



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
(Resigned with effect from 13.08.2012)

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



INTERFIT TECHNO PRODUCTS LIMITED

NOTICE OF ANNUAL GENERAL MEETING TO THE SHAREHOLDERS

Notice is hereby given that the 20th ANNUAL GENERAL MEETING of the Company will be held at the Registered Office of the Company at SF No.112, Madhapur Road, Kaniyur, Suler Taluk, Karumathampatti, Coimbatore - 641 659 on Monday the 12th day of August 2013 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 2013 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 R Alagar, 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 are eligible u/s 224(1A) of Companies Act for re-appointment.

/ By order of the Board /

Place : Coimbatore
Date : 30.05.2013

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 05th August, 2013 to 12th August 2013 (both days inclusive) in connection with the 20th 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, Sulur 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. **The Bombay Stock Exchange Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
2. **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



INTERFIT TECHNO PRODUCTS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Twentieth Annual Report together with the Audited Balance Sheet and Profit and Loss Statement for the year ended 31.03.2013.

FINANCIAL RESULTS :

The operating results for the year 2012-2013 are given below :

Profit before Interest and Depreciation
and Other adjustments

Less: Interest

Depreciation

Net Profit before Tax

Provision for Tax :

Current Tax

Deferred Tax Assets / (Liability)

Add:

MAT Credit Entitlement

Surplus carried over to Balance Sheet

(₹ in Lakhs)	
	470.60
64.65	
70.13	134.76
	335.84
67.84	
176.85	244.69
	91.15
	41.42
	132.57

FINANCIAL PERFORMANCE:

The Company's gross income for the financial year ended 31st March, 2013 was Rs 3169.12 lacs compared to Rs.2910.17 lacs in the previous year. The Profit before tax for the company is Rs.335.84 lacs as against Rs 229.61 lacs in the previous year. The depreciation for the year is Rs.70.13 lacs compared to Rs. 42.98 lacs in the previous year.

After providing for Taxation, the Company's net profit stands at Rs.132.53 lacs as against Rs.232.12 lacs in the previous year.

The net worth of the company is at Rs.1417 lacs as on 31.03.2013 as against Rs 1285.62 lacs in the previous year.

PERFORMANCE:

In spite of the 70% power cut in Tamil Nadu, Company managed to improve the sales and profits due to the favorable value of Indian Currency with respect to US Dollars.

The input costs decreased due to lower raw material prices and better utilization of man power in production.

The Company hopes to improve sales and profits due to improving power situation and continued reduction in raw material prices.

**DIRECTORS:**

Mr A V Palaniswamy, 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.

Mr. Philip K Baby, Director resigned from Directorship – w.e.f 13.08.2012.

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 2013 and of the Profit of the company and the cash flow statement for the year ended 31.03.2013.
- (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.

LISTING OF SHARES IN EXCHANGES AND 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 Madras Stock Exchange for the past few years. Members' approval has already been obtained for De-listing the Company's equity shares from Madras stock Exchange. Company will continue to meet the listing norms in the exchange till such time the delisting approval is obtained.

The Coimbatore Stock Exchange Limited (CSX) has ceased to be a recognized Stock Exchange with effect from 03rd April, 2013 and hence the Company is not required to comply with the terms and conditions of the listing agreements with Coimbatore Stock Exchange Limited any more.

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.



INTERFIT TECHNO PRODUCTS LIMITED

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

I. BOARD OF DIRECTORS:

a) Composition of Board of Directors:

Executive Promoter Director	1
Non-Executive Independent Directors	3

At the beginning of the year the company had one more Executive Non-Independent Director, Mr Philip K Baby, who resigned from Directorship with effect from 13.08.2012.

b) Non Executive Directors compensation and Disclosure

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

c) Board Meetings

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

Attendance of Board of Directors at Board Meetings and Last AGM

Four meetings of the Board of Directors were held during the financial year on 26.05.2012, 13.08.2012, 09.11.2012 and 14.02.2013 and AGM was held on 13.08.2012

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	3	Present

d) 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 2013.

