



NATIONAL FITTINGS LIMITED **(FORMERLY 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
Mrs. A. Panath Anitha, Executive Woman 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

NATIONAL FITTINGS LIMITED

Registered Office: 112, Madhapur Road, Kaniyur Village,
Karumathampatti (via), Coimbatore - 641 659

CIN No. : L29199TZ1993PLC008034 Tel : +91 99432 93000 / 99439 93001
email : admin@nationalfitting.com web : www.nationalfitting.com

NOTICE OF ANNUAL GENERAL MEETING TO THE SHAREHOLDERS

Notice is hereby given that the 23rd ANNUAL GENERAL MEETING of the Company will be held at the Registered Office of the Company at SF No.112, Madhapur Road, Kaniyur Village, Suler Taluk, Karumathampatti (via), Coimbatore - 641 659 on Friday the 12th day of August 2016 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 2016 together with Reports of the Directors and Auditors thereon.
2. To approve the Interim Dividend declared on Equity Shares for the financial year 2015 - 2016
3. To declare a final dividend on Equity shares for the financial year ended 31st March, 2016.
4. To appoint a Director in place of Mr A Panath Anitha, who retires by rotation and being eligible offers himself for re-appointment
5. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

“RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, the company hereby ratifies the appointment of M/s. Krishna & Co., Chartered Accountants (Firm Registration No. 001453S) as Auditors of the company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 24th AGM of the Company to be held in the year 2017 at such remuneration plus service tax, reimbursement of travelling and other out-of-pocket expenses incurred by them in connection with the audit as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

/ By order of the Board /

Place : Coimbatore
Date : 28.05.2016

For NATIONAL FITTINGS LIMITED
Sd/- **A.V. Palaniswamy**
DIN No. 01817391
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, 2016 to 12th August 2016 (both days inclusive) in connection with the 23rd Annual General Meeting of the Company.
- 4) The final Dividend Rs 1.00 per Equity shares has been recommended by the Board of Directors for the year ended 31st March, 2016 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid on and after 31.08.2016.
- 5) Members wishing to claim unclaimed dividends are requested to correspond the Company Secretary. The Dividend which are not claimed within seven years from the date of transfer to the Unpaid Dividend Account will as per Section 124 of the Companies Act, 2013, be transferred to Investor Education and Protection Fund. The Company has uploaded the details of the unpaid and unclaimed dividend amounts on the website of the Company as also on the website of the Ministry of the Corporate Affairs.
- 6) This notice and Annual Report will be available on the website of the Company.
- 7) The route map of the venue of the meeting is given in the Notice
- 8) Members holding shares in electronic form are hereby informed that Bank Account details registered against their depository accounts will be used by the Company for payment of dividend. Any changes of Bank particulars are to be advised to their Depository Participants
- 9) In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 10) 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, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the 23rd Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting "remote e-voting" will be provided by National Securities Depository Limited (NSDL):
 - ii) The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper

- iii) The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- iv) The remote e-voting period commences on 09th August, 2016 (9:00 am) and ends on 11th August, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 05th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v) The process and manner for remote e-voting are as under:
 - A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - I. Open the email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - II. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - III. Click on Shareholder – Login.
 - IV. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - V. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - VI. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - VII. Select "EVEN" of National Fittings Limited.
 - VIII. Now you are ready for e-voting as Cast Vote page opens.
 - IX. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - X. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - XI. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - XII. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bkcacbe@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:



NATIONAL FITTINGS LIMITED

- I. Initial password is provided at the bottom of the attendance slip : EVEN (E Voting Event Number) USER ID PASSWORD/PIN

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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- II. Please follow all steps from serial no. (II) to serial no. (XII) above, to cast vote.
- vi) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available in the downloads section of www.evoting.nsdl.com or call on toll free No.: 1800-222-990.
- vii) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 04th August, 2016.
- x) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 04th August, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@skdc-consultants.com

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- xi) A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
- xii) 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- xiii) Mr. B Krishnamoorthy, Chartered Accountant (Membership No. 20439) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiv) The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Polling Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- xv) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote

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 Annual General Meeting a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xvi) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.nationalfitting.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

11) Members are requested to intimate Change of Address, if any, immediately and quote the Registered Folio Number in the correspondence with the Company.

