

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 | Director |

AUDITORS

M/s. RAMADOSS & Co
Chartered Accountants
No.7, 1st Floor,
Hindi Prachar Sabha Street
T.Nagar, Chennai - 600 017
Phone: 044 – 4212 9662
Email: ramados.company@gmail.com

REGISTRAR & SHARE TRANSFER AGENT

M/s.CAMEO CORPORATE SERVICES LTD
“Subramanian Building”
1, 5th Floor, Club House Road,
Chennai – 600 002.
Phone: 044 – 64555838
Fax: 044 – 2846 0129.

BANKERS

State Bank of India, Chennai – 108
Indian Bank, Chennai – 32.

REGISTERED OFFICE

M/s. IYKOT HITECH TOOLROOM LIMITED
No.19, Block – 1, Sidco Electronics Complex,
Guindy, Chennai – 600 032.
Telefax: +91-44-2250 0280
Email: info@iykot.com/grc@iykot.com
Home Page: www.iykot.com

FACTORY

Unit - I
M/s. IYKOT HITECH TOOLROOM LIMITED
No. 131/2, Thiruneermalai Road,
Nagalkeni, Chromepet, Chennai - 600 044.
Telefax: +91-44-4316 2280

Unit - II
M/s. IYKOT HITECH TOOLROOM LIMITED
5C, Dr. Abdul Kalam Cross Street
Nagalkeni, Chromepet
Chennai - 600 044.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 22nd Annual General Meeting of the shareholders of the company will be held on 28, Saturday, September 2013 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 2013 and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Thiru.M.S.Krishnan who retires by rotation and being eligible, offers himself for re-appointment. Thiru.M.S.Krishnan given his consent to be the Director if appointed.
3. To appoint Auditors and fix their remuneration M/s.Ramadoss & Co, Chartered Accountants, Chennai retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for re-appointment.

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-1, Sidco Electronics Complex, Guindy, Chennai – 32. 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 15.09.2013 to 28.09.2013 (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 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 |
|--|--|
| Name of the Director | Thiru.M.S.Krishnan |
| Date of Birth | 17.02.1942 |
| Date of appointment | 14.05.2009 |
| Qualification and experience in specific functional area. | Thiru.M.S.Krishnan is a Graduate in Engineering (1966 Madras University) and Law (Delhi University). He comes with a rich experience of 45 years in Management of Air Ports, Communication and Civil aviation. |
| Chairman / Member of the committee of the Board of Director of the company | Member of Audit Committee. |
| Committee Chairmanship / membership held in other companies. | ----- |
| No.of Shares held in the Company as on 31st March 2013. | ----- |

By Order of the Board
For lykot Hitech Toolroom Ltd

Place: Chennai
Date : 25.05.2013

(S.IYEMPANDI)
Managing Director

DIRECTOR'S REPORT

Your Directors have great pleasure in presenting their 22nd Annual Report and the Audited accounts of the company for the year ended 31st March 2013.

1.0 FINANCIAL RESULTS

| Year ended | 31.03.2013 | 31.03.2012 |
|---|------------|------------|
| Profit & Loss before interest and depreciation | 18.96 | 117.16 |
| Interest | 15.67 | 15.74 |
| Depreciation | 21.59 | 20.96 |
| Deferred tax asset/liability | (1.19) | 0.11 |
| Profit and Loss after interest and depreciation | (19.49) | 80.35 |
| Provision for taxation | - | 24.78 |
| Profit / (Loss) after taxation | (19.49) | 55.57 |
| Balance Brought Forward from Previous year | (24.80) | (80.37) |
| Balance carried to Balance Sheet | (44.29) | (24.80) |

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 2013.

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 elsewhere and form part of this report.

5.0 TRADING IN THE SHARES / DEMAT OF SHARES

Your shares are demated with ISNI Code INE 079L01013 and are approved both NSDL and CDSL with effect from May 2010.

Your shares are traded at Bombay Stock Exchange.

6.0 DIRECTORS

Under Article 116, Thiru.M.S.Krishnan Director of the Company retire from office by rotation and being eligible, offers for re-appointment.

