

**Annual Report  
2012-2013**

**PRESSURE SENSITIVE SYSTEM  
(INDIA) LIMITED**

## **26th ANNUAL REPORT**

### **2012-2013**

#### **BOARD OF DIRECTORS :**

Mr. Niyant R. Parikh : Non Executive Director (Promoter)  
Mr. Shankar Bhagat : Independent Non-Ex. Director  
Mr. Anil Mistry : Independent Non- Executive Director

#### **AUDITORS:**

Y D & Co.  
Chartered Accountants,

#### **CORPORATE GOVERNANCE REPORT:**

Y D & Co.  
Chartered Accountants,

#### **BANKERS:**

Bank of Maharashtra

#### **REGISTRARS & SHARE TRANSFER AGENTS:**

Purva Shareregistry India Pvt. Ltd.  
9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg, Opp. Kasturba Hospital,  
Lower Parel (East), Mumbai - 400 011  
Tel No. 2301 6761 / 2301 8261 Fax: 2301 2517  
Email: busicomp@vsnl.com

#### **REGISTERED OFFICE & WORKS:**

1st Floor, Neelkanth Shopping Centre,  
Corner Cama Lane, M.G. Road,  
Ghatkopar (West), Mumbai - 400086

#### **SHARES LISTED AT:**

Bombay Stock Exchange Limited  
Ahmedabad Stock Exchange Limited

## **26th ANNUAL GENERAL MEETING**

Date : 30th September, 2013  
Day : Monday  
Time : 11.00 a.m.  
Place : 1st floor, Neelkanth Shopping Center, Corner Cama Lane,  
M.G.Road, Ghatkopar (West), Mumbai - 400 086

## NOTICE

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NOTICE IS HEREBY GIVEN THAT THE 26TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED WILL BE HELD ON MONDAY THE 30TH DAY OF SEPTEMBER, 2013 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 1ST FLOOR, NEELKANTH SHOPPING CENTRE, CORNER CAMA LANE, M.G. ROAD, GHATKOPAR (WEST), MUMBAI - 400086 TO TRANSACT THE FOLLOWING BUSINESS.

### ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of MR. SHANKAR PRASAD BHAGAT who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint Auditor and to fix their remuneration.

**By Order of the Board**  
**For, PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED**

**PLACE: MUMBAI**  
**DATE: 29.05.2013**

**(NIYANT PARIKH)**  
**CHAIRMAN**

### 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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies, in order to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 23rd September, 2013 to 30th September, 2013 (both days inclusive).
5. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
6. Additional information as required in terms of paragraph 3 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:

MR. SHANKAR PRASAD BHAGAT is Director of the Company. He has rich experience in the field of Finance. He has been associated with the Company w.e.f. 31.01.2009. He is Member of the Audit Committee and Share Transfer and Grievances Committee of the Company. MR. SHANKAR PRASAD BHAGAT retires by rotation and being eligible offers himself for re-appointment.

## DIRECTORS' REPORT

*Dear Shareholders,*

Your Directors here by present the Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on [31st March 2013](#).

### OPERATIONS REVIEW:

During the year under review due to sluggish market condition and financial crisis company faces huge set back. So company not in position to generate any revenue from the operation and other income stood at Rs. 179508/- after other expenses of Rs. 152799/- company posted Net profit of Rs.26709/-.

The management has taken measures as part of its continuous improvements to strengthen operations and viability.

### DIVIDEND:

Your Directors have not declared any dividend during the year under review.

### FIXED DEPOSIT:

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956.

### BOARD OF DIRECTORS:

MR. SHANKAR PRASAD BHAGAT Director of the Company is retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

### SUBSIDIARIES:

Since the Company has no subsidiaries provision of section 212 of the Companies Act, 1956 is not applicable.

### AUDITORS AND AUDITORS' REPORT:

[M/s. Y. D. & Co., Chartered Accountants, Ludhiana](#), Statutory Auditors of the Company and hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is [annexed](#) herewith. The Audit Committee of the Company has regularly reviewed internal Control System of the company.

### CORPORATE GOVERNANCE REPORT:

Your Company has complied with the requirements of Clause 49 of the Listing Agreement on Corporate Governance. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed separately to this Annual Report.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1)(e) of the Companies Act 1956, are not applicable to our Company, as our Company has not carried out any manufacturing activities.

