

25TH **ANNUAL REPORT** 2015 / 2016



## Board of Directors

B K Patodia	Chairman
N K Bafna	Independent Director
Prem Malik	Independent Director
S Sundareshan	Independent Director
Rajen K Mariwala	Independent Director
Pamela Anna Mathew	Independent Director
V.Viswanathan	Nominee of KSIDC, Trivandrum (upto 29.9.15)
B.Jyothikumar	Nominee of KSIDC, Trivandrum (w.e.f 29.9.15)
Umang Patodia	Managing Director

Assistant Company Secretary	Dipu George
General Manager (Finance) & Chief Financial Officer	T. Ravindran

Bankers & Financial Institution  
 Central Bank of India  
 State Bank of India  
 Export-Import Bank of India  
 State Bank of Travancore  
 IDBI Bank Limited  
 The Karur Vysya Bank Limited  
 Oriental Bank of Commerce  
 Canara Bank  
 Bank of Maharashtra

Auditors	M/s. M S Jagannathan & Visvanathan, [Chartered Accountants], Coimbatore.
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Legal Advisors	M/s. Menon & Pai, Kochi
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Registered Office	3rd Floor, Palal Towers, Ravipuram M G Road, Kochi 682016
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Corporate Office	43, Mittal Chambers, 4th Floor, 228, Nariman Point, Mumbai 400 021
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Corporate ID No. (CIN)	L18101KL1991PLC006194
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# PATSPIN INDIA LIMITED

## NOTICE

NOTICE is hereby given that the **TWENTY FIFTH** Annual General Meeting of the members of **PATSPIN INDIA LIMITED** will be held at the Bharat Hotel (BTH), Durbar Hall Road, Kochi 682 016 at 9:30 a.m on Friday, the 23rd day of September, 2016 to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016 and the Reports of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri B.K. Patodia (DIN: 00003516), who retires by rotation, and being eligible, offers himself for re-appointment.
3. Ratification of appointment of Statutory Auditors.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

### Resolution

**“RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, the appointment of M/s. MS Jagannathan & Visvanathan (Firm Reg. No: 001209S), Chartered Accountants as Auditors of the Company for a term of 3 years i.e. till the conclusion of the 26th Annual General Meeting (AGM), which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the 26th AGM of the Company to be held in the year 2017, at such remuneration plus service tax, out of pocket, travelling and living expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### SPECIAL BUSINESS:

4. Approval of Cost Auditors remuneration  
To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**  
**“RESOLVED THAT** Pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act 2013, read with the Companies (Cost Records & Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Hareesh K.N and Associates, Cost Accountants (Firm Reg. No. 101974), appointed by the Board of Directors of the company to conduct audit of the cost records of the company's textile units, be paid a remuneration, amounting to Rs. 40000 (Rupees forty thousand only) plus service tax applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit for the financial year ended 31st March, 2016”

By Order of the Board of Directors  
**DIPU GEORGE**

Place : Kochi  
Date : 01.08.2016

Assistant Company Secretary  
Membership No. ACS 38716

### NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

The instrument appointing proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the commencement of the meeting. A proxy form is send herewith. Proxy submitted on behalf of the Companies, Societies etc, must be supported by an appropriate resolution / authority, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of the Notice.
3. The Company has already notified Closure of Register of Members and Share Transfer Books thereof from Saturday, 17th September, 2016 to Friday, 23rd September, 2016 (both days inclusive) for the purpose of the Annual General Meeting.
4. Pursuant Section 205 of the Companies Act 1956 there is no unclaimed dividend for transferring to Investors Education and Protection Fund (IEPF).
5. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Security Holders are entitled to make nomination in respect of securities held by them in physical form. Individual Security holder(s) can avail of the facility of nomination. The nominee shall be a person in whom all rights of transfer and / or amount payable in respect of the securities shall vest in the event of the death of the Security holder(s). In the case of joint holding; all joint holders shall together nominate any person as nominee. A minor can be a nominee provided the name and address of the guardian is given in the Nomination form. The facility of nomination is not available to non-individual Shareholders such as Bodies-Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trust and holders of Power of Attorney. For further details please contact Company's Secretarial Department. Security holders desirous of making nominations are requested to send their requests in Form No. SH-13 (which will be made available on request) to the Registrar and Share Transfer Agent, M/s. Integrated Enterprises (India) Limited.

