



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,
Flat No. 442, 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 19th 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 Monday the 13th day of August 2012 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 2012 together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr M Loganathan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors for the current financial year and fix their remuneration. M/s. Krishnaan & Co., Chartered Accountants, Chennai, retires and are eligible u/s 224(1A) of Companies Act for re-appointment.

SPECIAL BUSINESS:

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

"Resolved that pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, or any statutory modification or re-enactment thereof the approval of the members of the Company be and is hereby accorded to revise the remuneration of Mr A V Palaniswamy, Managing Director as follows, for the remaining period of his tenure subject to approvals, if any, as may be required.

(a) Salary : Rs. 75,000/- per month
(w.e.f. 01.06.2012)

The all other existing terms of remuneration of the Managing Director as approved earlier remain unchanged.

/ By order of the Board /

Place : Coimbatore
Date : 26.05.2012

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 06th August, 2012 to 13th August 2012 (both days inclusive) in connection with the 19th 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)
Coimbatore - 641 659
Ph: 99432 93000 / 99439 93001

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
Ph : 0422 - 6549995, 2539835



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

Agenda 4:

Mr A V Palaniswamy was appointed as Managing Director with effect from 01.04.2009 for a period of five years as approved by the shareholders at their meeting on 30.07.2009 with the remuneration of Rs 48000/- per month.

As it is expedient and necessary to revise the remuneration of Managing Director in conformity with the current efficiency standards and as per the recommendation of the Remuneration Committee the Board approved an increase in his salary from Rs 48000/- to Rs 75000/- per month with effect from 01.06.2012 and all other terms and conditions of his appointment remained unchanged subject to the approval of the shareholders.

Your Directors recommend that the revision of remuneration be confirmed by the members of the company

Except A V Palaniswamy none of the other Directors is concerned or interested in this resolution.



DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the Audited Balance Sheet and Profit and Loss Statement for the year ended 31.03.2012.

FINANCIAL RESULTS :

The operating results for the year 2011-2012 are given below :

	(₹ in Lakhs)	
Profit before Interest and Depreciation and Other adjustments		337.27
Less: Interest	64.68	
Depreciation	42.98	107.66
Net Profit before Tax		229.61
Provision for Tax :		
Current Tax	46.04	
Deferred Tax (Assets) / Liability	(3.84)	42.20
		187.41
Add:		
MAT Credit Entitlement		44.71
Surplus carried over to Balance Sheet		232.12

PERFORMANCE:

Steps taken to manufacture and market new product lines complimentary to existing product has improved the sales and margins substantially, Manufacturing capacity was better utilised for newer product lines with Diesel generated power.

Power cut of nearly 70% of the normal requirement still exists in Tamil Nadu. Cost addition due to Diesel Generator power has been minimal in new product lines and the increased production and sale has reduced the overhead costs.

Company has been evaluating different methods to produce castings with minimum power requirement and will be implementing these methods during the current year.

During the year, the company made a net profit of ₹ 229 lacs and by virtue of this, the net worth of the company has become positive this year. With the business of the company continuing to improve, the company hopes to generate adequate surplus and wipe out the accumulated losses, in the next two years.

DIRECTORS:

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

Mr. Philip K Baby, Director resigned from Director – Marketing w.e.f 01.12.2011.

COMPANY SECRETARY:

Mr. S. Aravinthan, ACS, was the Company Secretary and Compliance officer of the Company.



DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors further report that

- (i) in the preparation of annual accounts, the applicable accounting standards have been followed and there were no material departures;
- (ii) the accounting policies selected by them have been applied consistently. Prudent Judgments and estimates have been made to give a true and fair view of the state of affairs of the company as at 31st March 2012 and of the Profit of the company and the cash flow statement for the year ended 31.03.2012.
- (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 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. Company will continue to meet the listing norms in these exchanges till such time the delisting approval is obtained.

CORPORATE GOVERNANCE :

Company's Philosophy on Code of Corporate Governance:

Company's policies recognize the importance of Corporate Governance and recognize 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 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.

