



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 Non-Independent Director

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, Sulur 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



INTERFIT TECHNO PRODUCTS LIMITED

NOTICE OF ANNUAL GENERAL MEETING TO THE SHAREHOLDERS

Notice is hereby given that the **18th ANNUAL GENERAL MEETING** of the Company will be held at the Registered Office of the Company at SF No.112, Madhapur Road, Kaniyur Village, Via Karumathampatti - 641 659, Coimbatore District on Thursday the 11th day of August 2011 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 2011 together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr R Alagar, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr K Arunachalam, 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.

/ By order of the Board /

Place : Coimbatore

Date : 30.05.2011

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 4th August 2011 to 11th August 2011 (both days inclusive) in connection with the 18th 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, Suler Taluk,
Karumathampatti (Via) - 641 659,
Coimbatore District.

**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



INTERFIT TECHNO PRODUCTS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Eighteenth Annual Report together with the Audited Balance Sheet & Profit and Loss Account for the year ended 31.03.2011.

FINANCIAL RESULTS :

The operating results for the year 2010-2011 are given below :

	(Rs. in Lakhs)	
Profit before Interest and Depreciation & Other adjustments		291.30
Less: Interest	48.27	
Depreciation	22.71	
Preliminary & Product Development Expenses written off & Other Adjustments	4.15	
		<u>75.13</u>
Net Profit before Tax		216.17
Provision for Tax		
Current Tax	18.02	
Deferred Tax / (Liabilities)	0.12	
MAT Credit Entitlement	(17.60)	
		<u>0.54</u>
Net Profit		215.63

PERFORMANCE:

Due to severe power cuts of above 70% and power interruption during the whole year in Tamil Nadu, component supplies from outside vendors were reduced substantially and has resulted in lower sales. However the company managed to reduce other costs, increase selling prices due to Global price increases and has maintained good margin. The Company hopes to have reduced power cuts during this year and expect to improve sales and margin.

DIRECTORS:

Mr K Arunachlam, Director, who retires by rotation, and being eligible, offers himself for reappointment.

Mr R Alagar, Director, who retires by rotation, and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors further report that

- in the preparation of annual accounts, the applicable accounting standards have been followed and there were no material departures;
- the accounting policies selected by them have been applied consistently, judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of



affairs of the company as at 31st March 2011 and of the Profit of the of the company and the cash flow statement for the year ended 31.03.2011.

- (iii) they have taken proper and sufficient care 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 for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis.

DELISTING:

The shares are listed in Bombay Stock Exchange and will be continued to be listed in Bombay Stock Exchange which has extensive networking and the investors have access to on-line dealings with the company's securities across the country. The company's shares have not been traded in Coimbatore Stock Exchange and Madras Stock Exchange for the past few years.

Members' approval has already been obtained for De-listing the Company's equity shares from Coimbatore and Madras stock Exchanges.

CORPORATE GOVERNANCE:**Company's Philosophy on Code of Corporate Governance:**

Company's policies recognize the importance of Corporate Governance and to demonstrate that the Company's customers and the shareholders are the ultimate beneficiaries of the Company's business profile.

In order to attain the above, your Company constantly endeavors for a system to develop, manufacture and supply most efficiently products that meet the customer requirements; to comply with the requirements of quality management systems and to strive for its continuous improvement in total quality, keeping abreast of the latest technologies; to train and develop employees to foster growth and to recognize responsibilities to the environment and community.

Some of the Measures included:

- Composition of Board of Directors (e.g. Majority Independent Directors)
- Constitution of various Board Committees for oversight and guidance concerning key decision making process connected with the functioning of the company.
- Code of Conduct
- Timely dissemination of information to Shareholders

Board of Directors:

Composition of Board of Directors:

Executive Promoter Director	1
Executive Non- Independent Director	1
Non-Executive Independent Directors	3

There are no pecuniary relationships or transaction with the Non-Executive Directors vis-à-vis the Company.



INTERFIT TECHNO PRODUCTS LIMITED

BOARD MEETINGS:

Dates of Board Meetings are fixed in advance and agenda papers are circulated to directors seven days before the meeting.

