







FORM A

Format of covering letter of the annual audit report

Name of the company	SHILPI CABLE TECHNOLOGIES LTD
Annual financial statements for the year Ended	31ST MARCH 2013
Type of Audit observation	Un Qualified
Frequency of observation Whether appeared first time/ repetitive...../ since how long period	N.A.
To be signed by- (Mukesh Kumar Gupta) Managing Director (Manoj Arora) CFO (Pankaj Chander) Auditor of the company (Sandeep Gupta) Audit Committee Chairman	   

Shilpi Cable Technologies Limited

Regd. Office :

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Mathura Road, P.O. Badarpur, New Delhi 110044, India
T: +91 11 43117900, 43117901 F: +91 11 43117902
E-mail: info@shilpicabletech.com
Website: www.shilpicables.com

Unit-I :

SP-1037, RIICO Industrial Area, Chopanki,
Bhiwadi, Dist. Alwar, Rajasthan 301019 India.
T: +91 1493 302415, F: +91 1493 302402

Unit-II :

E-138, RIICO Industrial Area, Phase-I, Bhiwadi,
Dist. Alwar, Rajasthan 301019 India.
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7th Annual Report
2012-2013

Shilpi Cable Technologies Ltd.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Mukesh Kumar Gupta, Managing Director
- Mr. Manish Goel, CCO & Whole Time Director
 - Mr. Ghanshyam Pandey
 - Mr. Sunil Kala
 - Mr. Sandeep Gupta
- Mr. Narendra Kumar Singh, Nominee Director

CHIEF EXECUTIVE OFFICER

- Mr. Manish Bhatt

CHIEF FINANCIAL OFFICER

- Mr. Manoj Arora

AUDITORS

M/s RMA & Associates
Chartered Accountants
48, Hasanpur,
I. P. Extension,
Delhi – 110 092

SHARE TRANSFER AGENT

BEETAL Financial & Computer Services (P) Limited
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping
Centre
Near Dada Harsukhdas Mandir, New Delhi – 110062
Tel: 011-29961281; **Fax:** 011-29961284

REGISTERED OFFICE

Shilpi Cable Technologies Limited
A-19/B-1 Extension
Mohan Co operative Industrial estate
P. O. Badarpur, Mathura Road
New Delhi 110 044

PLANT

Unit I

SP 1037, RIICO Industrial Area
Chopanki, Bhiwadi,
Distt. Alwar, Rajasthan.

Unit II

E 138, RIICO Industrial area, Phase I
Bhiwadi, Distt. Alwar, Rajasthan.

BANKERS

IDBI Bank
Punjab National Bank
State Bank of India
UCO Bank
Oriental Bank of Commerce
Bank of Baroda
Union Bank of India
Andhra Bank

Shilpi Cable Technologies Ltd.

NOTICE

Notice is hereby given that the seventh Annual General Meeting of the Members of the Company will be held on Wednesday, 25th September, 2013 at 11.30 AM at 11, Hindi Bhawan, ITO, Delhi 110002, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors' thereon.
2. To appoint a Director in place of Mr Ghanshyam Pandey who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The present Statutory Auditors M/s RMA & Associates Chartered Accountants, New Delhi, having Firm Registration No. 000978N, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS:

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

“Resolved That Mr Narendra Kumar Singh, who was appointed as an Additional Director (nominee of IDBI Bank Ltd) to hold office till the date of the Annual General Meeting be and is hereby appointed as Director of the Company, whose office shall not be liable to determination through retirement by rotation.”

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

“Resolved that pursuant to section 94 of the Companies Act, 1956, provisions of Articles of Association of the Company and other applicable provisions, the existing Authorized Share Capital of the Company be and is hereby increased from Rs. 42,50,00,000/- (Rupees forty two crore fifty lacs only) to Rs. 50,00,00,000/- (Rupees fifty crore only) by creation of another 75,00,000 (seventy five lacs) equity shares of Rs. 10/- each aggregating Rs. 7,50,00,000 (Rupees seven crore fifty lacs only).

Resolved Further That the Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

- V. The Authorised Share Capital of the Company is Rs. 50,00,00,000 (rupees fifty crores only) divided into 5,00,00,000 (five crore only) Equity Shares of Rs. 10/- (rupees ten only) each.

Resolved Further That for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as they may, in their absolute discretion, deem necessary, proper and desirable.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“Resolved That pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 (hereinafter referred to as “the Act”) and other applicable provisions of the Act, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 and other applicable regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Government of India (“GOI”), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals,

permissions or sanctions, and which may be agreed to by the Board of Director of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent of the members of the Company be and is hereby given to the Board to create, issue and allot up to 1,18,00,000 (one crore eighteen lacs) Equity Shares of a face value of Rs. 10/- each of the Company, at an issue price of Rs. 30/- (Rupees thirty only) per share or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 and other applicable provisions, by way of preferential allotment to various persons as listed below, as per the terms and conditions given in the explanatory statement annexed to this notice, which, inter-alia, include:

- a. Issue of upto 118,00,000 Equity Shares to the following person:

SN	Name of the proposed allottee	Category	Number of Equity Shares
1	Leman Diversified Fund	FII (Non-promoter)	2360000
2	Davos International Fund	FII (Non-promoter)	2360000
3	Sparrow Asia Diversified Opportunities Fund	FII (Non-promoter)	2360000
4	Highbluesky Emerging Market Fund	FII (Non-promoter)	4720000
Total			1,18,00,000

- b. The Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.
- c. The Relevant Date for the purpose of pricing of issue of Equity Shares in accordance with the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 is **26th August, 2013**, being the date 30 days prior to the date of the general meeting of the members of the Company.

Resolved Further That for giving effect to this Resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Equity Shares and the utilization of the issue proceeds of the Shares for the Company's plans, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit."

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

"Resolved That pursuant to and subject to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, consent of the members of the Company be and is hereby given for the appointment of Mr Ghanshyam Pandey as whole time director of the Company with effect from 1st September, 2013 for a period of 3 (three) years on the remuneration not exceeding Rs. 4,00,000 (Rupees Four lac) per month whether paid as salary, allowance(s), perquisites or a combination thereof:

Provided further that payment towards the following statutory perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorized to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

Shilpi Cable Technologies Ltd.

Resolved further that the Board of Directors of the Company be and is hereby authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"Resolved that pursuant to the provisions of section 31 of the Companies Act, 1956 and other applicable provisions, if any, the Articles of Association of the Company be and is hereby altered in the following manner:

The following new Article No. 104A be and is hereby inserted, immediately after the existing Article No. 104:

104A Subject to applicable Law, Directors or members of any Committee may participate in meetings of the Board or Board Committees through video conference or similar electronic means in accordance with and subject to the provisions of General Circular No 28/2011 dated may 20, 2011 and General Circular No 35/2011 dated June 6, 2011 issued by the Ministry of Corporate Affairs, Government of India (as amended from time to time).

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all such acts as may be suggested by the Registrar of Companies or other competent authority or that may otherwise deem fit by the Board and to take such other steps as may be required to give effect to this resolution."

For and on Behalf of the Board
For **Shilpi Cable Technologies Ltd**

Mukesh Kumar Gupta
(Managing Director)
(DIN 00163044)

Date : 26th August, 2013

Place : New Delhi

Notes:

- A. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business as set out in the notice is annexed hereto.
- B. Appointment of Proxy: A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the Meeting.
- C. Corporate Members: Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- D. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- E. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- F. Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24th September 2013 to Wednesday, 25th September 2013 (both days inclusive) for the purpose of the AGM.
- G. All the documents, transfers, dematerialization requests and other communications in relation thereto should be addressed direct to the Company's Registrar and Transfer Agent, M/s Beetal Financial & Computer Services Pvt Ltd at the address mentioned below:

M/s Beetal Financial & Computer Services Pvt Ltd
Beetal House, 3rd Floor, 99 Madangir
Behind Local Shopping centre Near Harsukhdas Mandir,
New Delhi-110 062; Phone No. 011-29961284.
- H. Pursuant to Clause 47(f) of the Listing Agreement entered into with the Stock Exchanges, the company has created an exclusive email id for quick redressal of shareholders/investors grievances. The said email ID is investors@shilpicabletech.com
- I. Inspection of Documents: Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- J. The Annual Accounts of the company and its subsidiary shall be available for inspection during business hours at our registered office and the same are also available at the website of the company.
- K. The information required to be provided under the Listing Agreement regarding the Directors proposed to be appointed/reappointed is given in the Corporate Governance Report.

The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 for Items accompanying the notice as under:

ITEM NO. 4

Mr Narendra Kumar Singh was co-opted on the Board of Directors of the Company as Additional Director as a nominee of our Banker IDBI Bank Ltd in place of Ms. Neeta Sood. As per section 260 of the Companies Act, 1956, he holds office until the date of ensuing annual general meeting.

The Company has received notices in writing along with the requisite deposit under Section 257 of the Companies Act, 1956 proposing the candidature of Mr Narendra Kumar Singh.

The Directors recommend and place before you the proposed resolution for your consideration and approval.

None of the Directors except Mr Narendra Kumar Singh, is concerned or interested in proposed resolution.

Shilpi Cable Technologies Ltd.

ITEM NO. 5

Your Board has proposed to issue further equity shares on preferential basis. To accommodate the additional capital proposed to be issued, your Board recommends for increase the Authorized Share Capital of the Company from the existing Rs. 42.50 crore to Rs. 50.00 crore.

Approval of the members of the Company is sought for the proposed increase in the authorized capital.

Your directors recommend the resolutions for adoption by members of the Company by way of an ordinary resolution.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution except to the extent of shares held by them.

ITEM NO. 6

To augment the fund requirements of the Company, your Company intends to raise funds through preferential issue of equity shares. Your Board proposes to issue upto 1,18,00,000 equity shares at a price of Rs. 30/- (Rupees thirty only) per share or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 and other applicable provisions.

Since your Company is a listed company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, and other applicable provisions, if any. In terms of the provisions of the Companies Act, 1956, and the aforesaid SEBI Regulations; the relevant disclosures/ details are given below:

Instrument and Numbers: The Company is proposing to issue upto 1,18,00,000 (one crore eighteen lacs) Equity Shares of a face value of Rs. 10/- each of the Company on preferential basis as per the special resolution proposed in the notice.

Relevant Date & Issue Price: The relevant date for the purpose of determination of issue price of the equity shares is the date 30th day prior to the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue. Relevant Date for the purpose of the present preferential issue is 26th August, 2013.