It is with a heavy heart we inform you about the sudden demise of our Director Prof.Rooshikumar Pandya who passed away on 13th April 2013. He served your company from the inception and was a great guiding force for the executive directors.

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

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.

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 AUDITOR'S REPORT

(i) **Non provision of gratuity and leave encashment** : According to the management considering the number of employees, we are of the opinion, the leave encashment will be accounted on cash basis.

- (i) a) In regards gratuity, the company will be entering into a agreement with M/s. Life Insurance Corporation of India in the ensuing year.
- (ii) *Internal Audit* : The company's average annual turnover has exceeded Rs. 5.0 crores, in the financial year 2012 - 2013. Hence the company will be appointing internal auditor in the financial year 2013-2014

11.0 AUDITORS

M/s.Ramados & Co, Chartered Accountants, Chennai retires at the conclusion of 22nd Annual General Meeting and are eligible for re-appointment.

The Directors recommend their re-appointment.

12.0 MANAGEMENT DISCUSSION AND ANALYSIS INDUSTRY STRUCTURE AND DEVELOPMENT.

The company is in the business of manufacturing plastic moulded components for white goods, automobile and entertainment, electronics. The company has it factory at Unit-1 No.131/2, Thiruneermalai Road, Nagalkeni, Chromepet, Chennai - 600044, Unit 2 No. 5C, Dr. Abdul Kalam Cross Street, Nagalkeni, Chromepet, Chennai - 600044.

PRODUCT RANGE:

The company manufactures moulded components from 200 grams to 3000 grams of different sizes. It has installed seven (7) moulding machines in this facility of capacity ranging from 150 Tons to 850 Tons.

QUALITY CONTROL:

The company has initiated a two tier quality control system for all its products. The supervisors and operators check the quality of the product as it comes out of the machines. Any defect in the product for deformation, color mismatch or faded color identified, declared defective and sent to reprocessing.

In the second stage a separate inspectors checks for this dimension and fitment of the product and then affix his seal of approval.

MARKETING:

The company visits every other plastic component user on a regular basis and tries to add them as customer and then try to retain them by timely supply with quality products.

OPPORTUNITY AND THREAT :

The growth of Chennai as a automobiles and white goods manufacturing centre generates lot of opportunities for plastic component manufactures like our company. However a 40% power cut plus evening peak hour restrictions between (06.00 p.m. to 10.00 p.m.) for the last four years put untold miseries for all plastic manufactures. It is very difficult to meet the existing demand. The company resort to generate power using a generator which is prohibitively expensive. This prevent us from making use of the opportunities.

OUTLOOK:

The general manpower problem affecting all manufacturing industries is a cause for worry for the company. The all round increase in price and the salary level prevalent due to growth of I.T. Industries in and around Chennai, is affecting the profit margin of the company. The labour turnover and non availability of unskilled and semi skilled labour is another area of concern. The migrant labour from other part of India gives some relief but causes problems also.

RISK AND CONCERN

The main raw material used is ABS. The price of raw material is highly fluctuating according to the price of crude price. However, we have an agreement with our customers to increase/decrease the price as and when the raw material price change.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The company made a turn over of Rs.756.93 lakhs and a net loss of Rs.-19.48 lakhs after tax. The management is trying

every means turn around the company by adopting cost cutting methods in addition by getting more job orders from the market.

13.0 RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217 (2AA) of the Companies Act, 1956:

- (a) That in the preparation of the annual accounts for the year ended March 31st 2013, the applicable accounting standards have been followed along with proper explanation.
- (b) That such accounting policies as mentioned in schedule 23 to the annual accounts have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on March 31st 2013 and of the profit/loss of the company for that year;
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and to prevent and detect fraud and other irregularities;
- (d) That the Annual accounts for the year ended 31st March 2013 have been prepared on a going concern basis.

14.0 CORPORATE GOVERNANCE

A separate detailed corporate governance report is attached herewith.

