



IYKOT HITECH TOOLROOM LIMITED

25th ANNUAL REPORT
2015 - 2016

BOARD OF DIRECTORS

| | |
|---------------------------|-------------------|
| THIRU.S.IYEMPANDI | Managing Director |
| THIRU.N.K.S.KOLAPPAN | Director ** |
| THIRU.A.PARAMASIVAM | Director |
| DR.S.RAJAPANDIAN | Director |
| THIRU.M.S.KRISHNAN | Director |
| TMT. KARTHIGA KARTHIKEYAN | Director |

** Thiru.N.K.S.Kolappan retired from the post of whole time director on 31.12.2015 and continues as Director of the Company.

AUDITORS

M/s. RAMADOSS & Co

Chartered Accountants
Flat No.2, Vashundhara Apts.,
Old No. 27, New No. 16,
Hindi Prachar Sabha Street
T.Nagar, Chennai - 600 017
Phone: 044 - 2435 4966
Email: ramadoss.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.
Email : cameo@cameoindia.com

SECRETARIAL AUDITORS

M/s. LAKSHMMI SUBRAMANIAN & ASSOCIATES

Murugesu Naicker Office Complex,
No.81,Greams Road, Chennai - 600 006.
Phone : 044 2829 2272
Email : worklistsa2@gmail.com

COMPLIANCE OFFICER

Mr. S. Chandrasekaran
Email : grc@iykot.com

BANKERS

State Bank of India, Chennai – 600 108.
Axis Bank Ltd, Chennai – 600 043.

REGISTERED OFFICE

M/s. IYKOT HITECH TOOLROOM LIMITED

No.19, Block – 1, Sidco Electronics Complex,
Guindy, Chennai – 600 032.
Phone : +91-44-2250 1095
Email: info@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.

IYKOT HITECH TOOLROOM LIMITED

Regd.office: No.19,block-I Sidco Electronics Complex, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 32

Phone : 044-22501095 Website: www.iykot.com email: info@iykot.com

CIN:L27209TN1991PLC021330

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 25th Annual General Meeting of the Company will be held on 24th September 2016, Saturday at 4.00 p.m. at Hotel Palmgrove, 13, Kodambakkam High Road, Chennai – 600 034, to transact the following business.

ORDINARY BUSINESS:

1.To receive, consider and adopt the Financial Statements for year ended 31st March, 2016 together with the Reports of Board of Directors and Auditors.

2.To appoint a Director in the place of Mr.S.Iyempandi (DIN:00891670) who retires by rotation and being eligible, offers himself for re-appointment

RESOLVED THAT pursuant to section 152(6) of the Companies Act, 2013, Mr.S.Iyempandi (holding DIN 00891670), be and is hereby reappointed as a director of the Company and shall continue in the office of the Managing Director, till the expiry of the period of his tenure, as per his original terms of appointment, on the same terms and conditions, mentioned therein.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution'

3.To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

RESOLVED that in terms of the provisions of Sections 139,142 and other applicable provisions, if any, of the Companies Act, 2013 read with the underlying rules viz. Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the resolution of the Members at the 23rd Annual General Meeting held on 27th September, 2014, the appointment of M/s.Ramadoss & Co, Chartered Accountants (Registration No. 002879S), as statutory auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting (AGM) of the Company, be ratified by the Members on a remuneration inclusive of service tax and such other tax(es) (as may be applicable) and reimbursement of all out- of pocket expenses in connection with the audit of the accounts of the Company (including terms of payment) to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee.

By Order of the Board
For Iykot Hitech Toolroom Ltd

(S.IYEMPANDI)
Managing Director
DIN : 00891670

Place: Chennai
Date : 13.08.2016

NOTES:

- i) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as 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.

- ii) Voting through electronic means:

- I. 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 25th Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system.

- I. from a place other than the venue of the AGM (remote e-voting) will be provided by Central Depository Services (India) Limited (CDSL) and the items of business as detailed in this Notice may be transacted through remote e-voting.