As per Regulation 76(1) of the SEBI (ICDR) Regulations, 2009, a minimum issue price of the equity shares in preferential issues has to be calculated as follows:

- a) The average of weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date;

or

- b) The average of weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;

whichever is higher.

The shares of the Company are listed and traded on the BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The issue price will be higher than the minimum issue price determined under Regulation 76 of the SEBI (ICDR) Regulations, 2009.

Payment: In terms of the provisions of Regulation 77 of the SEBI (ICDR) Regulations, 2009, 100% of the issue price of the equity shares shall be payable by the proposed allottees before the allotment of shares to them.

Identity & Particulars of proposed allottee and pre & post issue holding of the proposed allottees: Present preferential issue of Equity Shares is proposed to be made to the following non promoter Foreign Institutional Investors.

All the proposed allottees have already obtained PAN. The present issued, subscribed and paid-up share capital of the Company is Rs. 37,51,61,360 divided into 3,75,16,136 equity shares of Rs. 10/- each. Post Preferential issue, the issued, subscribed and paid-up share capital of the Company shall be Rs. 49,31,61,360 divided into 4,93,16,136 equity shares of Rs. 10/- each. The pre issue and post issue shareholding of the proposed allottees is shown in the table below:

Sl. No.	Name, Regd. Address & PAN	Category	Number of Equity Shares to be issued	Pre issue shareholding	%	Post issue shareholding	%
1	Leman Diversified Fund Ebene House, 3rd Floor, 33 Cybercity, Ebene, Republic of Mauritius PAN: AABCL8363M	FII (Non-Promoter)	2360000	Nil	Nil	2360000	4.79
2	Davos International Fund Ebene House, 3rd Floor, 33 Cybercity, Ebene, Republic of Mauritius PAN: AADCD7742G	FII (Non-promoter)	2360000	Nil	Nil	2360000	4.79
3	Sparrow Asia Diversified Opportunity Fund Ebene House, 3rd Floor, 33 Cybercity, Ebene, Republic of Mauritius PAN: AANCS3131Q	FII (Non-promoter)	2360000	Nil	Nil	2360000	4.79
4	Highbluesky Emerging Market Fund 7th Floor, Wing A, Cyber Tower 1, Ebene Cybercity, Ebene, Mauritius PAN: AADCK9460G	FII (Non-promoter)	4720000	Nil	Nil	4720000	9.57
	Total		1,18,00,000	Nil	Nil	1,18,00,000	23.93

Since there is no prior shareholding of the proposed allottee, holding of pre-preferential shareholding in demat form is not applicable.

The proposed allottee has not sold any shares of the Company during the six months period prior to the relevant date.

There shall not be any change in control of the Company consequent to the proposed preferential issue of the equity shares.

Lock-in Period: The Equity Shares issued to non-promoter allottee shall be subject to a lock-in period of one year or such other period as may be prescribed in accordance with the SEBI regulations.

Since there is no pre-preferential shareholding of the proposed allottee, lock-in of pre-preferential shareholding is not applicable.

Intention of promoters/directors/key management persons to subscribe: No promoters/directors/key management persons intend to subscribe to the present preferential issue of Equity Shares.

Pre-issue & Post-issue Shareholding Pattern of the Issuer Company: Pre-issue and post issue shareholding pattern of the Issuer Company will be as below:

Shilpi Cable Technologies Ltd.

SN	Category	Pre Issue		Post Issue	
		Number of Shares	%	Number of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	36000	0.10	36000	0.08
(b)	Central Government/ State Government(s)	-	-	-	-
(c)	Bodies Corporate	16750000	44.65	16750000	33.96
(d)	Financial Institutions/ Banks	-	-	-	-
(e)	Any Other	-	-	-	-
	Sub Total(A)(1)	16786000	44.74	16786000	34.04
2	Foreign				
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
b	Bodies Corporate	-	-	-	-
c	Institutions	-	-	-	-
d	Qualified Foreign Investor	-	-	-	-
e	Any Others (specify)	-	-	-	-
	Sub Total(A)(2)	0.00	0.00	0.00	0.00
(A)	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	16786000	44.74	16786000	34.04
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds/ UTI	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	-	-	11800000	23.93
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-
(i)	Any Other (specify)	-	-	-	-
	Sub-Total (B)(1)	0.00	0.00	11800000	23.93
B 2	Non-institutions				
(a)	Bodies Corporate	3348635	8.93	3348635	6.79
(b)	Individuals				
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	3336110	8.89	3336110	6.76
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	5189989	13.83	5189989	10.52
(c)	Qualified Foreign Investors	-	-	-	-
(d)	Any Other (specify)				
(d-i)	NRI	121241	0.32	121241	0.25
(d-ii)	Clearing Members	71591	0.19	71591	0.15
(d-iii)	HUF	3445196	9.18	3445196	6.98
(d-iv)	Trusts	5217374	13.91	5217374	10.58
	Sub-Total (B)(2)	20730136	55.26	20730136	42.03
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	20730136	55.26	32530136	65.96
	TOTAL (A)+(B)	37516136	100.00	49316136	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	37516136	100.00	49316136	100.00



Objects and purpose of the Preferential Issue: Funds raised through the proposed preferential issue will be utilized for the purpose of capital expenditure on company's expansion plan, business acquisition(s)/ investment outside India, to meet the long term working capital requirements and other general corporate purpose.

Proposed time of Allotment: In terms of Regulation 74 of the SEBI (ICDR) Regulations, 2009, allotment of Equity Shares in the present preferential issue will be made within a period of 15 days from the date of passing of the aforesaid Special Resolution in the present general meeting, excluding the time taken in obtaining the necessary approvals, if any, or within such further period as may be prescribed or allowed by the SEBI, Stock Exchange(s) or other concerned authorities.

Undertaking in terms of Regulation 73 of the SEBI (ICDR) Regulations, 2009

Not applicable; since the equity shares of the Company have been listed on the stock exchanges for a period of six months or more as on the relevant date.

The Statutory Auditors of the Company has certified that the present preferential issue of equity shares on the above terms and conditions, is in accordance with the requirements contained in the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, as amended up to date. The Auditors' Certificate shall be laid before the General Meeting.

In terms of the provisions of the Companies Act, 1956, the consent of members by way of a special resolution is required. The Board recommends the resolution for adoption by the members.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution.

ITEM NO. 7

Mr Ghanshyam Pandey, had been associated with the Company since its incorporation and has made significant contribution in the growth of the company. Our Board proposed for appointment of Mr Ghanshyam Pandey as whole time Director with effect from 1st September 2013 for a period of 3 (three) year on the remuneration as mentioned in the proposed resolution. However the payment of remuneration to him as whole time director will be subject to the limits given u/s 309, shecdule XIII or other applicable provisions.

Approval of members of the company is required for the appointment of Mr Ghanshyam Pandey as the Whole- Time Direcor.

None of the Directors of the company except Mr Ghanshyam Pandey is deemed to be interested and concerned in the proposed resolution.

ITEM NO. 8

Recently the Ministry of Corporate Affairs has allowed for participation of Directors in the meeting through video conferencing or similar electronic means. To enable the Directors of your company also, it is proposed to provide for participation of a Director through video conferencing or similar electronic means in accordance with and subject to the provision of General Circular No 28/2011 dated May 20, 2011 and General Circular No. 35/2011 dated June 6, 2011 issued by the Ministry of Corporate Affairs (as amended from time to time). The Article of Association of the Company is proposed to be altered to incorporate requisite provision in this regard.

Your directors recommend the resolution for adoption by members of the Company.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution.

For and on Behalf of the Board
For **Shilpi Cable Technologies Ltd**

Mukesh Kumar Gupta
Managing Director
(DIN 00163044)

Date : 26th August, 2013
Place : New Delhi

Shilpi Cable Technologies Ltd.

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the Seventh Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2013.

Financial Highlights

(Amount in Rs. Lacs)

Particulars	Financial Year ended	
	31st March, 2013	31st March, 2012
Net Sales	65,488.86	46,054.86
Other Income	173.94	265.97
Increase/ (Decrease) in Stocks	(1,857.19)	(1660.09)
Total Income	65,662.80	46,320.86
Total Expenditure	61,922.13	43,543.88
Profit before tax	3,740.67	2,776.98
Provision for tax	1,121.68	914.57
Profit after tax	2,618.99	1,862.41
Paid-up Share Capital	3,751.61	3,229.88
Reserves and Surplus (excluding revaluation reserve)	12,534.08	9967.55

Year in Retrospect

During the year under review, total income of the Company was Rs. 65,662.80 lacs as against Rs. 46,320.86 lacs in the previous year. The Company was able to earn a profit after tax of Rs. 2,618.99 lacs for the year as against a profit of Rs. 1,862.41 lacs in previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

The detailed Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

Material Changes after the close of the financial year

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between end of the financial year of the Company-31st March, 2013 and the date of this Report. Except that the company has provided corporate guarantee to it's wholly owned subsidiary/Step down Joint Venture.

Dividend

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

Corporate Governance

Your Company believes that the great organizations are built on the foundation of good governance practices. Corporate governance is all about effective management of relationship among constituents of the system, i.e. shareholders, management, employees, customers, vendors, regulatory and the community at large.

As stipulated under Clause-49 of the listing agreement, the Corporate Governance Report had been incorporated as Separate Section forming part of this Annual Report.

The compliance report on Corporate Governance and a certificate from M/s R & D Company Secretaries regarding compliance of the conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is attached herewith and forms part of this Annual Report.



Certificate from Managing Director and Chief Financial Officer, inter alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the Internal Control measures and reporting of matters to the Audit Committee in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, is also enclosed as a part of the Annual Report.

Subsidiary

Your Company holds 100% of the total, issued and subscribed and paid up capital of Shilpi Worldwide JLT, UAE and thereby, Shilpi Worldwide JLT is a Wholly Owned Subsidiary. Except this there is no subsidiary of the company.

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Balance Sheet, Profit and Loss account, the Reports of the Board of Directors and Auditors of the subsidiary companies with the Balance Sheet of the Company.

The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the annual report. Accordingly, the annual report of financial year 2012-13 contains the consolidated financial statements of the Company instead of the separate financial statements of our subsidiary. However the financial information of the subsidiary company is disclosed in the Annual Report in compliance with the said circular.

The audited annual accounts and related information of subsidiary of your Company will be made available upon request. The annual accounts of the subsidiary company shall be available for inspection during business hours at our registered office.

