hence she hold office only up to the date of this Annual General Meeting. A notice in writing from a member has been received u/s. 161 of the Companies Act, 2013 along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs.Lakshmmi Subramanian for the office of Lady Independent Director to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

As per clause 49 of the Listing Agreement and section 149 of the Companies Act, 2013 every listed company shall have at least one lady director.

The Company has received

- (i) The consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and qualification of Directors) Rules 2014;
- (ii) Intimation in form DIR-8 in terms of Companies (Appointment and