15.0 COMPLIANCE CERTIFICATE: CERTIFICATE UNDER CLAUSE 47 OF THE LISTING AGREEMENT FOR THE YEAR ENDED 31ST MARCH 2013.

We have examined all share Transfer Deeds, Memorandum of Transfers, Register, files and other documents relating to M/s.IYKOT HITECH TOOLROOM LTD, (Regn No.21330 of 1991) maintained by Cameo Corporate Services Ltd "Subramanian Building, No.1, Club House Road, Chennai - 600 002 pertaining to transfer of equity shares of the Company for the period from 01.04.2012 to 31.03.2013 for the purpose of issuing Certificate as per Clause 47 (C) of the Listing Agreement entered in to by, M/s. IYKOT HITECH TOOLROOM LTD, with the Stock Exchanges and based on the information provided by Cameo Corporate Services Ltd and hereby certify that the Company has delivered during year ended on 31.03.2013.

- a) Share Certificate relating to the Share Transfer Deeds received during the period from 01.04.2012 to 31.03.2013 as entered in the Memorandum of Transfers have been issued within one month from respective date of lodgment of each deed excepting those rejected on technical grounds.
- b) Share Certificates in respect of requests for exchange of duplicate and split certificates have been issued within one month of lodgment.

Lakshmi Subramanian
Senior Partner

Practicing Company Secretaries
(Membership No.3534)

"Murugesu Naicker Office Complex",
81, Greaves Road, Chennai - 600 006.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation of the continuous support received by the Company from the investors, participating Banks, Central/State Government departments, its Customers and Suppliers.

Place : Chennai

Date : 25.05.2013

S. IYEMPANDI
Managing Director

ANNEXURE TO THE DIRECTOR'S REPORT

Information As Per Sec.217 (1) (E) read with Companies (Disclosure Of Particulars In The Report Of The Board Of Directors) Rules, 1988, And Forming Part Of The Directors Report For The Year Ended 31st March 2013.

A. CONSERVATION OF ENERGY

- a) Energy conservation measures taken: All steps have been taken into conserve energy at all levels.
- b) Additional Investment Proposals: NIL
- c) Impact of above measures on energy consumption:
- d) Total energy consumption and energy consumption per unit of production as per Form A : NOT APPLICABLE.

B. TECHNOLOGY ABSORPTION

- I) As per Form B : NOT APPLICABLE.
- II) Research and Development (R & D).
 - i) Specific areas in which Research and Development carried out by the Company: NIL.
 - ii) Benefits derived as a result of the above Research and Development: NIL.

- iii) Future Plan of action – NIL
- iv) Expenditure on Research and Development at present percentage of the turnover: NIL
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total Research and Development as a percentage of turnover.

III. Technology, Absorption, Adoption and Innovation:

NOT APPLICABLE.

- i) Efforts made
- ii) Benefits derived
 - 1) Production Improvement
 - 2) Cost reduction
 - 3) Import substitution
- iii) Technology imported
- iv) Year of Report
- v) Has technology been fully absorbed

If not fully absorbed areas where this has not been reasons therefore and future plans of action.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

| | 2012-13 | 2011-12 |
|------------------------------------|-------------|--------------|
| 1) Earnings in Foreign Exchange | NIL | - |
| 2) Expenditure in Foreign Currency | ` 1,48,032 | ` 2,08,902/- |
| 3) CIF Value of Import. | ` 18,99,000 | - |

Place : Chennai
Date : 25.05.2013

S. IYEMPANDI
Managing Director

REPORT ON CORPORATE GOVERNANCE

1.0 Company's Philosophy on Code of Governance:

Our philosophy on Code of Governance is aimed at safeguarding and adding value to the interest of the various stakeholders of our 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: Composition and category of Board of Directors.

The Board of Directors of the company comprises of Executive, Non-Executive and Independent Directors. In all there are six Directors, two Executive and Three Non-Executive Independent Directors and one Non Executive Director.

As on 31st March 2013, the Board of Directors of the Company met the stipulated requirements of Clause 49 of the Listing Agreement of the Stock Exchanges. The Board is responsible for the management of the business and meets regularly for discharging its role and functions.

2.1. Number of Board Meetings:

The Board of Directors met 4 times during the Financial Year 2012-2013.