- II. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date of Saturday, 17th September, 2016 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

- III. The Members who have cast their votes through remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under

1. The voting period begins on Wednesday 21st September, 2016 from 9.00 am and ends on Friday 23rd September, 2016 till 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the date 17th September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

7. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>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 8 digits of the sequence number in the PAN field.</p> <p>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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| 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 | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>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 as mentioned in instruction (iv).</p> |

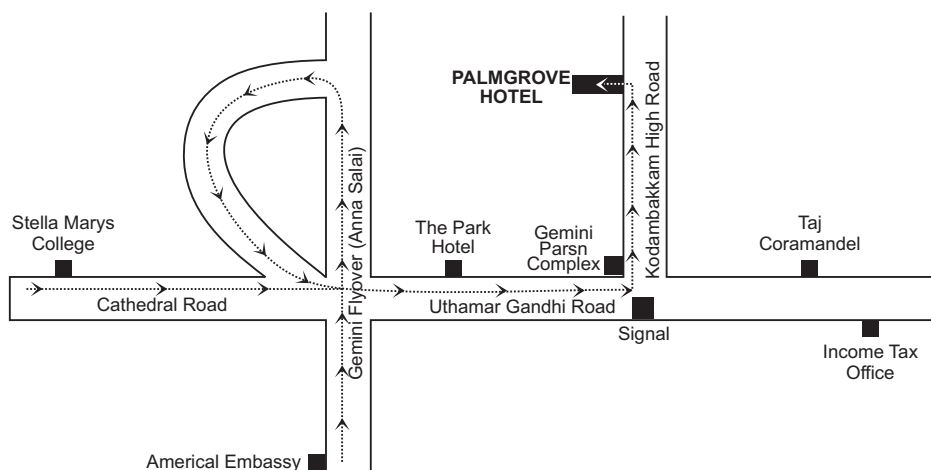
8. After entering these details appropriately, click on "SUBMIT" tab.
9. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant Lykot Hitech Toolroom Limited on which you choose to vote.
12. 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.

13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. 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.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
17. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
19. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- I. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2015
- II. Mrs Lakshmi Subramanian, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the electronic voting process at the AGM in a fair and transparent manner.
- III. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- IV. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The Chairman or the authorised person shall declare the result of the voting forthwith.
- V. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.iykot.com and on the website of CDSL after the same is declared by the Chairman/authorised person. The Results shall also be simultaneously forwarded to the stock exchanges.
- iii) Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular No.21/99 dated July 8, 1999. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.
- iv) The Register of Members and the Share Transfer Books of the Company will remain closed from 11th September, 2016, Sunday to 24th September, 2016, Saturday (both days inclusive) for the purpose of Annual General Meeting.
- v) Members holding shares in physical form are requested to immediately notify change in their address, to the Registrar and Transfer Agent of the Company, viz. M/s Cameo Corporate Services Limited, Subramanian Building 5th floor, Chennai-600002, Tamilnadu, INDIA, quoting their Folio number(s).
- vi) Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates, email addresses, nominations, power of attorney, change of address/name etc. to their Depository Participant (DP) only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.
- vii) Members may avail of the nomination facility as provided under Section 72 of the Companies Act, 2013.
- viii) The facility for voting, either through ballot form or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
- ix) The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- x) The annual report of the Company circulated to the Members of the Company, shall also be made available on the Company's website at www.iykot.com.
- xi) Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
- xii) All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered/Corporate Office of the Company during the business hours on all working days from the date hereof up to the time of the Meeting.