The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

### PARTICULARS OF EMPLOYEES:

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) the Directors 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) Directors have prepared the accounts on a "going concern basis".

**APPRECIATION:**

The Directors take this opportunity to thank all the employees, Banks & Customers for their contribution to the company's performance during the year under review.

**By Order of the Board  
For, PRESSURE SENSITIVE SYSTEMS (INDIA) LIMITED**

**PLACE: MUMBAI  
DATE: 29.05.2013**

**(NIYANT PARIKH)  
CHAIRMAN**

**Annexure to Director's Report****MANAGEMENT DISCUSSION ANALYSIS REPORT****A) INDUSTRY STRUCTURE AND DEVELOPMENT:**

The self adhesive industry is virtually non-existent in the medium scale industry.

**B) SEGMENTWISE PERFORMANCE:**

The Company has only one reportable primary segment consisting of coatings on different materials, the performance of which has been detailed in my Annual Report.

**C) OPPORTUNITIES / OUTLOOK:**

Due to reasons mentioned in (A) above, opportunities/outlook are not very encouraging. The management feels this situation will worsen. However some new opportunities in the coating field have been identified. The Company has been successful in exploiting the same.

**D) THREATS:**

The main threats are from very cheap large volume imports from low cost countries and very small scale industries. The management is in the process of phasing out loss making / products and replacing them with product giving higher yields. The management is also in the process of drastic reduction in over heads and running costs.

**E) RISKS AND CONCERNS:**

These have been mentioned in details in (A) and (D) above. The management is taking adequate measures to safeguard the interest of the Company.

**F) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has put in place sufficient quality and inventory control systems required for the Company of our size. Monthly purchase is cross checked by the Directors. The Company also has a full fledged in house laboratory which is recognized by various government agencies such as Railways, Defense, DOT etc. for quality checks at every stage of production.

**G) HUMAN RESOURCES POLICIES:**

The Company has adequate Human resources to run its operations efficiently.

**H) CAUTIONARY STATEMENT:**

In light of large scale dumping of self adhesive tapes in India by countries such as China, Malaysia, etc. the Company is facing severe profitability problems. However the management has identified new markets which are not affected by imports and has successfully entered the same.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31ST MARCH, 2013****1. THE CORPORATE GOVERNANCE PHILOSOPHY**

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement and subsequently amended w.e.f.1st January, 2006 has implemented by the Company.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long term shareholders value. The company has also consistently followed good corporate policy and enhanced its value in the eyes of shareholders, Bankers, Customers and Employees.

The Company has complied with all the regulations required by SEBI through the Listing Agreement. This report, along with the report of Management discussion and Analysis and additional information for the shareholders in the foregoing paras, constitutes Pressure's compliances with clause 49 of the Listing Agreement.

**2. BOARD OF DIRECTORS**

The Board of Directors is having non-executive and independent directors as on 31st March, 2013. The Board of Directors is consisting of Three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors do not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

**Numbers of Board Meetings held and the dates on which such meetings were held:**

During the year the Board met 5 (Five) times on 15.05.2012, 03.08.2012, 13.08.2012, 07.11.2012 and 04.02.2013. The maximum gap between two meetings was not more than 4 months.

**Attendance record of Directors attending the Board meetings and Annual General Meetings**

Name of the Director	Designation/ Category	No. of Board Meetings		Last AGM attendance
		Held	Attended	
Mr. Niyant R. Parikh	Non Executive & Promoter	5	5	Yes
Mr. Shankar Bhagat	Non Executive & Independent	5	5	Yes
Mr. Anil Mistry	Non Executive & Independent	5	5	Yes
None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director.				

**3. AUDIT COMMITTEE**

Pursuant to the provisions of section 292(A) of The Companies Act, 1956 and Clause 49 of Listing Agreement, an Audit Committee comprising of 3 Non Executive Directors has been constituted.

- 1 Mr. Niyant R. Parikh Member
- 2 Mr. Shankar Bhagat Chairman
- 3 Mr. Anil Mistry Member

The role, terms of reference, authority and powers of the audit committee are in conformity with the requirement of Companies Act, 1956, and Listing Agreement.

**Role/ Functions of the Committee:**

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

**Powers of the Committee:**

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Compliance with Stock Exchange and legal requirements concerning financial statements.