Attendance at Board Meetings & Last AGM & details of Membership of Directors in Board committees

Five meetings of the Board of Directors were held during the financial year on 09.04.10, 29.05.10, 07.08.10, 13.11.10, 14.02.11

Attendance of Directors at the Board Meeting held during the period and last AGM are :

Sl. No.	Name of the Directors	No. of Board Meetings Attended	Last AGM Present / Absent
01.	Mr. A.V. Palaniswamy	5	Present
02.	Mr. M Loganathan	5	Present
03.	Mr. R. Alagar	5	Present
04.	Mr. K Arunachalam	5	Present
05.	Mr. Philip K Baby	5	Present

COMMITTEES OF THE BOARD

(I) AUDIT COMMITTEE

Composition:

The Audit Committee of the Board comprises three directors, namely Shri. R. Alagar, Chairman, Shri A.V. Palaniswamy and Shri. M. Loganathan, members. The composition of Audit Committee meets the requirement of Section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement.

The terms of reference Include:

- Overseeing Financial Reporting Process
- Reviewing periodic financial results, financial statements and adequacy of Internal control systems.
- Approving Internal Audit Plans and reviewing efficacy of the function.
- Discussion and review of periodic audit reports and Discussion with external Auditors about the scope of audit including the observations of Auditors.

Attendance:

The committee met 4 times during the period on the following dates: 29.05.2010, 07.08.2010, 13.11.2010, 14.02.2011

Sl. No.	Name of the Members	No. of meetings held during the period 2010-2011	No. of Meeting attended
01.	Mr. R. Alagar (Chairman	4	4
02.	Mr. M Loganathan	4	4
03.	Mr. A.V. Palaniswamy	4	4



Members of the Audit Committee have requisite financial and management expertise. The Statutory Auditors, Internal Auditor and the Chief Financial Officer are invited to attend and participate at meetings of the Committee.

SHARE TRANSFER COMMITTEE:

The Share Transfer Committee, which also functions as Investors Grievances Redressal Committee consists of Mr. R.Alagar, Independent Director, Mr.M.Loganathan, Independent Director and Mr.A.V.Palaniswamy, Director. The Board had delegated to the Share Transfer Committee to authorise transfers/transmissions, issue of duplicate share certificates and transposition of names of shareholders.

The Company has appointed M/s. SKDC Consultants Limited, Coimbatore as Share Transfer Agent. Transfer/transmissions, issue of duplicate certificates etc as well as requests for dematerialisation are approved/ confirmed, as the case may be, within the prescribed period through the above Share Transfer Agent. No valid transfer request remained pending for transfer to the transferees as on 31.03.2011.

The Committee monitors the redressal of the Investors Grievances. The management provided top priority for grievances and all the communication received from shareholders were satisfactorily complied with, within the stipulated time.

Mr. S Aravinthan is the compliance officer.

The Share Transfer Committee met 12 times during the financial year 2010-2011 for the above purpose.

REMUNERATION COMMITTEE:

The Company has a Remuneration committee consists of Mr. R.Alagar, Independent Director, Mr.M.Loganathan, Independent Director and Mr.K Arunachalam, Independent Director as members. The functions of the remuneration committee are monitoring the performance and remuneration of the executives of the Company.

GENERAL BODY MEETING:

Location and time for the last three Annual General Meetings held:

Financial year	Venue	Date	Time
2007-2008	Registered Office of the Company SF No. 112, Mathapur Road, Karumathampatti Via Coimbatore - 641 659	20.08.2008	9.30 A.M
2008-2009		30.07.2009	9.30 A.M
2009-2010		07.08.2010	9.30 A.M

For the forthcoming Annual General Meeting, there is no business/resolution that requires voting through postal ballot as per the new rule 4 of Companies (passing of Resolution by postal Ballot) Rules, 2001.

DISCLOSURES:

There are no materially significant related party transactions with the Company's Promoters, Directors, the Managements, the Subsidiaries or Relatives which may have potential conflict with the interest of the Company at large.



INTERFIT TECHNO PRODUCTS LIMITED

There are no instances of non-compliance by the Company on any matters related to capital markets, nor have any penalty/strictures been imposed on the Company by any authority on any matter relating to capital markets during the last three years.

MEANS OF COMMUNICATION

- (a) The Company regularly intimates unaudited, as well as audited financial results to the Stock Exchanges Immediately after these are taken on record by the Board. These financial results are normally published in English and Vernacular newspapers.
- (b) The company from time to time presents all the relevant information as required by the legislation within stipulated time.
- (c) The Management Discussion and Analysis Report forms part of the Report of the Directors.

GENERAL SHAREHOLDER INFORMATION

- a) The 18th Annual General Meeting of the Members of the Company will be held on Thursday the 11th day of August 2011 at 9.30 AM at the Registered Office of the Company, SF No.112, Mathapur Road, Kaniyur Village, Karumathampatti Via, Coimbatore 641 659.
- b) Normal Financial year : 1st April to 31st March
- c) Dates of Book Closure: 04th August 2011 to 11th August 2011.
- d) The Company's shares are listed in (I) Coimbatore Stock Exchange Ltd (ii) Madras Stock Exchange (iii) The Stock Exchange, Mumbai.
- e) Market Price Data

Market Price data and Number of shares traded for the year 2010-11 in Mumbai Stock Exchange is as below.