- xiii) Clause 32 of the Listing Agreement executed with the stock exchanges permits sending of soft copies of annual reports to all those Members who have registered their email addresses for the purpose.
- xiv) The Companies Act, 2013 has also recognized serving of documents to any Member through electronic mode. In view of the above email addresses made available by the Depository for your respective Depository Participant accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/ documents including those covered under Sections 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the underlying rules relating to transmission of documents in electronic mode. In light of the
- xv) Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members who have not registered their email id with their Depository Participants are requested to do so and support the green initiative. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned above quoting their folio number(s).

xvi) DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE –APPOINTMENT AT THE ANNUAL GENERAL MEETING

| Particulars | S.lyempandi |
|---|--|
| Date of Birth | 09.05.1943 |
| Date of Appointment | 29.08.1991 |
| Qualification & Expertise in specific functional are as | B.E., MBA He has wide experience in Electrical Distribution, Material Management In various Industries. Worked in a project As Material Manager in Saudi Arabia for More than 3 Years. Associated with this Company from the inception and is the Key Management Person (MD) till now. |
| Chairmanships/Directorship of other Companies (excluding Foreign Companies and Section 8 Companies) | - |
| Chairmanships/Directorship of Committees of other Public Companies. | - |
| i. Audit Committee | - |
| ii. Stake holders Relationship Committee. | Member of the Committee |
| iii. Nomination and Remuneration Committee | - |
| Number of Shares held in the Company | 140520 |

Route Map of AGM Venue


DIRECTOR'S REPORT

Dear Shareholders,

Your Directors present their Report together with the Audited Accounts for the year ended 31st March, 2016

FINANCIAL RESULTS/PERFORMANCE OF THE COMPANY

| Year ended | 31.03.2016 | 31.03.2015 |
|---|------------|------------|
| Profit & Loss before interest and depreciation | 33.24 | 78.93 |
| Interest | 6.42 | 8.18 |
| Depreciation | 14.39 | 22.59 |
| Deferred tax asset/liability | (3.59) | (3.52) |
| Profit and Loss after interest and depreciation | 8.84 | 44.64 |
| Provision for taxation | 0.99 | 8.10 |
| Profit / (Loss) after taxation | 7.85 | 36.54 |
| Balance Brought Forward from Previous year | (6.75) | (43.28) |
| Balance carried to Balance Sheet | 1.10 | (6.75) |

DIVIDEND:

Considering the small surplus, available, your Directors have not recommended any dividend on equity share capital of the company for the year ended 31st March 2016

TRANSFER OF PROFIT TO RESERVES

The company has transferred its profits to its general reserves.

MATERIAL CHANGE AND COMMITMENTS OF THE COMPANY

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report; and there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There have been no loan, guarantees and investment given or made by the Company under Section 186 of the Act during the financial year 2015 – 2016.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The company doesn't have any subsidiaries, associates and joint venture companies.

TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information as required to be disclosed on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure I" to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of Section 152 of the Companies Act 2013, Mr.S.Iyempandi, Whole time Director, who retire by rotation at

the forthcoming AGM and is eligible for re-appointment. Mr.S.Iyempandi offered himself for re-appointment. Brief profile is mentioned in the Notice of forthcoming Annual General Meeting of the company.

INDEPENDENT DIRECTORS' DECLARATION

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 which has been relied on by the Company and placed at the Board Meeting of the Company.

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of section 139 of the Act and the rules framed there under, M/s.Ramadoss & Co, Chartered Accountants, (firm registration no. 000580S) were appointed auditors of the company from the conclusion of the 23rd Annual General Meeting (AGM) of the company held on 27th September 2014 till the conclusion of 26th AGM, subject to ratification of their appointment at every AGM.

COMMENT ON STATUTORY AUDITOR REPORT

Nil.

SECRETARIAL AUDITOR

Pursuant to the requirements of Section 204 (1) of the companies Act 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed, M/s.Lakshmmi Subramanian & Associates, a firm of Company Secretaries in Practice to undertake Secretarial Audit of the Company for the financial year 2015-16.

The Secretarial Audit report as received from the secretarial auditor is annexed to this report as Annexure II.

COMMENT ON SECRETARIAL AUDITOR REPORT

With reference to the remarks made by the secretarial auditor, in the Secretarial Audit Report, the company has taken the corrective measures during the current financial year.