## NOTICE (Contd.)

### REQUEST TO THE MEMBERS:

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (Seven) days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. All communications relating to shares including change in their address are to be addressed to the Company's Share Transfer Agent M/s. Integrated Enterprises (India) Ltd., 2nd Floor, Kences Towers, No.1, Ramakrishna Street, T Nagar, Chennai-600017, Tel: 044 28140801-803; E-Mail: [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in).
4. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to register/update your e-mail addresses, in respect of shares held in dematerialized form with your respective Depository Participants and in respect of shares held in physical form with above RTA directly to enable Company to send communication / documents via e-mail.
5. Copies of the Annual Report 2016 along with Notice of the 25th AGM, Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/ Depository Participant (s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
6. Members who hold shares in physical forms are requested to dematerialise their holdings for facilitating the transfers of Company's equity shares in all stock exchanges connected to the depository system.
7. **Voting through electronic means**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with the Stock Exchanges, the Company is pleased to offer Remote e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General Meeting (AGM) to be held on Friday, 23rd September, 2016 at 9.30 a.m. at Bharath Hotel (BTH), Durbar Hall Ground Kochi-682016. Please note that remote e-voting through electronic means is optional. The company is also providing the facility of poll at the meeting by way of ballot. The Company has

engaged the services of Central Depository Services India Ltd (CDSL) to provide remote e-voting facilities. The remote e-voting facility is available at the link <https://www.evotingindia.com>

The Company had fixed on Friday, 16th September 2016 as the cutoff date for determining voting right of shareholders entitled to participating in the remote e-voting process .In this regard, your demat account/ folio number has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company on e-voting system.

The remote e-voting facility will be available during the following period:

<b>Commencement of remote e-voting</b>	<b>9:00 A.M. onwards on Tuesday, 20th September, 2016</b>
<b>End of remote e-voting</b>	<b>Upto 5:00 P.M. on Thursday, 22nd September, 2016</b>

During this period, members of the company may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote(s) on a resolution is cast by the member, the member shall not be allowed to change it subsequently, as well as not allowed to vote at the meeting.

The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the company as on Friday, 16th September 2016. 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 cutoff date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot paper.

Any person who acquires shares of the company and becomes member of the company after dispatch of the Notice and holding shares as on cut off date i.e. Friday, 16th September 2016 may obtain the sequence number by sending a request at [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in).

The instructions for members for voting electronically (both for physical shareholders as well as demat holders) are as under:

- (i) The voting period begins on Tuesday 20th September 2016, at 9.00 a.m. and ends on Thursday 22nd September 2016 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 16th September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.



## NOTICE (Contd.)

- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

### For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "PATSPIN INDIA LIMITED" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

## NOTICE (Contd.)

### (xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

- The Company has appointed Shri MRL Narasimha (Membership No. 2851, CP.NO 799), Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting process in fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment in the company and make not later than three days of conclusion of the meeting a consolidated Scrutinizers Report of the Total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing who shall counter sign the same. The chairman or the person authorized by him shall declare the result of the voting forthwith.
- The results declared alongwith the Scrutinizers Report shall be placed on the Company's website [www.patspin.com](http://www.patspin.com) and on the website of CDSL immediately after the result have been declared by the Chairman. The company shall simultaneously communicate the result to BSE Limited and National Stock Exchange of India Limited, where, the shares of the company are listed.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THIS ANNUAL GENERAL MEETING  
PURSUANT TO SECTION 160 OF THE COMPANIES ACT, 2013  
Regulation 36 of SEBI (LODR) Regulations, 2015**