- 1) Board Meeting held on 31.05.2012
- 2) Board Meeting held on 31.07.2012
- 3) Board Meeting held on 31.10.2012
- 4) Board Meeting held on 25.01.2013

The composition and membership on other Boards, Committees of Directors and attendance of Directors at the Board of Directors Meetings held during the Financial Year 2012-2013 and the last AGM held on 29.09.2012 is given below.

| Sl. No. | Name of Director | Category | Attendance Particulars | | Number of Directorships in other Public Companies and Committee Members / Chairmanship | | |
|---------|-------------------------|---------------------------|------------------------|----------|--|--|--|
| | | | Board Meeting | Last AGM | Other Director -ship | Committee Memberships (other than IYKOT) | Committee Chairmanships (other than IYKOT) |
| 1. | Thiru.S.Iyempandi | Promoter / Executive | 3 | Yes | Nil | Nil | Nil |
| 2. | Thiru.N.K.S.Kolappan | Promoter / Executive | 4 | Yes | Nil | Nil | Nil |
| 3. | Prof.Rooshikumar Pandya | Non Executive | 2 | Yes | 3 | 3 | Nil |
| 4. | Thiru.A.Paramasivam | Non Executive Independent | 1 | Yes | Nil | Nil | Nil |
| 5. | Dr.S.Rajapandian | Non Executive Independent | 4 | Yes | Nil | Nil | Nil |
| 6. | Thiru.M.S.Krishnan | Non Executive Independent | 4 | Yes | Nil | Nil | Nil |

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. The Committee is headed by Dr.S.Rajapandian and at present consists of Thiru.A.Paramasivam, Thiru.N.K.S.Kolappan, Thiru.M.S.Krishnan and Prof.Rooshikumar Pandya.

Terms of reference: Terms of reference of the Audit Committee included the followings:

i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct sufficient and credible.

ii) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees.

iii) Approval of payment to statutory auditors for any other services rendered by them.

During the financial year four Audit Committee meetings were held on the following dates:

1. 31st May 2012.
2. 31st July 2012.
3. 31st October 2012.
4. 25th January 2013.

The Attendance of Directors at the Audit Committee Meetings held during the year 2012-2013 is given below:

| Name of the Director | Category of Membership | Attendance Particulars | |
|-------------------------|------------------------|------------------------|-------------------|
| | | Meetings Held | Meetings Attended |
| Dr.S.Rajapandian | Chairman | 4 | 4 |
| Thiru.N.K.S.Kolappan | Member | 4 | 4 |
| Prof.Rooshikumar Pandya | Member | 4 | 2 |
| Thiru.A.Paramasivam | Member | 4 | 1 |
| Thiru.M.S.Krishnan | Member | 4 | 4 |

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 Pandya as members of the committee.

Terms of reference: The main criteria for fixing remuneration of the Directors is performance and also the practices in the industry. The terms of reference of the Remuneration Committee include review and recommendation to the Board of Directors, the remuneration to be paid to the Directors. The Committee meets as and when required to consider remuneration of Directors.

No remuneration committee meeting was held during the period under review.

Remuneration Policy:

The remuneration of the Executive Directors is recommended by the Remuneration committee, based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry and responsibilities shouldered. The Company pays remuneration by way of salary and perquisites to its Executive Directors.

The Non-Executive Directors are not paid any remuneration except sitting fees. Further the company has not entered into any pecuniary relationship or transactions with the Non-Executive Directors.

The details of the remuneration paid/payable to the Directors during the Financial Year 2012-2013, shareholding and relationship with Directors are as under:

| Name of the Director | Salary & Perquisites (Rs.) | Sitting Fees (Rs.) | No. of shares held as on 31.03.2013 | Relationship with Directors |
|-------------------------|----------------------------|--------------------|-------------------------------------|-----------------------------|
| Thiru.S.Iyempandi | 1229508 | - | 140520 | - |
| Thiru.N.K.S.Kolappan | 1276573 | - | 169920 | - |
| Thiru.A.Paramasivam | - | - | - | - |
| Prof.Rooshikumar Pandya | - | 14000 | 141120 | - |
| Dr.Rajapandian | - | 28000 | 1200 | - |
| Thiru.M.S.Krishnan | - | 28000 | - | - |