Month	No of shares Traded	High (Rs.)	Low (Rs.)
April 2010	372196	21.80	14.10
May 2010	153468	21.00	15.10
June 2010	61444	20.25	13.50
July 2010	226403	22.00	16.00
August 2010	58620	18.85	14.05
September 2010	70713	20.00	13.25
October 2010	290344	21.80	16.15
November 2010	46982	21.80	14.30
December 2010	41090	17.30	12.75
January 2011	25614	16.39	11.43
February 2011	32540	14.38	09.46
March 2011	17394	11.19	08.15



- f) Share Transfer Agents: M/s. SKDC Consultants Limited. Coimbatore.

Share Transfer System: All shares have been transferred and returned within 30 days from the date of lodgment, provided the necessary documents were in order.

- g) Dematerialisation of Shares: Trading in the Company's shares in dematerialised form has been made compulsory. The Company entered into an agreement with the Depositories NSDL and CDSL for dematerialised form of shares and the Company provides option to members for dematerialisation. All requests for dematerialisation of shares are processed and confirmed through the Electronic Agent and the concerned depository.

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2011

	No. of Shares	%
A. PROMOTERS HOLDINGS		
1. Promoters		
Indian Promoters	46,97,810	56.46
Foreign Promoters	7,56,472	09.09
2. Personal acting in Concert	Nil	Nil
Sub Total	54,54,282	65.55
B. NON-PROMOTERS		
3. Institutional Investors		
a) Mutual Funds & UTI	500	0.01
b) Bank, Financial Institutions, Insurance Companies (Central / State Government Institutions / Non-Government Institutions)	100	0.01
c) FIs	Nil	Nil
Sub Total	600	0.02
4. Others		
a) Directors & Relatives	14,690	0.18
b) Private Corporate Bodies	4,79,397	5.76
c) Indian Public	20,43,841	24.56
d) NRI-NRE / NRI-NRO / OCBs	2,55,255	3.068
e) Any other (HUF)	71,935	0.86
Sub Total	28,65,118	34.43
Grand Total	83,20,000	100.00
Note		
Total Foreign Holding	10,11,727	12.16
GDR & ADR Holdings	Nil	Nil

INVESTORS HELP DESK

Share transfer and all other investor related activities are attended to and processed at the company's Registered Office and at the Office of the Share Transfer Agent, as necessary.

For lodgment of transfer deeds and any other documents or for any grievances/ complaints, kindly contact at the following address:



INTERFIT TECHNO PRODUCTS LIMITED

(a) M/s.SKDC Consultants Ltd.

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

(b) Compliance Officer

INTERFIT TECHNO PRODUCTS LIMITED

SF No 112, Mathapur Road, Kaniyur Village
Karumathampatti via – 641 659
Sulur Taluk, Coimbatore District

INVESTOR EDUCATION AND PROTECTION FUND:

No amount is required to be transferred to Investor Education and Protection Fund.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

TRENDS & DEVELOPMENT:

In spite of slowdown of certain areas of Middle East market, company has comfortable order position and is continuing to improve its Domestic sales. During the year 2011-2012 the Company hopes to achieve better than 30% of the sales from the Domestic market at better margins. Company is taking steps to modernize its production facilities to increase productivity and reduce costs

AUDITORS:

M/s. Krishnaan & Co., Chartered Accountants, Chennai, Statutory Auditors of the Company, will retire at the ensuing Annual General Meeting and are eligible for re-appointment.

DEPOSITS:

The Company has not accepted any deposits from the public.

CONSERVATION OF ENERGY:

The Company has been taking necessary energy conservation measures on an ongoing basis to reduce cost of energy consumed. The company has installed newer packaged air conditioning system for individual process areas and eliminated the central Air conditioning system. This has resulted substantial reduction of power consumption.

C) Power and fuel consumption;

- i) The Company has consumed 9, 92,965 Units of power during the year 31.03.2011.
- ii) Consumption per Unit of Production :

5444 Units consumed per MT of Rough Castings as against 8012 units in the last year required for Stainless Steel Pipe Fittings & Ball Valves.

201 units consumed per MT of Finished Goods as against 168 units in the last year required for Stainless Steel Pipe fittings & SG Iron Pipe Fittings.