II. COMMITTEES OF THE BOARD

(a) Audit Committee:

(i) 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.



(ii) 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.

(iii) Attendance:

The committee met 4 times during the period on the following dates: 26.05.2012, 13.08.2012, 09.11.2012 and 14.02.2013. The Chairman of the Audit Committee Mr. R. Alagar attended last AGM held on 13.08.2012.

Sl. No.	Name of the Members	No of meetings held during the period 2012-2013	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.

(b) Shareholders / Investors Grievances Committee

The Shareholders / Investors Grievances Committee is headed by Mr. R. Alagar, Non-Executive Director.

Mr. S. Aravinthan, Company Secretary is the Compliance Officer.

During the year 2012-13 no complaints were received from the shareholders. As on 31st March 2013 there were no complaints / queries pending reply.

(c) 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 31.03.2013.

The Committee monitors the re-dressal 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, Company Secretary is the compliance officer.

The Share Transfer Committee met 5 times during the financial year 2012-13 for the above purpose.



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(d) 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.

(i) 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.

(ii) Details of Remuneration paid to Directors during the Financial Year ended 31st March 2013

Director	Salary	Perquisites & Other benefits	Sitting Fees	Total
1. A.V. Palaniswamy	8,46,0000	Nil	Nil	8,46,000
2. R Alagar	Nil	Nil	26,500	26,500
3. M. Loganathan	Nil	Nil	10,500	10,500
4. K Arunachallam	Nil	Nil	8,000	8,000

III. SUBSIDIARY COMPANIES

The Company has no Un-listed subsidiary company.

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

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.

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>
2009-2010	Registered Office of the Company S.F. No. 112, Mathapur Road, Kaniyur, Karumathampatti, Coimbatore - 641 659	07.08.2010	9.30 AM
2010-2011		11.08.2012	9.30 AM
2011-2012		13.08.2012	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.

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.
- (d) All the company information are published in Company's website – www.interfittestechno.com and the shareholders can access the same for all their information.

GENERAL SHAREHOLDER INFORMATION

- a) The 20th Annual General Meeting of the Members of the Company will be held on Monday, the 12th day of August 2013 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: 05th August, 2013 to 12th of August 2013.
- d) The Company's shares are listed in (i) Madras Stock Exchange (ii) The Stock Exchange, Mumbai
- e) Market Price Data

Market Price data and Number of shares traded for the year 2012-13 in Mumbai Stock Exchange are as below.

Month	No of shares Traded	High (₹)	Low (₹)
April 2012	5548	9.15	8.10
May 2012	28534	9.04	7.61
June 2012	1399	7.90	5.91
July 2012	5676	5.98	4.40
August 2012	5979	6.80	4.63
September 2012	8052	9.70	6.40
October 2012	7144	9.15	7.70
November 2012	29111	9.60	8.12
December 2012	7456	10.55	8.70
January 2013	5098	11.00	8.18
February 2013	6910	8.50	7.36
March 2013	8496	8.25	6.25



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- 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 31.03.2013

A. PROMOTERS HOLDINGS

		No. of Shares	%
A.	Promoters Holdings		
1.	Promoters		
	Indian Promoters	46,97,810	56.46
	Foreign Promoters	7,56,472	09.09
2.	Person acting in Concert	Nil	Nil
	Sub Total	54,54,282	65.55
B.	Non-Promoters		
3.	Institutional Investors		
	a) Mutual Funds and UTI	500	0.01
	b) Bank, Financial Institutions, Insurance companies (Central / State Government Institutions / Non-Government Institutions)	100	0.00
	c) FIIs	200	0.00
	Sub Total	800	0.01
4.	Others		
	a) Directors and Relatives	—	—
	b) Private Corporate Bodies	4,46,232	5.36
	c) Indian Public	21,10,438	25.37
	d) NRI-NRE / NRI-NRO/OCBs	2,55,256	3.07
	e) Any other (HUF)	52,992	0.64
	Sub Total	28,64,918	34.44
	Grand Total	83,20,000	100.00