



IYKOT HITECH TOOLROOM LIMITED

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18th

ANNUAL REPORT

2008-2009



VENUS[®]

ELVD

(EARTH LOOP VOLTAGE DETECTOR)

***SENSES SHOCKS SO FAST
YOU WON'T HAVE TO***



***INTRODUCING
THE MOST RELIABLE PROTECTION
AGAINST ELECTRIC SHOCK***



BOARD OF DIRECTORS

THIRU. S. IYEMPANDI	Managing Director
THIRU. N.K.S. KOLAPPAN	Joint Managing Director
PROF. ROOSHIKUMAR PANDYA	Director
THIRU. A. PARAMASIVAM	Director
Dr. S. RAJAPANDIAN	Director
THIRU. M.S. KRISHNAN	Additional Director*

*Appointed w.e.f. 14.5.2009

AUDITORS

M/s. RAMADOSS & ASSOCIATES

Chartered Accountants

Vasundhara Apartments

III Floor, (Old 27/7), New 16/7

Hindi Prachar Sabha Street

T. Nagar, Chennai - 600 017.

BANKERS

State Bank of Indore, Chennai - 108

Indian Bank, Chennai - 32

REGISTERED OFFICE

No.19, Block I, Sidco Electronics Complex

Guindy, Chennai - 600 032.

Telephone : +91-44-2250 0280

Telefax : +91-44-2250 0280

Email : info@iykot.com/grc@iykot.com

Home Page : www.iykot.com

FACTORY

131/2, Thiruneermalai Road

Nagalkeni, Chromepet, Chennai - 600 044

Phone : +91-44-4316 2280

Telefax : +91-44-4316 2280

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NOTICE TO THE SHARE HOLDERS

NOTICE is hereby given that the 18th Annual General Meeting of the shareholders of the company will be held on Wednesday, the 30th September 2009 at 3.30 p.m. at Hotel PALMGROVE, 13, Kodambakkam High Road, Chennai – 600 034, to transact the following business.

1.0 ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statements of Accounts for the year ended 31st March 2009 and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Prof.Rooshikumar Pandya who retires by rotation and being eligible, offers himself for re-appointment. Prof.Rooshikumar Pandya has given his consent to be the director if appointed.
3. To appoint a Director in place of Dr.S.Rajapandian who retires by rotation and being eligible, offers himself for re-appointment. Dr.S.Rajapandian has given his consent to be the director if appointed.
4. "Resolved that pursuant to the provisions of Section 260 and other applicable provisions, if any, of the Companies Act, 1956 (the "Act") Thiru.M.S.Krishnan, who was appointed as an Additional Director by the Board of Directors of the Company and who holds office as such only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member signifying his intention to propose Thiru.M.S.Krishnan as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation".
5. To appoint Auditors and fix their remuneration M/s.Ramados & Associates, Chartered Accountants, Chennai retire at the conclusion of the

Annual General Meeting and being eligible, offer themselves for re-appointment.

2.0 SPECIAL BUSINESS

1. To amend Memorandum and Articles of Association.

Your company has developed an electronic Shock Preventor unit to prevent electric shock to human beings from home appliances and small tools used in home and industries. This was designed, manufactured by your company and are being supplied to Ms/.Venus Home Appliances (P) Ltd as OEM component.

We feel, there is very good potential in the market for the same product as a stand alone unit to be used in home and industries. We propose to manufacture Shock Preventor in volume to market the unit as a stand alone product.

The present Memorandum And Articles of Association of your company has the following four items as your main objects to be perused by the company on its incorporation:

1. To carry on the business of manufacturing, servicing of special moulds, dies, jigs and fixtures, meant for electronics industry, automobile industry and customer durables, industry.
2. To offer consultancy for the design, prototype developments, sample preparation for end use products.
3. To manufacture, buy, sell, hire, lease, export or otherwise deal in, provide services and consultancy in precision dies and moulds.
4. To offer training in tool designing, tool making, with the aid of computer aided machines and / or any other modern technology.

As the manufacture of electronic product (Shock Preventor) is not in your main object, enshrined in your Memorandum And Articles of Association we propose to include the following object in your Memorandum And Articles of Association, through an amendment as below.

5. To manufacture moulded components in plastics and pressed components in metals.
6. To design, manufacture and market electrical and electronics components / products / appliances either directly or through marketing agents.