RELATED PARTY TRANSACTIONS

During the year 2015 – 2016, the Company had entered into any material transaction with related parties as per section 188 of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in form MGT -9 as provided under Sub Section (3) of the Section 92 of the Companies Act, 2013 (the "Act") is annexed herewith as Annexure –III to this report.

PERSONNEL

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, forms part of this Report as Annexure IV.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Since your company's paid up Equity capital and Net worth is less than Rs.10 crores and Rs.25 crores respectively, hence not applicable to the company.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the balance sheet.

CORPORATE GOVERNANCE REPORT

Since your company's paid up Equity capital and Networth is less than Rs.10 Crores and Rs.25 Crores respectively, the provisions of revised Clause 49 relating to Corporate Governance, vide SEBI circular number CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014. Hence is not applicable to the company.

NUMBER OF MEETINGS OF THE BOARD

In total 4(four) Meetings of the Board of Directors of the Company were held during the year 2015-16, held on 20th May 2015, 31st July 2015, 31st October 2015, and 13th February 2016. The maximum time gap between any two consecutive meetings did not exceed 120 days.

PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Audit and Nomination & Remuneration Committees and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

A structured questionnaire was prepared after taking into consideration of the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman of the Board and the Executive Directors was carried out by the Independent Directors.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors had adopted a Code of Conduct for the Board Members and employees of the company. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements of the Company.

The Code is aimed at preventing any wrongdoing and promoting ethical conduct at the Board and employees. The Compliance Officer is responsible to ensure adherence to the Code by all concerned.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. The policy is available on the Company website www.iykot.com

RISK MANAGEMENT POLICY

The risk management is overseen by the Audit committee of the company in a continuous basis. Major risks, if any, identified by the business and functions are systematically addressed through mitigating action on a continuous basis. The Risk Management policy is available in the Company website www.iykot.com

DISCLOSURE AS PER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PERVECTION, PROHIBITION AND REDRESSAL) ACT, 2013

Presently the total number of employees are less than the statutory limit and hence the company has not constituted a separate committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

However the company has zero tolerance for sexual harassment at workplace.

During the financial year 2015-16, the Company has not received any sexual harassment complaints.

WHISTLE BLOWER POLICY/VIGIL MECHANISM-details to be confirmed by the company

The company has a whistle blower policy framed at present. Further, Directors and employees are having full access to the audit committee to report their genuine and serious concern if they observe any. The policy is available on the Company website www.iykot.com

POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of the Act are covered under the Board's policy formulated by the Company and is available on the Company website www.iykot.com

BOARD COMPOSITION

The Board is well constituted with composition of two executive and one non-executive and three independent directors in the meeting.

| 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 | 4 | Yes | Nil | Nil | Nil |
| 2. | Thiru.N.K.S.Kolappan | Promoter / Executive Retired from Executive Director on 31.12.15 and continue as Director thereon | 4 | Yes | Nil | Nil | Nil |
| 3. | Thiru.A.Paramasivam | Non Executive Independent | 2 | Yes | Nil | Nil | Nil |
| 4. | Dr.S.Rajapandian | Non Executive Independent | 4 | Yes | Nil | Nil | Nil |
| 5. | Thiru.M.S.Krishnan | Non Executive Independent | 3 | Yes | Nil | Nil | Nil |
| 6. | Ms. K. Karthiga | Non Executive Director | 3 | Yes | Nil | Nil | Nil |

Board Committees

The Board has constituted the following committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

Audit Committee

(A) Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of two whole time directors and three Independent Directors.
- (ii) All members of the Committee are financially literate and having the requisite financial management expertise;
- (iii) The Chairman of the Audit Committee is an Independent Director;

B) Terms

The terms of reference of the Audit Committee include:

- ❖ the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ❖ review and monitor the auditor's independence and performance, and effectiveness of audit process;
- ❖ examination of the financial statement and the auditors' report thereon;
- ❖ approval or any subsequent modification of transactions of the company with related parties;
- ❖ scrutiny of inter-corporate loans and investments
- ❖ valuation of undertakings or assets of the company, wherever it is necessary;
- ❖ evaluation of internal financial controls and risk management systems;

- ❖ Monitoring the end use of funds raised through public offers and related matters.