Public Deposits

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

- a. **Conservation of Energy & Technology Absorption:** The Company endeavor to achieve optimum conservation of energy. The electrical systems on all machines are equipped with latest energy efficient control systems to ensure optimum power utilization. Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings & outgo, is given in **Annexure – A**, forming part of this report.
- b. **Export Activities:** During the financial year the company has made export of goods to Dubai and Taiwan. Your management has also been exploring other international market in future.
- c. Foreign Exchange Earnings and Outgo:

(Amount in Rs Lacs)

	2012-13	2011-12
Total Foreign Exchange Inflow	560.92	Nil
Total Foreign Exchange outflow	27989.83	21,105.67

Particulars of Employees

During the financial year under review, none of the employees of the Company was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Directors

Except for the following changes, there was no change in the composition of the Board of Directors of the Company subsequent to the last Directors' Report:

Ms Neeta Sood, Nominee of IDBI Bank has resigned from the Board of Directors w.e.f 5th July, 2013 and Mr Narendra Kumar Singh has been appointed in her place as nominee director on the board of the company w.e.f. 9th July, 2013. In terms of the provisions of the Companies Act, 1956, Mr Narendra Kumar Singh holds office until the date of the ensuing Annual General Meeting. The Board is proposing to appoint him as an ordinary director of the Company, subject to the approval of the members.

Shilpi Cable Technologies Ltd.

In accordance with the provisions of the Companies Act, 1956 read with Articles of Association of the Company, the office of Mr Ghanshyam Pandey Director of the Company is liable to retire by rotation and being eligible, offer himself for re-appointment.

The brief resumes of the Directors who are to be re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held directorships, committee memberships/chairmanships, their shareholding, etc. are furnished in the Corporate Governance Report.

The Board recommends their re-appointment at the ensuing Annual General Meeting.

Auditors

M/s RMA & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

Auditors' Report

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

Directors' Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have 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 the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

Stock Exchange Listing

The shares of the Company are listed on the BSE Ltd. and National Stock Exchange of India Ltd. (NSE) The listing fee for the financial year 2013-14 has already been paid to both the Stock Exchanges.

Acknowledgement

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board
For **Shilpi Cable Technologies Ltd**

Date : 26th August, 2013
Place : New Delhi

Mukesh Kumar Gupta
Managing Director
(DIN 00163044)

Manish Goel
Whole Time Director
(DIN 00163105)

Annexure – A

Annexure to the Directors' Report

INFORMATION AS PER SECTION 217(1) (e) READ WITH COMPANIES DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2013:

PARTICULARS AS PER FORM A:

	2012-2013	2011-2012
1. ELECTRICITY		
(a) PURCHASED:		
Units (in lacs)	19.44	17.65
Total amount (in lacs)	116.48	98.07
Rate/Units (in Rs.)	5.99	5.56
(b) OWN GENERATION:		
(i) Through Diesel Generator		
Ltrs (in lacs)	0.67	1.83
Total amount (in lacs)	28.25	22.78
Rate/Ltrs (in Rs.)	42.17	12.43
(ii) Through Steam Turbine/ Generator	N.A.	N.A.
2. LIGHT DIESEL OIL/FURNILCE OIL		
Quantity (Kilo Ltrs.)	N.A.	N.A.
Total Cost (in lacs)	N.A.	N.A.
Average/Ltrs (in Rs.)	N.A.	N.A.
3. GAS		
a. LPG GAS		
Quantity (K.G.)	N.A.	N.A.
Total Cost (in lacs)	N.A.	N.A.
Average/ K.G. (in Rs.)	N.A.	N.A.
b. NATURAL GAS		
Quantity (SCM)	N.A.	N.A.
Total Cost (in lacs)	N.A.	N.A.
Average/ SCM (in Rs.)	N.A.	N.A.

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PARTICULARS AS PER FORM-B:

I. RESEARCH AND DEVELOPMENT (R & D)

(a) Specified Areas in which R & D carried out by the Company:	NIL	NIL
(b) Benefits derived as a result of the above R & D :	NIL	NIL
(c) Future plan of action	NIL	NIL
(d) Expenditure on R & D		
(i) Capital	NIL	NIL
(ii) Recurring	NIL	NIL
(iii) Total	NIL	NIL
(iv) Total R & D Expenditure as a percentage of total turnover	NIL	NIL

II. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- (a) Efforts in brief, made towards Technology Absorption, Adaption and innovation:

We believe in continual improvement in our designs and products for ensuring full customer satisfaction. The Company, with its long experience in the cable industry, has been a leader in cable technology. Innovation in process control, product development, cost reduction and quality improvement are being made on continuous basis as per the requirements of the market. The technology being used for the manufacture of cables is developed by in-house efforts and is at par with industry norms.

- (b) Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc.

Proper Housekeeping, tidiness, upliftment of facilities, proper resource utilization lesser Scrap / Wastage, lesser break down & enhancement of the productivity & morale of Work Force.

- (c) In case of imported technology, (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished

i) Technology imported	N.A.	N.A.
ii) Year of import	N.A.	N.A.
iii) Has technology been fully absorbed	N.A.	N.A.
iv) If not fully absorbed, areas where this has not taken place, reason thereof and future plan of action	N.A	N.A.

III. FOREIGN EXCHANGE EARNINGS AND OUT GO:

- (a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans

The Company has made all efforts to achieve export business. With the sound reputation that is gradually being built in international markets, the company hopes to improve export business performance regularly in the coming years. The company is also utilizing the marketing network of its subsidiary company for promoting of its products in new markets

(b) Total foreign exchange used (Rs lacs)	27989.83	21105.67
(c) Total foreign exchange earned (Rs lacs)	560.12	NIL



Management Discussion and Analysis Report

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include overall global economic conditions, domestic manufacturing and service sector growth, foreign exchange stability, stable credit environment, Government policies, economic development, political factors and such other factors beyond the control of the Company.

Business Overview

The company is engaged in the business of the manufacturing Cables for various applications used in the Telecom Sector, Automobiles and Consumer durables sectors and the also trades in cable accessories including various types of cables and their accessories widely used in automotive, telecom infrastructure, instrumentation etc. and also deals in manufacturing various copper conductors.

Shilpi is one of the leading manufacturers of RF cables in the country and we are actively promoting aluminum-based RF coaxial cables. Besides it is cost-efficient compared to copper cables while at the same time, the technical parameters are comparable to any other copper cable.

Your company has started a new vertical for the manufacturing of cable accessories and wiring harness used in consumer durable and white good industry etc. which provides customized wire harness solutions to its end customers. Equipped with design capabilities and state-of-the-art manufacturing equipment; it can produce every month wire harnesses involving about 20 millions of crimped connections-each one produced to highest of quality standards.

Our mission is to provide high-quality, cost-effective and customized products to our customers through combining technological innovation and value engineering in order to support existing clients as well as enter and dominate new sectors. Despite the worldwide economic challenges, your Company remained steadfast in delivering excellent performance during last financial year. Your Board hopes that with the support from the Telecom & Automotive market, your Company will accelerate the process to forge ahead towards the goal of being a top-class company in this sector.

Industry Structure, Developments & Outlook

Shilpi is largely focused on these sectors for demand of its products, the future prospects of the respective sectors are as follows:

RF CABLE MARKET

With 2G/3G/4G technologies co-existing, the Indian telecom market is uniquely positioned. The increasing subscriber base and broadband growth have led to telecom operators rolling out close to 50K BTS sites in 2012. It is expected that similar rollout would happen this year also.

Due to a literal explosion in data traffic spurred by smart phones and cellular-based devices that demand high throughput and mobility, broadband wireless networks are fast approaching a stage of complete saturation. In many organizations, smart phones and cellular-based devices are becoming the primary communications device. In addition, the increasing popularity of social networks and applications are driving up mobile data usage.

As a consequence, subscribers expect more services, data, capacity and speedier networks – whether they're outside or inside. With as much as 85 percent of data and 70 percent of voice traffic generated In Building, delivering excellent services indoors is central to ensure a great end-user experience and to generate incremental revenue.

As a result, addressing the coverage, quality and capacity requirements of In Building users is mandatory. Thus IBS is going to be critical in the coming months especially with the launch of LTE/4G services. IBS providers mainly use 1/2" and 7/8" RF cable along with related accessories. Thus there will be a large requirement for these this type of cable in the coming months.

The Indian cable and accessories industry operates in a highly dynamic and competitive environment. There is considerable growth potential in the industry led by the changing consumption pattern.

Shilpi Cable Technologies Ltd.

AUTOMOTIVE SEGMENT

The automotive industry in India is one of the largest in the world and one of the fastest growing globally. India's passenger car and commercial vehicle manufacturing industry is the sixth largest in the world. According to recent reports, India is set to overtake Brazil to become the sixth largest passenger vehicle producer in the world.

Total Market strength of Automotive Segment is worth of 1200 Crores / Annum and the segment is ruled by few of the major players and Shilpi is one of them.

This segment is having huge potential in terms of volume. According to the Society of Indian Automobile Manufacturers, annual vehicle sales are projected to increase to 5 million by 2015 and more than 9 million by 2020.

BUNCHED COPPER WIRE

The total requirements of bare copper wire/bunched copper wire is around 6 lakh M.T. per annum. Out of which, the organized sector requirement is around 3.5 Lakh M.T. and the unorganized sector accounts for around 2.5 Lakh M.T.

The past and projected growth rate of end user industries is illustrated in table 1.

S.No.	Industry	Share %	Growth Rate %
1	Electrical Industry	60%	13%
2	General Engineering	12%	12%
3	Automobiles	10%	13%
4	Consumer Durable	10%	12%
5	Others	8%	10%
	Total	100%	12%

There is huge potential to sell Bare Copper Wire/Bunched Copper Wire considering the average growth rate of all end user industries that use bare Copper Wire/Bunched Copper Wire.

WHITE GOODS INDUSTRY

The white goods industry plays a key role in Electrical appliances such as Washing machines, refrigerators, Microwave ovens, Ironing machines and even air conditioners are considered as white goods.

At present, by going through the above segments, we find a business potential of around Rs. 800~1000 crs for wire and cable industry in India.

With the increasing income and drastically changing lifestyle in India, makes this white Good industry as the fastest growing segments. An FDI investments of Rs. 10000 crs from IKEA in this segments will make this industry robust.

White Goods, no longer a luxury appliance, is gaining ground as a utilitarian product for the rapidly growing middle class and increasing younger population, who routinely holidays overseas, spends on aspirational goods, and experiments with western food habits. With such evolving lifestyles, consumers are warming up to the idea of purchasing White Goods with advanced features.

The industry is becoming one of the fastest growing segments and with required support of the govt policies such as FDI in retail etc.

