

**ANNUAL GENERAL MEETING (2012-2013)**

**BOARD OF DIRECTORS**

R.K.TEKRIWAL	Chairman & Managing Director
SHARAD DUBEY	Director
VISHWANATH KANUNGO	Director

**Auditors**

C.P.Rawka & Co.,  
Chartered Accountants  
403, Arcade Silver, 56  
1, New Palasia, Indore(MP)-452001

**Registered Office**

115, Sector –III, Industrial  
Area, Pithampur  
Dist- Dhar(MP)

**Registrars & Transfer Agents**

Purva Share Registry (I) Pvt. Ltd.  
9,Shiv Shakti Industries,  
J.R. Boricha Marg,  
Opp/ Kasturba Hospital,  
Lower Parel (E)  
Mumbai – 400 011.  
Phone : [022] 23018261.

**Corporate Office**

Fairdeal Building,  
2, A.B.Road, Gita Bhavan  
Square, Indore(MP)-452001  
Ph-0731-4077277-78

NOTE : Shareholders are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

**NOTICE**

NOTICE is hereby given that the 16TH Annual General Meeting of the members of Pithampur Poly Products Limited will be held on Saturday, the 30th September 2013, at 11.00 a.m. at its Registered Office at 115, Sector – III, Industrial Area, Pithampur, Dist-Dhar(MP), to transact the following business: -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2013 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of Mr. Vishwanath Kanungo, Director of the Company who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGD. OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer book of the company will remain closed from 26<sup>th</sup> September, 2013 to 30th September 2013 (both days inclusive).
4. Share holders are requested to go for DEMAT of their shares immediately as the Company has appointed M/S. Purva Share Registry India Pvt.Ltd., Mumbai (SEBI APPROVED R & T AGENT) for handling share transfer job and also for maintaining electronic connectivity with CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No.- INE747D01012 . Members are also required to intimate change in their addresses, if any, immediately to M/S. PURVA SHARE REGISTRY INDIA PVT.LTD., MUMBAI.

PITHAMPUR POLY PRODUCTS LIMITED

5. Members desirous of making nomination in terms of Section 109A of the Act, 1956 in respect of their shareholding may approach the Registrar for assistance, Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.

By order of the Board

For PITHAMPUR POLY PRODUCTS LIMITED

Place : PITHAMPUR  
Date : 02/09/2013

SD/-  
RAJENDRA KUMAR TEKRIWAL  
CHAIRMAN

**DIRECTORS' REPORT TO THE MEMBERS**

To,  
The Members of the Company,

Your Directors have pleasure in presenting before you the 16TH ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2013.

<b>FINANCIAL RESULTS</b>	<b>(Amt . Rs. In Lakhs )</b>	
	<b>2012-2013</b>	<b>2011-2012</b>
Sales / Income	588.73	596.91
Total Expenses	623.75	688.22
Profit Before Tax	(35.03)	(103.63)
Profit after Tax	(35.03)	(103.63)

**FINANCIAL & OPERATIONAL HIGHLIGHTS**

The Financial results of the Company has been stated in the B/S & P & L A/C attached herewith.

**DIVIDEND**

The Board of Directors of the Company has not declared any dividend for 2012-13.

**FIXED DEPOSITS**

The Company has not accepted deposits from the public during the year attracting the provisions of section 58A of the Co. Act, 1956 and Rules framed there under.

**AUDIT COMMITTEE**

The Company has formed an Audit committee comprising of three directors. The terms of the reference of the committee are in line with the requirements specified u/s. 292A of the Co-Act, 1956 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

**DIRECTORS**

During the year under review, Mr. Vishwanath Kanungo, Director of the company will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

**AUDITORS**

Members have to appoint auditors for the current financial year and to fix remuneration. M/s. C.P.Rawka & Co., Chartered Accountants Indore, the retiring auditors of the company, is eligible for reappointment. Their appointment, if made, will be within the prescribed limit specified under section 224(1B) of the Companies Act, 1956 as intimated by the said firm to the Company.

**PARTICULARS OF EMPLOYEES**

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.**

Pursuant to section 217(1)(a) read with the Co.(Disclosures of particulars in the Report of Board of Directors) Rules,1988 , the details are as under :-

(A)	CONSERVATION OF ENERGY	12-13	11-12
	POWER & FUEL	RS.11490836/-	RS. 10821874/-
(B)	TECHNOLOGY ABSORPTION	NIL	NIL
(C)	EARNING AND EXPENSES		
	IN FOREIGN EXCHANGE		
	Earning in Foreign Currency	Rs. NIL	Rs. NIL
	Expenditure in Foreign Currency	Rs. NIL	Rs. NIL

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors hereby report:

- that in the preparation of annual accounts, the applicable accounting standards have been followed;
- and such accounting policies have been selected and applied consistently and judgements and estimates made that are responsible and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the losses of the Company for that period;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that annual accounts have been prepared on a going concern basis.

