



INTERFIT TECHNO PRODUCTS LIMITED

BOARD OF DIRECTORS

Mr. A.V. Palaniswamy, Managing Director
Mr. M. Loganathan, Non-Executive Independent Director
Mr. R. Alagar, Non-Executive Independent Director
Mr. K. Arunachalam, Non-Executive Independent Director
Mr. Philip K Baby, Executive Independent Director
(Appointed as Director w.e.f. 23.01.2010)

BANKERS

BANK OF INDIA
Main Branch
324, Oppanakara Street
Coimbatore - 641 001

AUDITORS

KRISHAAN & CO.
10 'C', Wing, 6th Floor, Parsn Manere,
602, Anna Salai, Chennai - 600 006

REGD. OFFICE & WORKS

SF No.112, Madhapur Road
Kaniyur, Suler Taluk
Karumathampatti Via - 641 659
Coimbatore District

SHARE TRANSFER AGENTS

SKDC CONSULTANTS LTD.,
Kanapathy Towers, 3rd Floor
1391/A-1, Sathy Road
Ganapathy
Coimbatore - 641 006
Ph : 0422-6549995, 2539835

**NOTICE OF ANNUAL GENERAL MEETING TO THE SHAREHOLDERS**

Notice is hereby given that the 17th ANNUAL GENERAL MEETING of the Company will be held at the Registered Office of the Company at SF No.112, Madhapur Road, Kaniyur, Sulur Taluk, Karumathampatti, Coimbatore - 641 659 on Saturday the 7th day of August 2010 at 9.30 AM to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited statements of accounts for the year ended 31st March 2010 together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr A V Palaniswamy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr M Loganathan, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the current financial year and fix their remuneration. M/s. Krishna & Co., Chartered Accountants, Chennai, retires and is eligible for re-appointment.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification, the following resolution as Ordinary Resolution.

"Resolved that Mr Philip K Baby be and is hereby appointed as Director of the Company whose office shall be liable for retirement by rotation"

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

"Resolved that the approval of the company in General Meeting be and is hereby accorded by special resolution to the appointment of Mr Philip K Baby, Director to as Director - Marketing, pursuant to Section 314 (1) (a), for a period of two years with effect from 23.01.2010 on the following remuneration, subject to approvals, if any, as may be required.

a) Salary : Rs. 1,00,000/- per month
(w.e.f. 23.01.2010)

b) Perquisites : Perquisites as detailed below are allowed in addition to Salary. However, Perquisites shall be restricted to 25% of salary per annum.

i) Housing:

The Company shall provide Housing rent of Rs. 10,000/- per month. The expenditure incurred for providing accommodation will be valued as per Income-tax Rules 1962.

ii) Car:

Provision of Car for use on Company's business will not be considered as perquisites. Use of Car for private purpose shall be billed by the Company.


12. SEGMENT REPORT :

Rs. in lacs

REGION	Year ended 31.03.10	Year Ended 31.03.09
1. Segment Revenue		
(a) Outside India	2869.69	284.46
(b) Within India	508.08	586.28
Total	3377.77	870.75
2. Segment Results Profit/(Loss) before tax and interest from each segment.		
(a) Outside India	423.17	45.68
(b) Within India	82.20	1.58
Total	505.37	47.25
Less:		
(i) Interest	59.45	41.92
(ii) Other Un-allocable Expenditure net	169.16	32.17
(iii) Un-allocable income	(2.21)	(28.61)
TOTAL PROFIT BEFORE TAX	278.97	1.78

Note : Segmental Capital Employed : Not identifiable with the reported segments.

13. The company has been granted Eligibility Certificate whereby the company is entitled to the benefit of IFST deferral scheme for manufacturing SS Fittings for nine years ending 30.11.03 for deferral of sales tax not exceeding Rs. 390.45 lakhs against which the company had availed Rs. 25.89 lakhs. Such sales tax deferred has to be repaid before November 2012 in stipulated installments commencing from December 2003 and the Company so far has paid Rs 9, 34,863/- (Previous Year Rs.6,96,206/-)
14. The Company is a subsidiary of Interfit India Ltd under the provisions of section 4(1)(b)(ii) of the Companies Act 1956. The total no of equity shares held by the holding company M/s Interfit India Ltd as on 31.03.2010 is 46,97,810. (Previous Year 46,97,810)
15. As per the information available with the company till date, none of the suppliers have informed the company about their having registered themselves under the "Micro, Small and Medium enterprises development Act, 2006. As such information as required under the Act can not be compiled and therefore not disclosed for the year.
16. Confirmations of Balances have been sought from parties and the necessary adjustments have been made wherever applicable from those received. In respect of others, the balances as appearing in the books have been adopted.
17. Previous year's figures have been regrouped and reclassified wherever necessary and practicable.


11. Related party information:
1. RELATIONSHIP:
A. Where Control Exits:

- a) INTERFIT INDIA LIMITED
- b) MERIT INDUSTRIES LIMITED

B. Key Management Personnel:

- A.V. Palaniswamy (Managing Director)
- R. Alagar (Director)
- M. Loganathan (Director)
- K. Arunachalam (Director)
- Philip K Baby (Director)

C. Relatives of Key Management Personnel and their Enterprises

Mrs. Kumudha Palaniswamy

Notes : 1. Related party relationship on the basis of the requirements of AS18 as in 1(A) to (C) is pointed and relied upon by the auditors.