Opportunities in the international market: Robust growth of emerging economies provides large opportunities to the company. We are a well established Company in these economies and will continue to focus on the growth, new product launches and increasing distribution strength. In other mature economies, the market trend is changing favorably. The strategy of the company is to get higher profitability and stable cash flow generations in these markets.

Threats

Slow down: A slowdown of the World Economy mainly European economy is quite possible for the short term due to current global developments. Due to the strong linkage of the manufacturing industry to the economy, such an event would adversely impact growth in the short term for the Company.



Competition: Competition whether domestic or international has always been taken as a challenge. Transforming challenges into opportunities has been a practice at our company.

Foreign Exchange: The business includes foreign currency risk due to outsourcing from low cost countries and selling in other geographies. As it has been the market practice followed by other major competitors and all companies working on a global platform, the market absorption of the change is natural.

Risk Management & Internal Control system

The Company is exposed to a variety of risks across its entire range of business operations. To ensure its long-term success, risks are regularly identified, analysed and appropriately mitigated. The company's products are used primarily by the power utilities, infrastructure, real estate, automobile and industrial segment. Any slowdown in these sectors can largely impact the demand for the company's products.

The Company is also exposed to changes in foreign exchange rates and commodity prices across its various business segments. Further, the Company also has exposures to other foreign currency denominated assets and liabilities. In many cases, such exposures are partly off-set by suitable pass-through clauses built into contracts with customers.

The Company's Internal Control Process has been designed to achieve its objectives to permissible limits through the effective function and combination of its basic elements.

Human Resource

The company places due importance on its human capital assets and invests in building and nurturing a strong talented pool to gain strategic edge and achieve operational excellence in all its goals. As a part of ongoing HR initiatives, skill mapping and matching is carried out; assessment of training and development is also carried out at the time of performance appraisals. Adequate training, mentoring programmes are designed to bridge gaps, if any. Clear objectives and goals are determined to bring objectivity to performance and overall goal achievement. During the year, industrial relations continued to be cordial, with a strong spirit of bonhomie and camaraderie prevailing among the rank and file of employees.

Product wise Performance

The company has a turnover of Rs 65307.02 Lacs from the production of Cables wires and accessories during the financial year 2012-13.

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REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Shilpi is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our Governance practices stems from an inherent desire to improve, innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process.

Our Company's philosophy on Corporate Governance envisages attainment of highest levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non Executive and Independent Directors. The Board consists of total six (6) directors on 31st March, 2013, out of which three (3) are independent. Mr Mukesh Kumar Gupta is the Chairman cum Managing Director, Mr Manish Goel is the Whole Time Director of the Company. The Constitution of the Board as on 31st March 2013 is as follows:

Name of the Director & Designation	Category	No. of positions held in other Public Companies ¹		
		Board	Committee	
			Membe-rship	Chairm-anship
Mr Mukesh Kumar Gupta Managing Director	Promoter (Executive)	Nil	Nil	Nil
Mr Manish Goel Whole Time Director	Promoter (Executive)	Nil	Nil	Nil
Mr Ghanshyam Pandey Director	Non Executive and non Independent	Nil	Nil	Nil
Mr Sunil Kala Director	Non-Executive Independent	4	2	Nil
Mr Sandeep Gupta Director	Non-Executive Independent	1	Nil	Nil
*Ms Neeta Sood Nominee Director	Nominee & Independent	Nil	Nil	Nil

**She has been resigned from the board w.e.f. 5th July 2013 and in her place, Mr Narendra Kumar Singh has been appointed as a Nominee Director w.e.f. 9th July 2013.*

1 Indian Companies.

Directors' Attendance Record

During the Financial Year 2012-13, (11) eleven meetings of the Board of Directors were held on 19.05.2012, 02.06.2012, 06.06.2012, 06.07.2012, 14.07.2012, 07.08.2012, 14.08.2012, 29.09.2012, 09.11.2012, 26.12.2012 and 11.02.2013. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of four months as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 2012-13 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr Mukesh Kumar Gupta	11	10	Yes
Mr Ghanshyam Pandey	11	10	Yes
Mr Manish Goel	11	10	Yes
Mr Sunil Kala	11	01	No
Mr Sandeep Gupta	11	11	Yes
Ms Neeta Sood	11	04	No

Disclosure Regarding Appointment & Re-appointment of Directors in the ensuing AGM

Mr Ghanshyam Pandey, Director who shall be retiring in this AGM, being eligible has offered himself for re-appointment and Mr Narendra Kumar Singh, additional director is regularizing in this Annual General Meeting. Brief particulars of these gentlemen are as follows:

Particulars	Mr Ghanshyam Pandey	Mr Narendra Kumar Singh
DIN	00163072	06626320
Father's Name	Lt. Sh. Shyam Charan Pandey	Lt. Shri Kedar Singh
Date of Birth	12.02.1955	15.12.1973
Address	227, Pocket-J Sarita Vihar New Delhi-110 076	J-074 Windsor Park Vaibhav Khand, Indrapuram, Ghaziabad – 201010
Designation	Director	Nominee Director
Education	B.Sc (Mathematics) and Diploma in Management	Post graduate in Management and Mathematics
Experience	29 Years	15 Years
Companies in which holds Directorship*	<ul style="list-style-type: none"> • GGP Cabletronics Pvt Ltd • Glosters Metals and Alloys Pvt Ltd 	Nil
Companies in which holds membership of committees	Nil	Nil
Shareholding in the Company (No. & %)	7000 equity shares 0.002 %	Nil
Relationship with other Director	No Relationship	No Relationship

*Indian Companies.

3. AUDIT COMMITTEE

(a) Terms of Reference

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

The terms of reference of the Audit Committee are:

1. Overseeing the company's financial reporting process and the disclosure of its financial information
2. Recommending to the Board, the appointment, re-appointment and replacement of the statutory auditor and the fixation of audit fees;

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3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Major accounting entries involving estimates based on the exercise of judgment by Management
 - iv. Significant adjustments made in the financial statements arising out of audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. Discussion with internal auditors any significant findings and follow up there on;
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
12. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
13. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the chief internal auditor; and
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
15. Review of utilization of proceeds from the Initial Public Offer.

(b) Composition

The Audit Committee of the Company as on date comprises of 2 Non Executive Independent Directors and one non Executive & non Independent Director. Mr Sandeep Gupta as the Chairman, Mr Sunil Kala and Mr Ghanshyam Pandey are other two members of the Audit Committee.

(c) Attendance

The Committee met five (5) times during the Financial Year 2012-13 on the following dates: 19.05.2012, 02.06.2012, 14.08.2012, 09.11.2012, and 11.02.2013. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	Category	Attendance at the Audit Committee Meeting
Mr Sandeep Gupta Chairman	Non Executive Independent Director	5
Mr Ghanshyam Pandey	Non Executive non Independent Director	5
Mr Sunil Kala	Non Executive Independent Director	5

The company secretary of the company acts as the secretary of the committee.

4. REMUNERATION COMMITTEE

(a) Composition & Terms of Reference

At present there is no Remuneration Committee in the company. The Company will reconstitute the Remuneration Committee in due course.

Remuneration Policy of the Company

The remuneration policy of the Company is directed towards rewarding performance. The Managing Director and the Whole Time Directors of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 1956. Directors are also entitled for the sitting fee for attending Board/ Committee Meeting except the Managing Director and Whole Time Director. However all the Non executive Directors of the Company have waived the sitting fee payable at present to them for attending Board/ Committee Meeting of the company.

(b) Details of the Directors' Remuneration for the financial year ended 31st March, 2013

Name of Director	Sitting fees	Salaries & Perquisites and Allowances (In Rs.)	Commission, Bonus Exgratia	Total Amount (In Rs.)	No. of Shares held & %
Mr Mukesh Kumar Gupta	-	24,00,000	-	24,00,000	8000 (0.002%)
Mr Ghanshyam Pandey	-	3,64,172	-	3,64,172	7000 (0.002%)
Mr Manish Goel	-	24,00,000	-	24,00,000	7000 (0.002%)
Mr Sunil Kala	-	-	-	-	-
Mr Sandeep Gupta	-	-	-	-	-
Ms Neeta Sood	-	-	-	-	-

5. Share Transfer and Shareholder's Grievance Committee

Composition & Terms of Reference

The Company has constituted a "Share Transfer and Shareholder's Grievance Committee" to look into redressal of Shareholder's / investors' complaints, to approve share transfer, share transmission etc and to oversee all matters connected with the Shareholders.

The committee comprises of two non-executive and independent directors and one non executive & non independent director namely Mr Sandeep Gupta – as Chairman, Mr Sunil Kala and Mr Ghanshyam Pandey as the Members.

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The Committee met one (1) times during the Financial Year 2012-13 on 02.06.2012. Details of attendance of Directors in the Share Transfer and Shareholder's Grievance Committee meeting are as under:

Name of the Director	Category	Attendance at the STSG Committee Meeting
Mr Sandeep Gupta Chairman	Non Executive Independent Director	1
Mr Sunil Kala	Non Executive Independent Director	0
Mr Ghanshyam Pandey	Non Executive non Independent Director	1

The Company Secretary acts as the Compliance Officer of the Company for the purpose of Clause 47 of the Listing Agreements to look after the compliances under the Listing Agreement and other SEBI Rules & Regulations etc.

Details of Investors' complaints received during the year 2012-13

No, Investors' complaints were received during the year. The company confirms that there were no shares pending for transfer as on March 31, 2013

6. GENERAL BODY MEETINGS

A). Annual General Meetings: Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2010	25.09.2010	A-19, B-1 Extension, Mohan Co-operative Ind Est, P.O. Badarpur, Mathura Road, New Delhi-110044	11.30AM	Nil
2011	29.09.2011	11, Hindi Bhawan, ITO, Delhi 110 002	11.30AM	4
2012	29.09.2012	Aiwan E Ghalib Auditorium, Mata Sundari Lane, ITO, Delhi 110002	11.30AM	1

Special Resolution passed during the last three Annual General Meeting.

Year	Date	Business passed
2011	29.09.2011	<ul style="list-style-type: none">To re-appoint Mr Mukesh Kumar Gupta as Managing DirectorTo re-appoint Mr Ghanshyam Pandey as Whole Time DirectorTo re-appoint Mr Manish Goel as Whole Time DirectorChange in objects of the issue as mentioned in the Offer document of IPO of the company.
2012	29.09.2012	<ul style="list-style-type: none">To increase the monthly remuneration of Mr Vishal Goel u/s 314 (1B) of the Companies Act, 1956.

B). Special Resolution passed through Postal Ballot

No special resolution was passed through Postal Ballot during the Financial Year 2012-13. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot. However the company proposes to pass certain resolution through postal ballot process inter-alia, in connection with corporate Guarantee given under section 372A of the Companies Act 1956, read with Companies (passing of resolution by postal ballot) Rules 2011.