12) All communications should be addressed to:

The Secretarial Department

NATIONAL FITTINGS LIMITED

(CIN No. : L29199TZ1993PLC008034)

Registered Office

SF No 112, Madhapur Road

Kaniyur, Sullur Taluk

Karumathampatti - Via Coimbatore - 641 659

Ph: 99432 93000 / 99439 93001

Email id: accounts@nationalfitting.com, nationalfittingsltd@gmail.com

SHAREHOLDER INFORMATION

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

The Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400 001

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

email : info@skdc-consultants.com

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Twenty Third Annual Report together with the Audited Balance Sheet & Profit and Loss Account for the year ended 31.03.2016

FINANCIAL RESULTS

The operating results for the year 2015-2016 are given below :

	(₹ in Lakhs)	
Profit before Interest and Depreciation and Other adjustments		1307.33
Less: Interest	75.69	
Depreciation	121.36	197.06
Net Profit before Tax		1110.27
Provision for Tax :		
Current Tax	393.38	
Deferred Tax (income) / expenses	(21.90)	371.48
Net Profit after Tax		738.79
Amount brought forward from previous year		368.25
Amount available for appropriation		1107.04
Appropriations		
General Reserve		350.00
Interim Dividend on Equity Shares		166.40
Final Dividend on Equity Shares		83.20
Dividend Distribution Tax		50.81
Surplus carried over to Balance Sheet		456.63

FINANCIAL PERFORMANCE:

The Company's gross income for the financial year ended 31st March, 2016 was Rs. 5,398.72 lacs compared to Rs.5,048.54 lacs in the previous year. The profit before tax for the Company is Rs. 1,110.27 lacs as against Rs. 829.76 lacs in the previous year. The depreciation for the year is Rs.121.36 lacs compared to Rs.116 lacs in the previous year.

After providing Taxation, the Company's net profit stands at Rs.738.79 lacs against Rs.549.72 lacs in the previous year.

Your company proposes to transfer Rs. 350 lacs to General Reserve out of the amount available for appropriation and an amount of Rs. 456.63 lacs is to be carried over to Balance Sheet after appropriation of Dividend on Preference Shares and Equity Shares including Dividend Tax.

The Net worth of the company is at Rs.1958.44 lacs as on 31.03.2016 as against Rs.1820.05 lacs in the previous year.

DIVIDEND

The Board of Directors declared an interim dividend of Rs 2/- per Equity Share on 83, 20,000 equity shares of Rs 10/- each aggregating to Rs 166.40 lacs on 16.03.2016 and the dividend had been distributed to the shareholders. The approval of the shareholders has been perused in this Annual General Meeting.

The Board of Directors has recommended a final dividend of Re 1/- per Equity share on 83, 20,000 equity shares Rs 10/- each aggregating to Rs 83.20 lacs for the financial year ended 31st March, 2016, which if approved in the ensuing Annual General Meeting will be paid to all the equity shareholders, whose names appear in the Register of Members as on 05h August, 2016.

With the approval of the final dividend the total dividend for the financial year ended 31st March 2016 has been Rs. 3/- per share (Rs. 249.6 lacs).

REDEMPTION OF 9% NON-CONVERTIBLE NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES

The company had redeemed 3,00,000 9% Non-Convertible Non-Cumulative Redeemable Preference shares of Rs 100/- each amounting to Rs 300 lacs on 14.08.2015.

PERFORMANCE:

Sales and margins improved due to increase in the purchase of castings from reliable outsources and favorable foreign exchange conditions. In spite of price reduction due to severe competition from China, Company has been able to reduce production costs and thus improving margins.

Company expects to improve sales and margin due to improved power situation and increase in production.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**TRENDS & DEVELOPMENT**

The Company has a comfortable back order position in spite of a slowdown in the Middle East market. "Make in India" movement by the Government has not improved the domestic market segment as anticipated last year.

Products for joining 2" and under pipe sizes have been approved by the testing agencies and will start production during the financial year 2016-2017.

DIRECTORS

Mrs Panath Anitha, Whole Time Director, who retires by rotation, and being eligible, offers herself for reappointment.

KEY MANAGEMENT PERSONNEL

Mr. A.V. Palaniswamy, Managing Director, Mrs Panath Anitha, Whole Time Director, Mr. J. Saravanan, Chief Financial Officer and Mr. S. Aravinthan, Company Secretary of the Company are the Key Management Personnel as per the provisions of the Companies Act, and rules made there under.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company does not have any Subsidiary, Joint Venture or Associate Company

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company sustains to develop, manufacture and supply effective products to meet the customer requirements



NATIONAL FITTINGS LIMITED

The striving towards continuous improvement in total quality and keeping abreast of the latest technologies have been enabling the Company to achieve its goal.

The focus on training and development of the employees' skills has well bearing results in the goal attainment.

The ultimate benefit of these efforts has been aimed in enrichment of the value to the shareholders.

The environment and Community has been well recognized while moving towards the goal.

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 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 2016 and of the Profit of the company and the cash flow statement for the year ended 31.03.2016.
- (iii) there have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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.
- (v) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively

Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CODE OF CONDUCT

All Directors and senior management of the Company have affirmed Compliance with the Code of Conduct of National Fittings Limited for the financial Year ended 31st March 2016.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR, KEY MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The company shall have such person on the Board who complies with the requirements of the Companies Act, 2013. Directors/KMPs shall be persons of sound integrity and honesty, apart from knowledge, experience etc in the respective fields.

No person less than the age of 21 years shall be appointed as the director of the Board.