<b>Name of Director</b>	<b>Shri B.K. Patodia</b>
<b>Date of Birth</b>	1.1.1945
<b>DIN</b>	00003516
<b>Date of appointment</b>	20.9.1991
<b>Qualifications</b>	B.E.
<b>Expertise in specific functional area</b>	<p>Shri. B.K. Patodia, 71 years of age, holds the Engineering Degree from Birla Institute of Science and Technology, Pilani, is the past Chairman of the Cotton Textiles Export Promotion Council, (Texprocil), Mumbai. He is also the past Chairman of the Indian Cotton Mills' Federation, (now known as Confederation of Indian Textile Industry) and Southern India Mills' Association, Coimbatore. He has also served as President of Cochin Chamber of Commerce and Industry, Cochin and Employers' Federation of Southern India, Chennai.</p> <p>Shri. B.K. Patodia is the past Chairman of the Joint Cotton Committee of International Textile Manufacturers Federation (ITMF), Zurich. He is a member of the Advisory Board on the Committee of Management of ITMF. He is also a member of the Spinners Committee of ITMF.</p> <p>Shri. B.K. Patodia has been nominated by Ministry of Consumer Affairs, Food and Public Distribution as a member of the National Advisory Committee to advise the Central Government and Forward Markets Commission regarding Commodity Futures Markets.</p> <p>Shri. B.K. Patodia is a Director on the Boards of several leading Companies and is also member of several Government Committees including the Cotton Advisory Board and Cotton Yarn Advisory Board appointed by the Ministry of Textiles, Government of India. He was also actively involved in the Sub-Group on Cotton to formulate National Fibre Policy of the Ministry of Textiles.</p>
<b>Shareholding in the Company.</b>	34,550 Equity Shares of Rs 10 each

**Details of other Directorship:-**

<b>Name of Director</b>	<b>Name of the Company</b>	<b>Position held</b>	<b>Committee type</b>	<b>Membership status</b>	<b>Share holdings</b>
<b>Shri. B.K. Patodia</b>	GTN Textiles Limited	Chairman & Mg. Director	Audit SRC	Member Member	11,95,580 Equity Shares
	GTN Enterprises Limited	Chairman	Audit	Member	4,72,310 Equity Shares
	The India Thermit Corporation Limited	Director	Audit NRC	Member Member	NONE
	Hind Rectifiers Limited	Director	NRC	Member	NONE
	Patspin Apparels Pvt. Limited	Director	NONE	NONE	30 Equity Shares
	Patodia Exports & Investments Pvt. Limited	Director	NONE	NONE	9800 Equity Shares
	Umang Finance Pvt. Limited	Director	NONE	NONE	8300 Equity Shares
	Beekaypee Credit Pvt. Limited	Director	NONE	NONE	4300 Equity Shares

Place : Kochi  
Date : 01.08.2016

By Order of the Board of Directors  
**DIPU GEORGE**  
Assistant Company Secretary  
Membership No. ACS 38716

## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No.4: Approval of Cost Auditors remuneration

The Board of Directors of the company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Hareesh K.N & Associates, Cost Accountants to conduct the audit of the cost records of the company's textile units for the financial year ended 31st March, 2016.

In terms of the provisions of section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records & Audit) Rules, 2014, the remuneration payable to the cost auditor has to be ratified by the members of the company. Accordingly, the members are requested to ratify the remuneration payable to the cost auditors for the financial year ended 31st March, 2016 as set out in the ordinary resolution for the aforesaid service to be rendered by them.

None of the Directors and / or Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise in the resolution set out at item No 4.

Your Directors recommend the resolution for approval.

Place : Kochi  
Date : 01.08.2016

By Order of the Board of Directors  
**DIPU GEORGE**  
Assistant Company Secretary  
Membership No. ACS 38716



# PATSPIN INDIA LIMITED

## DIRECTORS' REPORT

**To the Members,**

Your Directors present the **TWENTY FIFTH** Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2016

### 1. FINANCIAL RESULTS

(Rs. in lacs)

Particulars	Year ended	
	31.3.2016	31.3.2015
<b>REVENUE</b>		
Income from operations	<b>49630</b>	55442
Other income	<b>123</b>	118
Changes in Inventories	<b>478</b>	(303)
<b>Total</b>	<b>50231</b>	55257
<b>EXPENSES</b>		
a) Cost of materials	<b>30130</b>	41004
b) Employee benefits expense	<b>3136</b>	2940
c) Other expenses	<b>12012</b>	7809
<b>Total</b>	<b>45278</b>	51753
<b>OPERATING PROFIT</b>	<b>4953</b>	3504
Finance Costs	<b>3677</b>	3083
<b>PROFIT/(LOSS) BEFORE DEPRECIATION,</b>		
<b>AMORTISATION &amp; TAX EXPENSES</b>	<b>1276</b>	421
Depreciation and Amortisation Expenses	<b>1219</b>	1243
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>57</b>	(822)
Tax Expenses		
a) Current Tax (MAT)	--	--
b) MAT credit entitlement	--	--
c) Deferred Taxation	<b>21</b>	174
<b>PROFIT/(LOSS) AFTER TAX</b>	<b>78</b>	(648)

### 2. FINANCIAL PERFORMANCE

It was mentioned in the previous year's Directors Report that the Industry situation had worsened from 3rd quarter of F.Y. 2014-15 and many companies incurred losses due to high volatility in cotton prices, which led to crash in yarn prices, specially in fine and superfine counts. Further, substantial reduction in cotton yarn exports to China also had adverse impact on the yarn prices affecting sales realisation of the mills.