TRANSACTIONS WITH RELATED PARTIES			Rs in lakhs
	Referred 1(A) above	Referred in 1 (B) above	Referred in 1(C) above
Purchases			
Goods & Materials	1548.23	—	—
Machineries	—	—	—
Sales			
Goods & Materials	813.33	—	—
Machineries	—	—	—
Expenses			
Rent & Services	—	—	—
Remuneration	—	7.28	1.40
Director Setting Fees	—	0.09	—
Royalty & Lease Rent	74.03	—	—
Other Expenses	7.73	4.20	0.09
Income			
Rent & Services	0.09	—	—
Outstandings			
Payable	—	—	—
—	—	—	—
Receivable	34.65	—	—

The auditors have relied on the information furnished by the management with regard to Related Party Disclosures.

iii) Telephone:

Provision of telephone at residence will not be considered as perquisites but personal long distance calls shall be billed by the Company.

/ By order of the Board /

Place : Coimbatore
Date : 29.05.2010

For INTERFIT TECHNO PRODUCTS LTD.
Sd/- **A.V. Palaniswamy**
Managing Director

NOTES :

- 1) A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and such a Proxy need not be a member. The Proxy form duly stamped and executed should be deposited at the Registered Office of the Company at least forty-eight hours before the time fixed for the commencement of the meeting.
- 2) Members/Proxies should bring the Attendance slip duly filled in, to the meeting.
- 3) Pursuant to Clause 16 of the listing agreement with the Stock Exchanges, the Register of Members and Share Transfer Register will remain closed from 31st July 2010 to 7th August 2010 (both days inclusive) in connection with the 17th Annual General Meeting of the Company.
- 4) Members are requested to intimate Change of Address, if any, immediately and quote the Registered Folio Number in the correspondence with the Company.
- 5) All communications should be addressed to:

The Secretarial Department,
INTERFIT TECHNO PRODUCTS LIMITED,
Registered Office :
SF No 112, Madhapur Road,
Kaniyur, Sular Taluk,
Karumathampatti (Via) - 641 659,
Coimbatore District.



18. ADDITIONAL INFORMATION AS REQUIRED BY PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. Registration Details

Registration No.	181-008034	State Code	18
Balance Sheet Date	31-03-2010		

II. Capital raised during the year (Amount Rs. in Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of Mobilisation and deployment of funds: (Amount Rs. in Thousands)

Total Liabilities	168,697	Total Assets	168,697
Sources of Funds:		Application of Funds:	
Paid up Capital	133,200	Net Fixed Assets	31,687
Reserves & Surplus	16,980	Investments	10
Secured Loans	16,598	Net Current Assets	55,399
Unsecured Loans	1,919	Misc. Expenditure	356
		Deferred Tax Assets	14,754
		Accumulated Losses	66,491

IV. Performance of the Company: (Amount Rs. in Thousands)

Turnover	3,28,908	Total Expenditure	3,01,011
Profit before Tax	27,897	Profit after Tax	28,327
Earning per share	3.40	Dividend Rate	N.A.

V. Generic Names of principal products, services of the Company:

Item Code No.	73071900
Product Description	Stainless Steel Pipe Fittings
Item Code No.	84818003
Product Description	Stainless Steel Ball Valves
Item Code No.	73071101
Product Description	SG Cast Fittings

Sd/- **A.V. PALANISWAMY**
Managing Director

Sd/- **M. LOGANATHAN**
Director

Sd/- **S. ARAVINTHAN**
Company Secretary

Place : Coimbatore
Date : 29.05.2010

As per our report of even date annexed
for KRISHAAN & CO.,
Chartered Accountants
Sd/- **V. KRISHNAN**
Partner, M.No. 010970,
Firm Regn. No. 001453S

**EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT 1956:****Agenda 5:**

The Board of Directors of the Company had appointed Mr Philip K Baby as additional director with effect from 23.01.2010. He holds office only up to the date of the forthcoming Annual General Meeting. The Company has received notices in writing from members signing their intention to propose the appointment of Mr Philip K Baby as Director of the Company.

Your Directors recommend that the resolution proposing the appointment of Mr Philip K Baby be passed.

Except Mr Philip K Baby none of the other Directors is concerned or interested in this resolution.

Agenda 6:

The Board of Directors had appointed Mr Philip K Baby as Director - Marketing for a period of two years with effect from 23.01.2010 subject to compliance of applicable provisions of the Companies Act, 1956 and subject to the approval of the members of the Company on the terms and conditions detailed in the resolution.

Mr Philip K Baby is highly qualified engineer with more than 20 years of experience in marketing management and his appointment will strengthen the company in achieving best marketing levels. Your Board recommends that his appointment be confirmed by the members of the Company.

Except Mr Philip K Baby none of the other Directors is concerned or interested in this resolution.