The Company will send postal ballot notice and other documents in this connection in due course of time.

7. DISCLOSURES

(a) Related Party Transactions

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in point no. 13 of Notes to Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

(b) Non compliance by the Company, Penalties, Structures

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

(c) Non mandatory requirements

The Company proposes to adopt the non-mandatory requirements including implementation of whistle blower policy given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

8. CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code.

Declaration on compliance with code of conduct by the Managing Director is annexed to this report.

9. MEANS OF COMMUNICATION

- (a) At present quarterly/ half-yearly reports are not being sent to each household of shareholders.
- (b) Besides communicating to the stock exchanges on which the company's shares are listed, the notices of the board meetings at which quarterly/half yearly results get approved are published in the following news papers:

Particulars	Name of the News paper
English Newspapers in which quarterly/half yearly results were published	Business Standard
Vernacular Newspapers in which quarterly/half yearly results were published	Business Standard

- Any website where displayed Yes – www.shilpicables.com

- (c) The Management Discussion and Analysis forms a part of the Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION

i) 7th Annual General Meeting:

Date & Day	25th September 2013, Wednesday
Time	11:30 A.M.
Venue	11, Hindi Bhawan, ITO, Delhi 110 002
Financial year	1st April 2012 to 31st March 2013

Shilpi Cable Technologies Ltd.

ii) Financial Calendar

Events	Tentative time frame
Financial Reporting for the quarter ending 30th June, 2013	12th August, 2013 (actual)
Financial Reporting for the half year ending 30th September, 2013	On or before 14th November, 2013
Financial Reporting for the quarter ending 31st December, 2013	On or before 14th February, 2014
Financial Reporting for the year ending 31st March, 2014	On or before 15th May, 2014
Annual General Meeting for the year ending 31st March, 2014	On or before 30th September, 2014

iii) **Dates of Book Closure** Tuesday, 24th September 2013
to Wednesday, 25th September, 2013
(Both days inclusive)

iv) **Dividend Payment Date** Not applicable

v) Listing on Stock Exchanges:

At present the equity shares of the Company are listed on the following Stock Exchanges.

Name of Stock Exchanges	Stock Code	ISIN With NSDL & CDSL
The Bombay Stock Exchange Limited	533389	INE510K01019
National Stock Exchange of India Limited	SHILPI	

vi) Market Price Data :

Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs)	Low (Rs)	Volume	High(Rs)	Low (Rs)	Volume
Apr '12	13.30	10.15	1,67,090	13.00	10.6	2,31,567
May '12	14.64	8.90	6,45,285	14.6	8.65	7,49,273
Jun '12	19.00	11.25	11,06,079	19.25	11.2	16,92,365
Jul '12	23.40	16.35	24,21,248	23.35	16.5	38,96,857
Aug '12	20.85	15.25	18,72,354	20.95	15.1	38,90,377
Sep '12	25.95	19.30	14,79,437	25.90	19.30	23,77,468
Oct '12	24.85	19.80	7,24,697	25.00	19.80	12,75,937
Nov '12	22.50	18.05	3,40,615	22.25	18.00	6,89,235
Dec '12	21.00	17.55	1,60,099	20.85	17.6	4,47,118
Jan '13	18.90	14.05	3,01,370	19.00	13.75	9,37,995
Feb '13	18.50	12.60	5,78,441	18.70	12.55	10,13,043
Mar '13	14.70	10.40	4,45,989	16.90	10.20	4,96,081

Source: Web-sites of BSE and NSE

vii) Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2013

F. Y.	BSE (%Change)		NSE (%Change)	
	SHILPI	Sensex	SHILPI	Nifty
2012-13	-1.04%	8.23%	-1.30%	7.31%

viii) Registrar and Share Transfer Agent & Share Transfer System

The company has appointed **M/s. BEETAL Financial & computer Services Pvt Ltd**, as its Registrar and Share Transfer Agent to carry out the process of share transfer in physical form and also demat work of the Company.

The authority relating to share transfer has been delegated to the Share transfer Committee. The Committee deals with various matters relating to share transfer through transfer agent of the Company. As per the arrangement with Transfer Agents, the list of valid transfers prepared by them in respect of share transfer cases and objections, if any, is placed before the share transfer committee of the company.

All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Particulars	BEETAL Financial & computer Services Pvt Ltd
Contact Person	Mr Punit Mittal
Address	Beetal House, 3rd floor, 99 Madangir, Behind Local shopping centre near Dada Harsukhdas Mandir, Delhi-110062
Telephone No.	011-29961281
Fax No.	011-29961284
E mail	www.beetalfinancial.com

The Company's shares are traded on the Stock Exchanges compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/ Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.

ix) Distribution of Shareholding as on 31st March 2013:

Shareholding of Nominal Value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)	(2)	(3)	(4)	(5)	(6)
Up to 5,000		6,688	79.56	1,06,57,410.00	2.8408
5,001	10,000	729	8.67	60,67,570.00	1.6173
10,001	20,000	443	5.27	70,00,030.00	1.8659
20,001	30,000	158	1.88	41,03,680.00	1.0938
30,001	40,000	77	0.92	27,52,170.00	0.7336
40,001	50,000	79	0.82	33,08,260.00	0.8818
50,001	1,00,000	102	1.21	74,37,570.00	1.9825
1,00,001 and Above		140	1.67	33,38,34,670.00	88.9843
Total		8406	100.00	37,51,61,360.00	100.00

Shilpi Cable Technologies Ltd.

- x) **Dematerialization of shares and liquidity:** As on 31st March 2013, 99.96% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.
- xi) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.
- xii) **Plant Locations:** The Company has manufacturing units located at:

Unit I

SP 1037, RIICO Industrial Area
Chopanki, Bhiwadi, Tehsil-Tijara
Distt. Alwar, Rajasthan.

Unit II

E 138, RIICO Industrial area, Phase I
Bhiwadi, Distt. Alwar, Rajasthan.

- xiii) **Address for Correspondence:** The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

Investor Relation Centre
Shilpi Cable Technologies Ltd
A-19, B-1 Extension, Mohan Co-operative Ind Est,
P.O. Badarpur, Mathura Road, New Delhi-110044
Phone: 011- 43117900
Fax: 011- 43117922
e-mail: investors@shilpicabletech.com



CEO/CFO Certification

We, Mukesh Kumar Gupta, Managing Director and Manoj Arora, CFO, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2013 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 26th August, 2013
Place: New Delhi

Manoj Arora
Chief Financial Officer

Mukesh Kumar Gupta
Managing Director
(DIN 00163044)

Declaration on compliance with code of conduct by the Managing Director

The Board has formulated a code of conduct for the Board members and senior management of the Company, which has been posted on the website of the Company – www.shilpicables.com

It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Mukesh Kumar Gupta
Managing Director
(DIN 00163044)

Shilpi Cable Technologies Ltd.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Shilpi Cable Technologies Ltd

We have examined the compliance of conditions of Corporate Governance by **SHILPI CABLE TECHNOLOGIES LTD**, for the year ended on 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 26th August, 2013
Place: Delhi

For **R&D**
Company Secretaries

Debabrata Deb Nath
Partner
ACS: 23935; CP: 8612



AUDITORS' REPORT

TO THE MEMBERS OF

SHILPI CABLE TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of SHILPI CABLE TECHNOLOGIES LIMITED. (The Company), as at 31st March, 2013 and also Profit and Loss account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit:
 - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - iii. The Balance Sheet, Profit and Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-Section (3C) of section 211 of Companies Act, 1956.
 - v. On the basis of the written representations received from the directors of the company as on 31st March 2013 and taken on record by the Board of Directors, We report that none of the Directors are disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2013.
 - b. In the case of the Profit & Loss Account, of the profit for the year ended on that date; and
 - c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place: New Delhi
Date: 09.05.2013

For: **RMA & ASSOCIATES**
Chartered Accountants
FRN: 000978N

(PANKAJ CHANDER)
Partner
Membership No.: 089065

Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date on the Statements of Account of Shilpi Cable Technologies Limited as at and for the year ended 31st March 2013:

- (i) (a). The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b). The Company has conducted physical verification at a reasonable interval of its fixed assets during the period covered under our audit. We are informed that no material discrepancies were noticed on such verification.
- (c). During the year, the company has not disposed off substantial part of fixed assets.
- (ii) (a). As explained to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable in relation to the size of the company.
- (b). In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate according to the size of the Company and the nature of its business.
- (c). On the basis of our examination of the records of the Company, we are of the opinion that the Company has maintained proper records of inventory. Discrepancies noticed on physical verification between physical stock records were not material and have been adequately dealt within the books of accounts.
- (iii) (a). According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, during the year to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4 (iii) (b) to (d) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (b). The company has taken loans from the Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year. The maximum balance during the year was 2653.97 Lacs (Previous Year Rs. 1461.59 Lacs) and balance of such loan at the year end was Rs. 1322.70 Lacs (Previous year Rs. 1155.19 Lacs).
- (c). In our opinion, the rate of interest and other terms and conditions on which such loans have been taken are not prima facie prejudicial to the interests of the Company.
- (d). In our opinion the payments of the principals and the interests are regular and there are no overdue.
- (iv). In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and for sale of goods. We have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a). In our opinion and according to the information and explanations given to us, the particulars of transactions made in pursuance of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b). In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts have been made at the prices which are reasonable having regards to the prevalent market prices at the relevant time.
- (vi). According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under the provisions of sections 58A and 58AA of the Companies Act, 1956 and rules framed there under apply.
- (vii). In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii). We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.



- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues have generally been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were outstanding at 31.3.2013 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses during the financial year under audit and immediately preceding financial year.
- (xi) Based on the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to their bankers. There were no debenture holders at any time during the year and at the year end.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund, nidhi / mutual benefit fund / society.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) As per the information and explanations given to us, the company has given corporate guarantee for loans taken by its subsidiary company i.e. Shilpi worldwide JLT from banks, which is not prejudice to the interest of the Company.
- (xvi) According to the information and explanations and certificate in this regard given to us, term loans were applied by the Company for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on the basis of overall examination of the balance sheet of the company as at March 31, 2013, we report that no funds raised on short term basis were utilized for long term investment.
- (xviii) According to the certificate given to us by the company, we report that the company has not made any preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued debentures during the year,
- (xx) According to the information and explanations given to us, during the financial year 2012-13, the company allotted 52,17,374 shares of Rs. 10/ each to the Trustee of the SCTL securities Trust pursuant to the Scheme of Amalgamation of Shilpi Cabletronics Ltd. (Transferor company) with Shilpi Cable Technology Limited (Transferee company) approved by Hon'ble High Court of Delhi via its order dated 14th May ,2012.
- (xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of any fraud on or by the Company, noticed or reported during the year, nor we have been informed of such case by the management.