## **CORPORATE GOVERNANCE AND COMPLIANCE**

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from statutory auditors with regards to the compliance of the corporate governance as stipulated in Clause 49 of the Listing Agreement by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

## **LISTING**

The equity share of the company are listed on the Stock Exchange at Indore, Mumbai, Ahmedabad, Chennai.

## **ACKNOWLEDGEMENT**

Your Directors wish to express their sincere appreciation for the co-operation and support received from Banks, shareholders, customers, sub-contractors, suppliers, Officers and other employees of the Company throughout the year.

Place : PITHAMPUR  
Date : 02/09/2013

For and on behalf of  
The Board of Directors

Sd/-  
Rajendra Kumar Tekriwal  
CHAIRMAN

## **REPORT ON CORPORATE GOVERNANCE**

### **1. COMPANY'S PHILOSOPHY**

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients' interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

### **2. BOARD OF DIRECTORS COMPOSITION AND CATEGORY**

The Board of Directors of the Company consists of persons with considerable expertise and experience in the manufacturing industry, finance & management. The Board of Directors of the Company consists of three Directors including the Executive Chairman. Out of 3, 2 directors are non-executive independent directors. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

### **BOARD PROCEDURE**

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

**The Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.**

Sr. No.	Name of the Director	Category	Number of other		
			Directorships	Committee Memberships	Committee Chairmanships
1	MR. R.K.TEKRIWAL	EXE.CHAIRMAN & MANAGING DIRECTOR	-	3	2
2	MR SHARAD DUBEY	IND. DIR	-	3	1
3.	MR. VISHWANATH KANUNGO	IND.DIR	-	3	-

During the year 9 Board Meetings were held on 30/04/2012, 30/07/2012, 16/08/2012, 03/09/2012, 10/09/2012, 16/10/2012, 30/10/2012, 15/01/2013 & 31/01/2013. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

SR.NO	NAME OF DIRECTORS	NO. OF BOARD MEETING ATTENDED	ATTENDENCE AT THE LAST AGM HELD ON 29-09-2012
1	MR. R.K.TEKRIWAL	9	YES
2	MR. SHARAD DUBEY	9	YES
3	MR VISHWANATH KANUNGO	9	YES

### **3.AUDIT COMMITTEE**

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2012 to March 2013 and the attendance of the Audit Committee Members are as under:

## PITHAMPUR POLY PRODUCTS LIMITED

SR.NO	DIRECTOR NAME	CATEGORY	NO OF MEETING HELD    ATTENDED	
1	MR. R.K.TEKRIWAL	EXE. CHAIRMAN & M.D. AND MEMBER OF AUDIT COMMITTEE	5	5
2	MR. SHARAD DUBEY	INDEPENDENT DIRECTOR & CHAIRMAN OF AUDIT COMMITTEE	5	5
3	MR. VISHWANATH KANUNGO	INDEPENDENT DIRECTOR AND MEMBER OF AUDIT COMMITTEE	5	5

### **Terms of Reference:-**

The terms of reference for the audit committee as laid down by the Board include the following:-

- a) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements concerning financial statements; any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- d) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- e) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- f) Reviewing the Company's financial and risk management policies.
- g) To review the functioning of the Whistle Blower Policy adopted by the Company.

- h) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

**4. REMUNERATION COMMITTEE**

This is a non-mandatory requirement. The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of Mr. R.K.Tekriwal, CMD and Chairman of the committee, Mr. Sharad Dubey, NEID & member and Mr. Vishwanath Kanungo, NEID & member. Only one meeting of the committee held during the year under review.

**5. SHARE HOLDER'S GRIEVANCE AND SHARE TRANSFER COMMITTEE**

**Composition:-**

The said committee comprises of R.K.TEKRIWAL, CMD & Chairman of the committee, Sharad Dubey, NEID & member and Vishwanath Kanungo, NEID and member of the committee.. There are 2 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

**Terms of reference:-**

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares, non receipt of annual report, non receipt of declared dividend etc.

**Compliance Officers :-**

The company has designated Mr. R.K.TEKRIWAL as Compliance Officer.

**Summary of Investors' Complaints:-**

During the year 2 letters / complaints were received from the share holders, out of which 2 letters/ complaints were replied / resolved to the satisfaction of the shareholders.

As on date, there are no complaints pending.