	Gratuity (partly funded) Rs.	Leave Encashment (Unfunded) Rs.
6 Actuarial Assumptions		
(a) Discount Rate (per annum)	8%	8%
(b) Expected Rate of Return on Assets (per annum)	8.5%	
(c) Salary Escalation Rate per unit per annum	0.05	0.05
(d) Mortality Rate	LIC 94-96	LIC 94-96
(e) Valuation as on	31.03.2010	31.03.2010

7. Disclosure as required by Accounting Standard 19 "Leases" issued by the Institute of Chartered Accountants of India are given below:

The Company has taken premises on lease which is generally non cancellable and the lease payments are recognised in the statement of Profit and Loss account under "Rent".

8. In the opinion of Directors, current assets, loans and advances have the values at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

9. TAXATION

- a. No provision for Income tax has been made considering the carried forward losses of earlier years
b. **Deferred Taxation** : (Rs. in lakhs)

Accumulated	Charge / Credit as at 31.3.2009	As at in P&L during the year	31.3.2010
Deferred Tax Liability on account of :			
Depreciation	266.37	(2.99)	263.38
Total	266.37	(2.99)	263.38
Deferred Tax Asset on Account of			
Gratuity	0.03	(0.52)	0.55
Leave encashment	2.22	(0.79)	3.01
Unabsorbed Depreciation and business loss	407.35	—	407.35
Total	409.60		410.91
Net Deferred Tax Asset	143.23	(4.30)	147.53

The Company's financial projections for future years indicate that the unabsorbed depreciation and business losses allowable under the provisions of Income Tax Act 1961 will be utilized.

In accordance with Accounting Standard 22, the deferred tax Asset of Rs 4.30 lacs for the year have been recognised in Profit and Loss account.

10. EARNING PER SHARE	2009-2010	2008-2009
Profit /Loss after taxation as per Profit and Loss a/c (Rs. in lacs)	** 283.13	8.80
Weighted average number of Equity Shares outstanding	83,20,000	83,20,000
Nominal / Face value per share Rs	10	10
Basic and diluted earnings per share in rupees	3.40	0.11

** Since no Preference dividend on non-cumulative preference shares provided for in the books, entire profit after tax is attributed towards equity share holders.

**SHAREHOLDER INFORMATION****A) Stock Exchanges on which the Company's shares are listed :**

1. **Coimbatore Stock Exchange Limited**
CSX Towers,
683-686 Trichy Road,
Coimbatore - 641 005
2. **The Bombay Stock Exchange Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
3. **Madras Stock Exchange Limited**
Exchange Bldg., Post Box No. 183,
No. 11, Second Line Beach,
Chennai - 600 001.

B) Share Transfer Services :

Share Transfer Agents / Registrars for Physical and Demat Segments :

M/s. SKDC Consultants Ltd.

Kanapathy Towers, 3rd Floor
1391/A-1, Sathy Road
Ganapathy
Coimbatore - 641 006



	Gratuity (partly funded) Rs.	Leave Encashment (Unfunded) Rs.
1 Components of Employer Expense		
(a) Current Service Cost	44,877	30,492
(b) Interest Cost	12,481	2,894
(c) Expected Return on Plan Assets	Nil	Nil
(d) Curtailment Cost (Credit)	Nil	Nil
(e) Settlement Cost / (Credit)	Nil	Nil
(f) Past Service Cost	Nil	Nil
(g) Actuarial (Gain) / Loss	4,18,529	30,091
(h) Total expense / (gain) recognized in the Profit & Loss Account	4,75,887	63,477
2 Net Asset / (Liability) recognized in the Balance Sheet as at 31st March 2010		
(a) Present Value of obligation as at 31st March 2010	6,00,845	97,913
(b) Fair Value of Plan Assets as at 31st March, 2010	18,623	Nil
(c) (Asset) / Liability recognized in the Balance Sheet	5,82,222	97,913
3 Change in Defined Benefit Obligation (DBO)		
(a) Present Value of Obligation as at 1st April, 2009	1,85,891	37,858
(b) Current Service Cost	44,877	30,492
(c) Interest Cost	12,481	2,894
(d) Curtailment Cost / (Credit)	Nil	Nil
(e) Settlement Cost / (Credit)	Nil	Nil
(f) Plan Amendments	Nil	Nil
(g) Acquisitions	Nil	Nil
(h) Actuarial (Gain) / Loss	4,18,529	30,091
(i) Benefits Paid	60,933	2,424
(j) Present Value of Obligation as at 31st March, 2010	6,00,845	97,913
4 Change in the Fair Value of Plan Assets		
(a) Present Value of Plan Asset as at 1st April, 2009	18,623	Nil
(b) Acquisition Adjustment	Nil	Nil
(c) Return on Plan Assets	Nil	Nil
(d) Actuarial Gain / Loss	Nil	Nil
(e) Actual Company Contribution	Nil	Nil
(f) Benefits Paid	Nil	Nil
(g) Fair Value of Plan Assets as at 31st March, 2010	18,623	Nil
5. Plan Assets are managed by Life Insurance Corporation of India in terms of the Group Gratuity Scheme.		