Place: New Delhi
Date: 09.05.2013

For: RMA & ASSOCIATES
Chartered Accountants
FRN: 000978N

(PANKAJ CHANDER)
Partner
Membership No.: 089065

Shilpi Cable Technologies Ltd.

Balance Sheet as at 31st March, 2013

(Rs. in Lacs)

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Fund			
(a) Share Capital	2	3,751.61	3,229.88
(b) Reserves and Surplus	3	12,534.08	9,967.55
(c) Shares to be issued pursuant to Scheme of Amalgamation			521.74
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	11,669.33	9,032.42
(b) Deferred Tax Liabilities (Net)	5	1,064.57	790.31
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions		-	-
(5) Current Liabilities			
(a) Short-Term Borrowings	4A	752.88	1,441.80
(b) Trade Payables	6	18,232.41	12,760.59
(c) Other Current Liabilities	7	343.46	346.30
(d) Short-Term Provisions	7A	888.02	603.24
TOTAL		49,235.75	38,693.83
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		8,187.11	6,371.82
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		4.37	1,736.16
(iv) Intangible Assets under development		-	-
(b) Non-Current Investments	9	1,374.74	1,374.74
(c) Deferred Tax Assets (Net)		-	-
(d) Long-term Loans and Advances	10	604.97	194.11
(e) Other Non-Current Assets		-	-
(2) Current Assets			
(a) Current Investments			-
(b) Inventories	11	9,329.45	5,833.22
(c) Trade Receivables	12	25,760.56	19,790.81
(d) Cash and Cash Equivalents	13	2,606.90	1,727.76
(e) Short-Term Loans and Advances	14	6.17	5.00
(f) Other Current Assets	15	1,361.48	1,660.21
TOTAL		49,235.75	38,693.83

Notes to accounts and significant accounting policies

Other Notes to Account

Note No. 1-24 form an integral part of these financial statements

As per our audit report of even date attached

For RMA & Associates

Chartered Accountants

FRN : 000978N

Pankaj Chander

(Partner)

M.No. 089065

Mukesh Kumar Gupta

(Managing Director)

DIN No. 00163044

For and on behalf of the Board

Manish Goel

(Director)

DIN No. 00163105

Shruti Bhardwaj

(Company Secretary)

Place : New Delhi

Date : 09.05.2013



Statement of Profit and Loss for the year ended 31st March, 2013

Rs. in Lacs

Particulars	Note No.		As at 31st March, 2013		As at 31st March, 2012
I. Revenue from Operations	16		65,488.86		46,054.89
II. Other Income	17		173.94		265.97
III. Total Revenue (I+II)			65,662.80		46,320.86
IV. EXPENSES					
Cost of materials/ Services consumed	18		57,568.62		40,528.04
Changes in inventories of finished goods, wip and stock-in-trade	19		(1,857.19)		(1,660.09)
Other Manufacturing/ Operating Expenses	20		1,228.96		769.00
Employee benefits expense	21		458.46		396.59
Finance Costs	22		3,235.38		2,415.53
Depreciation and amortization expense	8		364.33		332.30
Other expenses	23		923.57		762.51
Total Expenses			61,922.13		43,543.88
V. Profit before exceptional and extraordinary items (III-IV)			3,740.67		2,776.98
VI. Exceptional Items			-		-
VII. Profit before extraordinary items and tax (V-VI)			3,740.67		2,776.98
VIII. Extraordinary Items			-		-
IX. Profit before Tax(PBT) (VII-VIII)			3,740.67		2,776.98
X. Tax Expense of continuing operations :					
Current Tax (Income Tax)		846.97		569.00	
Tax Adjustment of Previous Years		-		-	
Current Tax (Wealth Tax)		0.45		0.08	
MAT credit Entitlement		-		-	
Deferred Tax Expenses/(Income)	5	274.26	1,121.68	345.49	914.57
XI. Profit/(loss) for the period from continuing operations (IX-X)			2,618.99		1,862.41
XII. Profit/(loss) from discontinuing operations			-		-
XIII. Tax expense of discontinuing operations			-		-
XIV. Profit/ (loss) from discountinuing oprations (after Tax) (XII-XIII)			-		-
XV. Profit/ (loss) for the period [Profit After Tax (PAT)] (XI+XIV)			2,618.99		1,862.41
XVI. Earnings per equity share					
(1) Basic			6.98		5.77
(2) Diluted					

Notes to accounts and significant accounting Policies

1

Note No. 1-24 form an integral part of these financial
As per our audit report of even date attached

For RMA & Associates

Chartered Accountants
FRN : 000978N

Pankaj Chander
(Partner)
M.No. 089065

Mukesh Kumar Gupta
(Managing Director)
DIN No. 00163044

Manish Goel
(Director)
DIN No. 00163105

Shruti Bhardwaj
(Company Secretary)

Place : New Delhi
Date : 09.05.2013

For and on behalf of the Board

Shilpi Cable Technologies Ltd.

Note- 1:- SIGNIFICANT ACCOUNTING POLICIES

Corporate Information:

"Shilpi Cable Technologies Ltd being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at A-19/B-1 Extension, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110 044. The Company was initially incorporated under the provisions of the Companies Act, 1956, as a public limited company with the name and style of Rosenberger Shilpi Cable Technologies Ltd vide Certificate of Incorporation No. (CIN) U 64201 DL 2006 PLC 150753 dated 9th July, 2006 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. The Company obtained Certificate for Commencement of Business on 13th July, 2006. Name of the Company was changed to its present name-'Shilpi Cable Technologies Ltd' vide fresh Certificate of Incorporation dated 21st October, 2008 issued by the ROC, New Delhi."

The company is carrying on the business of manufacturing and trading of Cables, wires and Accessories used in Telecom, Automobile, Consumer Durables etc.

1 a) Basis of Preparation:

- i. The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis.
- ii. Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.
- iii. The preparation of financial statements are in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

b) Preparation and disclosure of financial statements :

During the year ended 31st March 2013, the company prepared its books of accounts as per Revised Schedule VI, notified under The Companies Act 1956 for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

2 Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any direct cost of bringing the assets to their working for intended use.

3 Depreciation:

- a Depreciation is provided as per Straight Line Method at rates provided by schedule XIV of the Companies Act 1956. In case of purchase / sale of assets during the year, depreciation has been charged on pro rata basis from / up to date of commercial production / sale.
- b License and process know-how fee having future economic benefits is amortised on straight line method over a period of 10 years from the date when the asset is available for use in accordance with Accounting Standard-26 issued by ICAI.

4 Inventories:

Inventories are valued at cost or net realisable value whichever is less with cost established using the weighted average cost method. The cost of work in progress & finished goods include overheads on estimate basis.

5 Foreign Currency Transaction :

Sales made to clients outside India and realisations deposited into Bank account are accounted for on the basis of exchange rate as on the date of the transaction. Adjustments are made for any variations in the sales proceeds on conversion into Indian currency up to actual receipts. Expenditure in foreign currency is accounted at the exchange rate prevalent when such expenditure is incurred. Current assets and current liabilities denominated in foreign currency are translate at the exchange rate prevalent at the date of the balance sheet. The exchange differences arising out of foreign currency transactions are recognised as Income or expenses in the year. The exchange differences arising out of foreign currency transactions pertaining to fixed assets are adjusted to carrying amount of related fixed assets.

6 Taxation:

Current Tax calculations are based upon the assessable profits of the company computed in accordance with the Income Tax Act, 1961. The deferred tax charged or credit is recognised using current tax rates. Where there is unabsorbed depreciation or carry forward losses deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/Liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws to reassess realisation /liabilities.

7 Revenue Recognition:

- A) Sales of goods Indigenous and exports both are recognised at the time of dispatch / Constructive delivery. Sales are exclusive of Excise Duty, Sales Tax and Trade Discount.
- (B) Interest Income is recognised on time proportion basis.
- (C) Dividend Income is recognised when the right to receive the dividend is established.
- (D) Other Income is recognised on the basis of Accounting Standard – 9 (Revenue Recognition) notified by the Companies (Accounting Standards) Rules, 2006.

8 Borrowing Cost:

Borrowing cost that are attributable to the acquisition / construction of qualifying assets are capitalized as part of the cost of the respective assets. Other borrowing costs are recognized as expenses in the year in which they are incurred.

9 Lease

- a) Finance Lease: Assets taken on lease are capitalised at fair value/contracted price. Depreciation on the same is charged at the rate applicable to similar type of fixed assets as per accounting policy on 'Depreciation'. If the leased assets are returnable to the lessor on expiry of lease period, the same is depreciated over its' useful life or lease period, whichever is shorter. Lease payments made are apportioned between finance charges and reduction of outstanding liability in relation to assets taken on lease.
- b) Operating Lease: Lease payments made for assets taken on operating lease are recognised as expense over the lease period.

10 (a) Investments are either classified as current investments or long- term investments. The cost of investments includes acquisition charges such as brokerage, fees and duties. Current investments are carried at lower of cost and fair value

- (b) Long- term investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment.

11 (A) Short Term Employee Benefits:

Short term Employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which related services are rendered.

Shilpi Cable Technologies Ltd.

(B) Defined Contribution Plans:

Company's contributions and other amount, if any, payable during the year towards Provident Fund, Pension Fund and Employee State Insurance are recognized in the profit and loss account of the year

(C) Defined Benefit Plans:

Company's liability towards gratuity in accordance with Payment of Gratuity Act, 1972 and other long term benefits are determined and accounted in accordance with AS-15 (Revised) based on the Actuarial Valuation as on the balance sheet date.

- 12** Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

13 Deferred Revenue Expenditure

Pre operative expenditures are treated as deferred revenue expenditures and is amortised over such periods as determined by management from time to time.

14 Research & Development Expenditure

Research & Development expenditure is accounted for in accordance with Accounting Standard-26 issued by ICAI.

15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized where there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

16 IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the amount of an asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss A/c in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists.

17 Government Grants

Government grants are accounted for on receipt basis. Grants related to specific fixed assets are deducted from the gross value of the assets and grants related to revenue are deducted in reporting the related expenses.