Note:

1. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote. The Proxy need not be a member. A

member unable to attend may appoint another person (whether a member or not) as his proxy in the enclosed form which shall be deposited with the Registered Office No.19, Block-I, Sidco Electronics Complex, Guindy, Chennai – 600 032. The proxies in order to be effective must be received by the company not **less than 48 hours before the meeting.**

2. The registrar of members and the share transfer books of the company will remain closed **from 17.09.2009 to 30.09.2009 (both days inclusive).**
3. Members/Proxies should bring the attendance slip sent herewith, duly filled in and signed handover the same of the entrance of the hall.
4. Shareholders are requested to bring their copy of the Annual Report for the meeting.

Explanatory Statement

1.0 Ordinary Business

(Pursuant to Section 173 (2) of the Companies Act, 1956)

The information in respect of item No.2, 3 and 4 of ordinary business and pursuant to SEBI code for Corporate Governance about Director seeking re-appointment in this Annual General Meeting is furnished hereunder:

Particulars	Item No.1.2	Item No. 1.3	Item No.1.4
Name of the Director	Prof.Rooshikumar Pandya	Dr.S.Rajapandian	Thiru.M.S.Krishnan
Date of Birth	27.03.1940	01.06.1942	17.02.1942
Date of appointment	10.08.1992	30.06.2006	14.05.2009
Qualification and experience in specific functional area.	B.A. (Hons) from India. M.A. from California, USA and another M.A. from Montreal, Canada. Doctoral Studies from Canada. Management Consultant in HRD. He is specialized in Leadership,	B.E. (Elec), M.E., (HV) and Doctorate in H.V. (Engg) from Indian Institute of Science, Bangalore. Has wide experience in manufacturing of Electric component (capacitor) and Specialized in the field of Electrical	Thiru. M.S.Krishnan is a graduate in Engineering (1966 Madras University) and Law (Delhi University). He comes with a rich experience of 36 years in Management of Air Ports, communication, and Civil aviation.



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Particulars	Item No.1.2	Item No. 1.3	Item No.1.4
	Negotiation skills, team building, Assertive Management etc. He has done programmes for L&T, GEC, ABB, IDBI, HLL and some eighty other companies.	Engineering in energy saving. He has his own unit manufacturing power capacitor and also Principal of Panimalar Engineering College, Chennai.	
Chairman / Member of the committee of the Board of Director of the company	Member of Audit Committee and Remuneration Committee.	Chairman of Audit Committee and Member of Remuneration Committee and Shareholders Grievance Committee.	—

By Order of the Board
For **lykot Hitech Toolroom Ltd**

Place : Chennai
Date : 16.06.2009

(S.IYEMPANDI)
Managing Director



DIRECTORS REPORT

Your directors have great pleasure in presenting their 18th Annual Report and the Audited accounts of the company for the year ended 31st March 2009.

1.0 FINANCIAL RESULTS

Year ended	31.03.2009	31.03.2008
Profit & Loss before interest and depreciation	86.92	83.88
Interest	11.56	5.53
Depreciation	15.49	17.14
Deferred tax asset	0.06	-
Profit and Loss after interest and depreciation	59.95	61.21
Short provision of income tax of earlier year	0.16	0.26
Provision for taxation	6.22	6.78
Profit / (Loss) after taxation	53.55	54.17
Balance Brought Forward from Previous year	(234.63)	(491.59)
Balance carried to Balance Sheet	(181.08)	(234.63)

2.0 DIVIDEND :

Considering the accumulated losses, your Directors have not recommended any dividend on equity share capital of the company for the year ended 31st March 2009.

3.0 AUSTERITY MEASURES :

The Company continues to pursue austerity measures to achieve cost reduction.

4.0 CORPORATE GOVERNANCE

As per the Clause 49 of the Listing Agreement and in accordance with the provisions of the said Clause Audit Committee, Share holders/ Investors Grievance Committee, Remuneration

Committee has met and transacted business as laid down.

In pursuance of Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report along with the Auditors Certificate are given else where and form part of this report.

5.0 TRADING IN THE SHARES / DELISTING OF EQUITY SHARES:

Bombay Stock Exchange Ltd, with effect from 15.04.2009 has revoked the suspension of your shares from listing. The listing effected is for the reduced capital of Rs.304.0 Lakhs consisting of 60,84,000 equity shares of Rs.5/- each fully paid up.

The Scrip Code is 522245 and Group allotted is 'Z'. Abbreviated name on BOLT system is "YKOT HITEC" and Scrip ID on BOLT system is "YKOT HITE".

However, the revoking of suspension for trading of your shares is expected shortly.

6.0 DIRECTORS

6.1 Under Article 116, Thiru.A.Paramasivam, and Prof.Rooshikumar Pandya Directors of the company retire from office by rotation and being eligible, offer for re-appointment.