Powers of Audit Committee:

The Audit committee shall have the authority –

- ❖ To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board.
- ❖ To discuss any related issues with the internal and statutory auditors and the management of the company
- ❖ To investigate into any matter in relation to the items or referred to it by the Board
- ❖ To obtain professional advice from external sources
- ❖ To have full access to information contained in the records of the company.

(C) Composition, names of Members and Chairperson, its meetings and attendance:

The composition of the Committee consists of Dr.S.Rajapandian, Independent Director its Chairman, Mr.A.Paramasivam, Mr.N.K.S.Kolappan, and Mr.M.S.Krishnan are as members of the committee. During the year, 4 Audit Committee meetings were held on 20th May 2015, 31st July 2015, 31st October 2015 and 13th February 2016.

The composition of the Audit Committee and number of meetings attended by the Members during the year are 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 |
| Thiru.A.Paramasivam | Member | 4 | 2 |
| Thiru.M.S.Krishnan | Member | 4 | 3 |

The Committee meetings was attended by invitation by the representatives of Internal Auditors.

Nomination and Remuneration Committee

(A) Constitution

The Company has set up a Remuneration Committee of Directors, consisting of Mr.A.Paramasivam, Chairman, Mr.M.S.Krishnan and Dr.S.Rajapandian are Members of the Nomination and Remuneration Committee. All increments/remuneration etc are decided at the Meetings collectively.

(B) Terms of reference

Terms of reference of the Nomination and Remuneration Committee include:

- ❖ The Committee shall formulate the criteria for determining the qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- ❖ The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- ❖ The Committee shall ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
- ❖ Review the policy from time to time for selection and appointment of Directors and senior management employees and their remuneration;
- ❖ Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.
- ❖ Filling up of vacancies in the Board that might occur from time to time and appointment of additional Non-Executive Directors. In making these recommendations, the Committee shall take into account the specialprofessional

skills required for efficient discharge of the Board's functions.

- ❖ Recommendation to the board with regard to retirement of Directors, liable to retire by rotation and appointment of Executive Directors.
- ❖ To determine and recommend to the Board from time to time
 - (a) The amount of commission and fees payable to the Directors within the applicable provisions of the Companies Act, 2013.
 - (b) The amount of remuneration, including performance or achievement bonus and perquisites payable to the Executive Directors
 - (c) To frame guidelines for Reward Management and recommend suitable schemes for the Executive Directors and Senior Management.
- ❖ To determine the need for key man insurance for any of the company's personnel
- ❖ To carry out the evaluation of every director's performance
- ❖ To carry out any function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modifications as may be applicable.
- ❖ Stakeholders' Relationship Committee

(C) Meetings and attendance during the year:

There was no event occurred which mandates the meeting of Nomination Committee during the year 2014-15, hence the requirement of holding the meeting does not arise .

The composition of the Remuneration Committee consists of, Mr.A.Paramasivam, Chairman of the Committee, Dr.S.Rajapandian, and Mr.M.S.Krishnan are as members of the committee. During the year, the Remuneration Committee meeting was held on 31st July 2015,

The composition of the Remuneration Committee and number of meetings attended by the Members during the year are given below:

| Name of the Director | Category of Membership | Attendance Particulars | |
|----------------------|------------------------|------------------------|-------------------|
| | | Meetings Held | Meetings Attended |
| Thiru.A.Paramasivam | Chairman | 1 | 1 |
| Thiru.M.S.Krishnan | Member | 1 | 1 |
| Dr.S.Rajapandian | Member | 1 | 1 |