**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 and Last AGM and details of Membership of Directors in Board committees

Four meetings of the Board of Directors were held during the financial year on 30.05.2011, 11.08.2011, 10.11.2011, and 13.02.2012 and AGM was held on 11.08.2011.

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	4	Present
02.	Mr.M Loganathan	4	Present
03.	Mr.R. Alagar	4	Present
04.	Mr.K Arunachalam	4	Present
05.	Mr.Philip K Baby	3	Present

Code of Conduct:

All Directors and senior management of the Company have affirmed Compliance with the Code of Conduct of Interfit Techno Products Limited for the financial Year ended 31st March 2012

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: 30.05.2011, 11.08.2011, 10.11.2011 and 13.02.2012



INTERFIT TECHNO PRODUCTS LIMITED

Sl. No.	Name of the Members	No of meetings held during the period 2011-2012	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.

The Company has complied with the prescribed Accounting Standards as stipulated during the year. There has been no differential treatment in Standards adopted during the year.

(ii) 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 authorize 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 de-materialization 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 31.03.2012.

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 was the compliance officer of the Company.

The Share Transfer Committee met 8 times during the financial year 2011-12 for the above purpose.

(iii) REMUNERATION COMMITTEE:

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

Remuneration of Directors:

The Remuneration of Whole Time Director is determined by the Remuneration Committee consists of only Non-Executive Directors. The recommendation of the remuneration committee are considered and approved by the Board subject to the approval of the Shareholders.

The company has not paid any remuneration to any of its Non Executive Directors, except the Sitting Fees for attending the meetings of the Board of Directors and Audit Committee


Details of Remuneration paid to Directors during the Financial Year ended 31st March 2012

Director	Salary	Perquisites & Other benefits	Sitting Fees	Total
1. A.V. Palaniswamy	5,76,000/-	Nil	Nil	5,76,000/-
2. Philip K Baby	8,00,000/-	80,500/-	Nil	8,80,500/-
3 R Alagar	Nil	Nil	17,500/-	17,500/-
4 M. Loganathan	Nil	Nil	10,000/-	10,000/-
5 K Arunachallam	Nil	Nil	10,000/-	10,000/-

GENERAL BODY MEETING :

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

<i>Financial Year</i>	<i>Venue</i>	<i>Date</i>	<i>Time</i>
2008-2009	Registered Office of the Company S.F. No. 112, Mathapur Road, Kaniyur, Karumathampatti, Coimbatore - 641 659	30.07.2009	9.30 AM
2009-2010		07.08.2010	9.30 AM
2010-2011		11.08.2011	9.30 AM

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 Management, the Subsidiaries or Relatives which may have potential conflict with the interest of the Company at large.

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.

The Company has no Un-listed subsidiary company.

The Appointment or reappointment of Directors are made confirming to the stipulations of the clause 49 of the listing Agreement

The independent Non-Executive Directors have confirmed that they meet the criteria of independence as stipulated under clause 49 of the Listing Agreement

Further the Non-Executive Directors do not hold any shares of the company.

MEANS OF COMMUNICATION

- 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.
- The company from time to time presents all the relevant information as required by the legislation within stipulated time.
- The Management Discussion and Analysis Report forms part of the Report of the Directors.



INTERFIT TECHNO PRODUCTS LIMITED

GENERAL SHAREHOLDER INFORMATION

- a) The 19th Annual General Meeting of the Members of the Company will be held on Monday, the 13th day of August 2012 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: 06th August, 2012 to 13th of August 2012.
- 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 2011-09 in Mumbai Stock Exchange are as below.

Month	No of shares Traded	High (₹)	Low (₹)
April 2011	33,411	11.70	08.50
May 2011	10,458	13.00	08.59
June 2011	33,381	12.73	08..25
July 2011	8,860	11.50	09.21
August 2011	4,136	09.99	07.78
September 2011	22,935	09.30	06.72
October 2011	1,085	10.90	08.05
November 2011	7,400	11.53	07.80
December 2011	25,909	07.92	05.97
January 2012	12,815	08.47	05.19
February 2012	21,869	13.21	08.05
March 2012	5,504	12.14	09.50

- 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.