6.2 M.S.Krishnan, Additional Director appointed in the Board Meeting held on 11.05.2009, is also being recommend in the Annual General Meeting as per Company Law provision to be appointed as Director of your Company.

7.0 INFORMATION UNDER SECTION 217(2A) & 217 (1) (E) OF THE COMPANIES ACT, 1956.

7.1 During the year no employees has drawn salary in excess of the amounts prescribed under Section 217 (2A) of the Companies Act, 1956 read with (Companies particulars of employees) Rules 1975.

**7.2 Information required under Section 217 (1) (E) is given hereunder:**

- (i) Conservation of energy : All steps have been taken into conserve energy of all levels.
- (ii) Technology Absorption, Adoption and Innovation : Not applicable.

7.3 Research and Development

Your company has developed and manufactured a new device based on the new principle of Earth Loop Voltage sensing to avoid electric shock to human being from house hold appliances like Water Heater, Iron Box, Oven, Wet Grinder, Toster, Mixi, Hot Plates etc. This product has been supplied to M/s. Venus Home Appliances Pvt Ltd to be fitted as Original Equipment Manufacture product in their Water Heaters. Also the stand alone models to be used in the houses and industries is being launched through M/s.Venus Home Appliances Pvt Ltd, marketing network. The product details are given in the Annual Report inner page for members information.

The Research and Development is further continued to develop new and cost effective products like the above.

- (ii) The Foreign Exchange outgo : Rs. 4,21,627.00

8.0 FIXED DEPOSITS :

The Company has not accepted any Fixed Deposits from the public from the date of commencement of Business.

9.0 COMPANY SECRETARY :

Steps are being taken to appoint a whole-time Company Secretary under the provisions of the Companies Act, 1956.

10.0 AUDITORS

M/s.Ramados & Associates, Chartered Accountants, Chennai retires at the conclusion of 18th Annual General Meeting and are eligible for re-appointment.

The directors recommend their re-appointment.

7.4 Foreign Exchange earnings and outgo:

- (i) The Foreign Exchange earnings : NIL

Place : Chennai
Date : 15.06.2009

N.K.S.KOLAPPAN
Joint Managing Director

S.IYEMPANDI
Managing Director

CORPORATE GOVERNANCE REPORT

1.0 Your philosophy on Code of Governance is aimed at safeguarding and adding value to the interest of the various stakeholders of your company including shareholders, lenders, employees and public at large. At IYKOT HITECH TOOLROOM LTD, we are committed to Good Corporate Governance to ensure that all functions of the Company are discharged in a professionally sound and competent manner. Given below is the requisite information relating to corporate functioning of your Company at

apex level for the purposes of due transparency on this aspect.

2.0 Board of Directors:

The Board consists of 5 Directors as on 31.03.2009. The composition of Board confirm to Clause 49 of the Listing Agreement and the details are given below:

Details about the Company's Board of Directors and the meeting attended during the period under review 01.04.2008 to 31.03.2009 are tabulated hereunder:

Sl. No.	Name of the Director	Category	Position	No of. Board Meetings attended	Attendance at the previous AGM held on 27.9.08	No.of Director ship in other public Companies	No of Committee positions (as Member/Chairman) held in other public Companies
1.	Thiru.S.lyempandi	Promoter / Executive	Managing Director	5	Present	Nil	Nil
2.	Thiru.N.K.S.Kolappan	Promoter / Executive	Joint Managing Director	5	Present	Nil	Nil
3.	Prof. Rooshikumar Pandya	Non Executive	Director	5	Present	3	Nil
4.	Thiru.A.Paramasivam	Non Executive Independent	Director	-	-	Nil	Nil
5.	Dr.S.Rajapandian	Non Executive Independent	Director	5	Present	Nil	Nil

2.1 Number of Board Meetings :

The Board of Directors met 5 times during the Financial Year 2008-2009.

Dr. S. Rajapandian and at present consists of Thiru. A.Paramasivam, Prof.Rooshikumar Pandya and Thiru.N.K.S.Kolappan.

The Audit Committee met **four** times during the period under review and all the Members of the Committee except Thiru.A.Paramasivam attended the meeting.

Thiru. I.Karthikeyan is the Secretary of the Audit Committee.

3.0 Board Committees :

In accordance with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges the following Committees has been constituted.

3.1 Audit Committee :

The Audit Committee has been constituted in line with the Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Since the Committee is headed by

3.2 Remuneration Committee

The Company has also set up a Remuneration Committee of Directors, consisting of Thiru A. Paramasivam, Chairman, and Dr. S. Rajapandian and Prof. Rooshikumar