Scheme of Amalgamation :

- I.** During the previous financial year a Scheme of Amalgamation was framed under the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, for amalgamation of Shilpi Cabletronics Ltd with Shilpi Cable Technologies Ltd.
- II.** During the financial year above said Scheme of Amalgamation was approved by the Hon'ble High Court of Delhi vide its order dated 14th May, 2012. The Appointed Date of the Scheme was 1st April, 2011. The Scheme became effective on 1st June, 2012, being the date of filing of the Court Orders with the ROC. Since the Scheme was operative from the Appointed Date, 1st April, 2011, it has already been given effect to in the previous audited accounts.
- III** In terms of the Scheme, Equity Shares of the Transferor Company which are beneficially held by the Transferee Company shall not get cancelled but shall stand transferred to and vested in the Trust to be settled by the Transferee Company. The Transferee Company issued 9 (nine) Equity Shares of Rs. 10 each, credited as fully paid up, for every 4 (four) Equity Shares of Rs. 10 each held in the Transferor Company to the Trustee of the Trust who shall hold such shares for the sole benefit of the Transferee Company. Accordingly, the Transferee Company has issued 52,17,374 Equity Shares of Rs.10/- each to the aforesaid Trustee of the Trust, in exchange of 100% share capital of the Transferor Company during the financial year.



NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note.- 2. SHARE CAPITAL

(A) Authorised, Issued, Subscribed and paid-up share capital and par value per share

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Authorised Share Capital		
4,25,00,000 equity shares of Rs. 10/- each (Previous year 4,25,00,000 equity shares of Rs. 10/- each)	4,250.00	4,250.00
	4,250.00	4,250.00
Issued, Subscribed & Paid up Share Capital		
3,75,16,136 equity shares of Rs. 10/- each (Previous year 3,22,98,762 equity shares of Rs. 10/- each)	3,751.61	3,229.88
Total	3,751.61	3,229.88

(B) Reconciliation of number of equity shares outstanding at the beginning and at end of the year

Particulars	As at 31st March, 2013	As at 31st March, 2012
Number of shares outstanding as at beginning of the year	32,298,762	24,200,000
Add:		
Number of shares allotted as fully paid-up-bonus shares during the year	-	-
Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	5,217,374	-
Number of shares allotted to employees pursuant to ESOPs/ESPs	-	-
Number of shares allotted for cash (80,98,762 Equity Shares of Rs.10 each fully paid have been allotted during the financial year 2011-12 to the Public at premium of Rs. 59 per equity share.)	-	8,098,762
	37,516,136	32,298,762
Less:		
Number of shares bought back during the year	-	-
Number of shares outstanding as at end of the year	37,516,136	32,298,762

65,00,000 equity shares held by promoters of the company are locked in up to 15.04.2014

13,04,344 equity shares held by Trustee of SCTL Securities Trust are locked in up to 31.07.2015

(C) Shareholdings in the company by the holding/ultimate holding company and their subsidiaries/associates

Out of equity shares issued by the company, share held by holding company are as follows:	As at 31st March, 2013	As at 31st March, 2012
Shilpi Communication Private Limited	44.65%	74.77%

(D) Shares in the company held by each shareholder holding more than 5% shares

Name of the shareholder	Number of shares held in the company	Percentage of shares held
Shilpi Communication Private Limited	16,750,000	44.65%
Trustee of SCTL Securities Trust (Anand Gupta)	5,217,374	13.91%

(E) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note.- 3. RESERVES & SURPLUS

(Rs. in Lacs)

Particulars	As at 31st March, 2012	Additions during the period	Deductions during the period	As at 31st March, 2013
Securities Premium Reserve	6,327.02	-	-	6,327.02
General Reserve	-	-	-	-
Surplus (Profit and Loss account)	3,640.53	2,618.99	52.46	6,207.06
Total	9,967.55	2,618.99	52.46	12,534.08

Note.4. LONG-TERM BORROWINGS

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) LOAN FROM BANKS / FIs		
Vehicle Loan	55.83	29.25
Term loan from Banks for Vehicle Loan against hypothecation of vehicle purchased out of above loan		
Working Capital Limits from Schedule Banks	9,111.76	6,636.01
“(From Bankers under Consortium Arrangement Secured against hypothecation of Company’s Stocks, Book Debts and other current assets and second charge over Fixed Assets of the company)”		
Term Loan	-	650.43
(From Bankers under Multiple banking arrangement, secured against hypothecation/ mortgage of Plant & Machinery, and other fixed assets and second charge over current assets of the company)		
Other Loans from Bank / FIs (Unsecured)	15.41	62.28
(B) LOANS FROM OTHERS		
Unsecured		
Loans from Corporates	1,163.63	891.73
(C) LOANS AND ADVANCES FROM RELATED PARTIES		
Unsecured		
Loans from Related Parties	1,322.70	762.72
Total (A+B+C)	11,669.33	9,032.42
Note: There is no default, continuing or otherwise, in repayment of any of the above loans.		
4A. SHORT TERM BORROWINGS		
Amount due with in next financial year		
Vehicle Loan	59.87	55.85
(Loan against hypothecation of vehicle purchased out of above loan)		
Term Loan	649.00	1,263.48
(From Bankers under Multiple banking arrangement, secured against hypothecation/ mortgage of Plant & Machinery, and other fixed assets and second charge over current assets of the company)		
Other Loans from Bank / FIs (Unsecured)	43.40	122.47
Total	752.27	1,441.80

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note-5. Deferred Tax Liabilities (Net)

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liabilities	1,077.75	801.39
Deferred Tax Assets	13.18	11.08
Deferred Tax Liabilities (Net)	1,064.57	790.31
Deferred Tax Expenses/(Income)	274.26	345.49
Transfer to Profit & Loss Account		
Accounting for Taxes on Income - Accounting Standard - 22 - Deferred Tax:-		
The major components of Deferred Tax Liabilities (net) as on 31.03.2013 are given below:-		
Particulars	As at 31st March, 2013	As at 31st March, 2012
DEFERRED TAX LIABILITIES		
Fixed Assets	1,077.75	801.39
DEFERRED TAX ASSETS		
Carried forward Business Loss	-	-
Carried forward Short Term Capital Loss	-	-
Provision for Gratuity/Leaves	13.18	11.08
Provision for Doubtful Debts & Advances & Inventory write down	-	-
Disallowances under Income Tax Act, 1961	-	-
DEFERRED TAX LIABILITIES (NET)	(1,064.57)	(790.31)

Note-6. TRADE PAYABLES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Trades Payable		
Creditors for Goods (Considered Good)	18,232.41	12,760.59
Total	18,232.41	12,760.59

Note-7. OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Duties & Taxes	162.68	86.94
Expenses Payables	87.86	107.04
Creditors for Capital Expendiure	8.44	6.89
Creditors for Expenses	84.48	145.43
Total	343.46	346.30

Note-7A. SHORT TERM PROVISIONS

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits	40.60	34.16
Provision for Income Tax	846.97	569.00
Provision for Wealth Tax	0.45	0.08
Total	888.02	603.24

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

8. DETAILS OF TANGIBLE ASSETS

		(Rs. In Lacs)												
Sl. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block				
		As On 01.04.2012	Additions	Sale Adjust	As On 31.03.2013	As On 01.04.2012	During The Year	Sale/ Adjust	As On 31.03.2013	As On 01.04.2012	During The Year	Sale/ Adjust	As On 31.03.2013	As On 31.03.2012
1	Land	290.16	-	-	290.16	-	-	-	-	-	-	-	290.16	290.16
2	Factory Building	2,066.26	-	-	2,066.26	260.89	69.01	-	329.90	260.89	69.01	-	1,736.37	1,805.37
3	Plant & Machinery	4,916.37	2,081.54	-	6,997.91	878.08	260.76	-	1,138.84	878.08	260.76	-	5,859.06	4,038.29
4	Furnitures & Fixtures	87.94	1.36	-	89.30	19.71	5.60	-	25.31	19.71	5.60	-	63.99	68.23
5	Computers & Softwares	39.40	6.70	0.18	45.92	14.23	6.82	0.03	21.02	14.23	6.82	0.03	24.90	25.17
6	Vehicles	202.73	108.54	29.03	282.24	58.13	22.14	10.66	69.61	58.13	22.14	10.66	212.63	144.60
	Total	7,602.86	2,198.14	29.21	9,771.79	1,231.04	364.33	10.69	1,584.68	1,231.04	364.33	10.69	8,187.11	6,371.82
7	Capital Work in Progress	1,736.16	-	1,731.79	4.37	-	-	-	-	-	-	-	4.37	1,736.16
	Grand Total	9,339.02	2,198.14	1,761.00	9,776.16	1,231.04	364.33	10.69	1,584.68	1,231.04	364.33	10.69	8,191.48	8,107.98
	Previous Year	7,542.71	1,804.40	8.11	9,339.00	902.33	332.30	3.60	1,231.03	902.33	332.30	3.60	8,107.96	9,844.14

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note- 9. NON CURRENT INVESTMESNTS

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Investment in Equity Instruments		
Investment in Equity Shares of M/s Shilpi Worldwide JLT (300 nos. of share of AED 1000 each being 100% shareholding.)	36.96	36.96
(B) Investment in Government or Trust Securities		
- NSC	0.40	0.40
(C) Other Non Current Investment		
Interest in SCTL Securities Trust (for details refer note no -1)	1337.38	1,337.38
TOTAL	1,374.74	1,374.74

Note- 10. LONG TERM LOANS AND ADVANCES

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Loans and advances to related parties		
Secured, considered goods		-
Unsecured, considered goods	569.59	154.82
Doubtful		-
Less: Allowance for bad and doubtful advances		
(B) Security Deposits		
Secured, considered goods		-
Unsecured, considered goods	35.38	39.29
Doubtful		-
Less: Allowance for bad and doubtful advances		-
Total (A+B)	604.97	194.11

Note- 11. INVENTORIES

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(a) Raw Material	4,425.66	2,786.62
(b) Work -in-Progress	2,719.98	1,520.32
(c) Finished Goods	2,183.81	1,526.28
TOTAL	9,329.45	5,833.22

Mode of Valuation:

- Raw Material, Stores & Spares, Loose Tools and Packing Materials are valued at cost
- Work -in-Progress are valued at Cost or Net Realisable Value, whichever is lower
- Finished Goods and Stock-in-Trade are valued at Cost or Net Realisable Value, whichever is lower

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note- 12. TRADE RECEIVABLES

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Trade receivables outstanding for more than six months from the date they became due for payment:		
(i) Secured ,considered good	-	-
(ii) Unsecured ,considered good	218.53	245.28
(iii) Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
(B) Trade Receivables (others)		
(i) Secured ,considered good	-	-
(ii) Unsecured ,considered good	25,542.03	19,545.53
(iii) Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
TOTAL	25,760.56	19,790.81