From 2nd quarter of FY 2015-16, there is distinct improvement in the market situation. This has resulted in reduction of high yarn inventories built up across the

industry on account of new activities set up in several cotton growing States like Gujarat, Maharashtra, Telengana, Madhya Pradesh etc. added by unduly high incentives and concessions offered by these States.

Under the circumstances, while your company could increase exports of manufactured goods in the year under review, overall income from operations was lower on account of reduced exports of traded goods and lower sales realization. The total revenue for the year was at Rs.496.30 crores as compared to Rs.554.42 crores in the previous year. The operating profit was higher at Rs.49.53 crores as against Rs.35.04 crores in the previous year and after charging depreciation and finance cost, the PBT was at Rs.0.57 crores against a loss of Rs. 8.22 crores in the previous year.

As referred in the previous years directors' report about the liquidity constraints the company has been facing, we are exploring various options in consultation with the term lenders. In the meantime, in order to ease the cash flow, the company has entered into a Memorandum of Understanding (MOU) with a prospective buyer for sale of the Wind Mill undertaking and the matter is being actively pursued.

In the current year, as a result of intensive marketing drive, the product mix is completely revamped with greater emphasis on specialized long staple and extra long staple cotton grown overseas. Many of these products are branded and result in better realization. As a result, we hope that the performance will be better.

### 3. DIVIDEND

In view of accumulated losses and also inadequacy of profit, your Directors regret their inability to recommend dividend for the financial year ended 31st March, 2016.

### 4. POTENTIALLY SICK COMPANY

Your company continued to be classified as a "potentially sick company" under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 as at the close of 31st March, 2016.

Your Directors have taken effective steps and are striving hard to come out from the above provisions and hope that the Company achieves better results in the coming years.

### 5. MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on the Management discussion and analysis forms an integral part of this report.

### 6. DEPOSIT FROM PUBLIC

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read

## DIRECTORS' REPORT (Contd.)

with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

### 7. CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a Certificate from the Auditors on its compliance, forms an integral part of this report.

### 8. DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association, Shri B.K. Patodia, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment. The Board recommends the same for your approval.

Kerala State Industrial Development Corporation (KSIDC), Trivandrum has withdrawn their Nominee Shri. V. Viswanathan from the Board effective from 29.9.2015 and in his place Shri. B. Jyothikumar, their Executive Director was appointed on the same date. The Board placed on record its profound appreciation to Shri. V. Viswanathan for his significant and valuable contributions to the company during his tenure.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015.

### 9. NUMBER OF MEETINGS OF THE BOARD

The details of the number of meetings of the Board held during the year ended 31st March, 2016 forms part of the Corporate Governance Report.

### 10. KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company :

- (i) Shri. Umang Patodia : Managing Director
- (ii) Shri. T. Ravindran : Chief Financial Officer
- (iii) Shri. Dipu George : Assistant Company Secretary

Shri. N.N. Venkitasubramanian, Chief Financial Officer has retired from services of the company on attaining superannuation and in his place Shri. T. Ravindran General Manager (Finance & Accounts) has been appointed as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 30.5.2016. The Board of Directors placed on record their appreciation for the services rendered by Shri N.N. Venkitasubramanian during his long tenure.

### 11. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the Financial Year under review. The Meeting was conducted in an informal manner without the presence of the Non-Independent Directors and members of management.

### 12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 (5) of the Companies Act 2013, and based on the representations received from the management, your Directors confirm that:

- a) in the preparation of the Annual Accounts for the year ended 31st March, 2016, the applicable Accounting Standards have been followed and there are no material departures;
- b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company at the end of the financial year and of the profit & loss of the company for the financial year ended 31st March, 2016.
- c) taken proper and sufficient care to the best of knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities.
- d) prepared the Annual Accounts on a going concern basis.
- e) had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 13. BOARD EVALUATION

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. A structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.