“ Note: Debts due by directors or officers of the company or any of them either severally or jointly with others or by firms or private companies respectively in which any director is a partner or a director is a member is NIL “

Note- 13. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2013	As at 31st March, 2012
		(Rs. In Lacs)
(A) Balances with Banks		
(I) Earmarked Bank balances (Escrow Accounts)		
(i) Employee security deposits pursuant to section 417 of the companies act, 1956	-	-
(ii) Unpaid dividend bank account	-	-
(iii) Money raised in public issue kept in scheduled bank account pending allotment	-	-
(iv) Money kept in escrow account for payment of buyback consideration	-	-
(II) Bank balance held as margin money or as security against:		
(i) Borrowings	-	-
(ii) Guarantees	7.65	42.78
(iii) Letter of Credit	2,306.59	1,618.34
(iv) Other commitments	-	-
(III) Other bank balances		
(i) Bank deposits with more than 12 months	-	-
(ii) Others	255.13	14.25
(B) Cheques, drafts in hand		
(i) Cheques on hand	-	-
(ii) Drafts in hand	-	-
(C) Cash on hand	37.53	52.39
(D) Others		
(i) Preference shares acquired with less than 3 months for maturity	-	-
(ii) Investment in floater Mutual Funds	-	-
(iii) Government securities acquired with less than 3 months for maturity	-	-
(iv) FDRs (Deposits on Demand)	-	-
TOTAL	2,606.90	1,727.76



NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note-14. SHORT TERM LOANS AND ADVANCES

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Loans and advances to related parties		
Secured, considered goods	-	-
Unsecured, considered goods	-	-
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (A)	-	-
(B) Loans and advances due by directors or officers of the company or any of them either severally or jointly with others or by firms or private companies respectively in which any director is a partner or a director or member		
Secured, considered goods	-	-
Unsecured, considered goods	-	-
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	-	-
(C) Other Loan & Advances		
Prepaid Expenses	6.17	5.00
Total (C)	6.17	5.00
TOTAL [(A)+(B)+(C)]	6.17	5.00

Note- 15 . OTHER CURRENT ASSETS

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Deposits with Government Authorities	1,195.14	1,317.54
Deposits & Advances receivable in cash or in kind	166.34	342.67
TOTAL	1,361.48	1,660.21

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note-16. REVENUE FROM OPERATIONS

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Sales of products (A)		
Cables Wires & Accessories	65,307.02	46,028.81
Total (A)	65,307.02	46,028.81
Sales of services (B)		
Service Charges	181.84	26.08
Total(B)	181.84	26.08
Other operating revenues (C)		
Job work Charges	-	-
Total (C)	-	-
Total Revenue from Operations (A)+(B)+(C)	65,488.86	46,054.89
Service Charges includes amount of Work Contract Services which includes Civil Work, Electrical Work, Transportation Charges, Security Charges and other liasioning work		

Note-17. OTHER INCOMES

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
(A) Income from non-current investments		
Rentals from invesment property	-	-
Dividends from subsidiaries	-	-
Interest from Government Securities	-	-
Dividends from shares of other companies/units of Mutual Funds	-	-
Interest from debentures	-	-
Exchange Fluctuation (Profit)	-	-
Share of profit/loss from partnership firm	-	-
Miscellaneous Income	1.96	-
Total (A)	1.96	-
(B) Income from current investments		
Interest income on FDRs	171.98	265.97
Dividends	-	-
Total (B)	171.98	265.97
TOTAL (A)+(B)	173.94	265.97

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note-18. COST OF MATERIAL AND SERVICES

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
A. COST OF MATERIAL		
Opening Stock	2786.62	1,885.36
Add:		
Purchases and Adjustments	59062.52	41,402.35
Total	61,849.14	43,287.71
Less:		
Transfers and Adjustments (at cost)		
Closing Stock	4425.66	2,786.62
Total (a)	57,423.48	40,501.09
B. COST OF SERVICES		
Purchases for Civil Work	96.29	11.23
Purchases of Electrical Work	20.31	5.32
Civil Work Expenses	21.86	5.29
Contractor's Salary	3.42	1.35
Electrical Work	3.26	3.76
Total (b)	145.14	26.95
Total (a + b)	57568.62	40528.04

Note-19. DETAILS OF CHANGES IN INVENTORIES

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Opening Stock		
Finished Goods	1526.28	752.04
Work in-Progress	1520.32	634.47
Total (A)	3,046.60	1,386.51
Closing Stock		
Finished Goods	2183.81	1,526.28
Work in-Progress	2719.98	1,520.32
Total (B)	4,903.79	3,046.60
Change in Inventories	(1,857.19)	(1,660.09)

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note-20. OTHER MANUFACTURING EXPENSES

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Wages	448.29	376.80
Power & Fuel	190.60	120.85
Freight, Cartage & Custom Clearance	160.43	79.04
Job Work Charges	24.90	6.54
Repairs-Plant & Machinery	56.49	27.27
Factory Expenses	8.37	22.69
Testing Charges	1.43	4.51
Stores, Consumables & Packing	338.45	131.30
TOTAL	1,228.96	769.00

Note-21. EMPLOYEE BENEFITS EXPENSES

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Salaries & Wages, bonus, gratuity and allowances	375.30	304.05
Contribution to PF ,ESIC and Superannuation Fund	20.69	11.70
Staff Welfare Expense	10.83	7.40
Recruitment Expenses	-	2.83
Director's Remuneration	51.64	70.61
TOTAL	458.46	396.59

Note 22. Finance Costs

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Interest Expenses	1261.27	841.50
Interest on Term Loans	144.55	302.80
Other Borrowing Cost	868.71	663.01
Bank Charges	960.85	608.22
TOTAL	3,235.38	2,415.53



NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH, 2013

Note-23. OTHER EXPENSES

(Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Amount Write Off	-	9.18
Books & Periodicals	0.22	0.16
Communication Exps	30.77	28.19
Conveyance Expenses	19.01	16.99
Fees & Subscriptions	9.26	16.74
Insurance	12.16	14.65
Legal , professional and consultancy charges	134.82	66.13
Loss on Sale of Fixed Assets	9.57	0.80
Loading & Unloading Expenses	3.98	0.66
Miscellaneous expenses	24.60	15.86
"Net gain/loss on foreign currency transactions/ translation (other than adjusted as finance costs)"	154.31	276.31
Office Expenses	1.75	3.42
Interest & Penalty	0.73	0.98
Interest on Duty and Taxes	29.99	-
Payment to statutory auditors	7.31	4.97
Power & Fuel	9.11	2.25
Property Tax	-	0.65
Postage, Telegram & Courier	1.92	1.41
Preliminary Expenses Written off	-	0.13
Printing Stationery and Periodicals	9.87	7.93
Repair & Maintenance	12.25	23.48
Rent, Rates & Taxes other than taxes on income	56.97	27.39
Security Expenses	27.61	29.44
Travelling Exps (Officers & Staff)	96.82	92.15
Vehicle Running & Maintenance	18.12	6.43
Advertising & Publicity Expenses	10.15	25.93
Business Promotion	32.28	6.28
Commission Expenses	0.14	1.86
Discount	46.53	19.46
Freight & Forwarding Expenses	140.98	50.68
Sales & Distribution Expense-Others	4.87	-
Service Division Expense	12.77	-
Others'	4.70	12.00
TOTAL	923.57	762.51

Shilpi Cable Technologies Ltd.

Note 24 -OTHER NOTES TO THE ACCOUNTS

1 Note 24. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (Rs. In Lacs)

Particulars	As at 31st march 2013	As at 31st march 2012
(A) Contingent Liabilities		
(a) Claims against the company not acknowledged as debts	1,101.42	-
(b) Guarantees		
-Bank Guarantees (For EPCG and Performance)	127.62	147.84
- Corporate Guarantee (For WC loans to Subsidiary)	5,500.00	-
Total	6,729.04	147.84
(B) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Others	-	-
Total	-	-
TOTAL [(A)+(B)]	6,729.04	147.84

2 The Details of Subsidiaries Companies

Name of Company	Origin	Shareholding	Status as on 31-03-2013
Shilpi Worldwide JLT	UAE	100%	wholly owned subsidiary

3 In the opinion of the Board of Directors the Current Assets, Loans and Advances have a value on realisation in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

4 In the opinion of the Board of Directors, provisions made for Income tax and other statutory dues are sufficient to meet liabilities under respective heads. However, any shortage or excess shall be dealt in the year of final disposal by the concerned authorities.

5 Disclosure in accordance with Revised AS-15 on "Employee Benefits"

The Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountants of India has been adopted by the Company. In accordance with the above Standard, the additional obligations of in accordance with the above Standard, the additional obligations of the Company, on account of employee benefits, based on independent actuarial valuation as per the transitional provisions of As - 15 (Revised 2005)

Defined Benefit Plans

Leave Encashment & Gratuity

Valuations in respect of Leave Encashments and Gratuity have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Principal actuarial assumptions	2012-13	2011-12	2010-11	2009-10	2008-09
Discount Rate (Per annum)	8.00%	8.50%	8.00%	7.50%	7.00%
Rate of increase in Compensation levels	5.50%	6.00%	5.50%	5.00%	4.50%
Rate of Return on Plan Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Expected Retirement Age of employees in no. of Years	60 Years	60 Years	60 Years	60 Years	60 Years

A. GRATUITY

i) Changes in present Value of Obligation					
Present value of Obligation as at beginning of the period	24.58	17.66	3.85	2.36	2.41
Interest Cost	1.96	1.50	0.31	0.18	0.17
Current Service Cost	8.45	7.78	2.02	1.90	1.58
Past Service Cost	-	-	-	-	-
Benefit Paid	,(3.66)	(3.59)	(2.12)	(2.17)	(0.55)
Actuarial (Gains)/Loss on Obligation	,(4.96)	1.22	0.58	1.59	(1.25)
Present value of Obligation as at the end of period	26.38	24.58	4.64	3.85	2.36
ii) Changes in Fair value of Plan Assets					
Present value of Plan assets as at the beginning of the period	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-
Actuarial (Gain)/Loss	-	-	-	-	-
Employees' Contributions	-	-	-	-	-
Benefits Paid	-	-	-	-	-
Fair Value of Assets as at the end of period	-	-	-	-	-
Total Actuarial gain to be recognised	,(4.96)	1.22	4.65	3.85	2.36
iii) Reconciliation of the Present Value of Defined Present Obligations and the Fair value of Assets					
Present value of Obligation as at the end of period	26.38	24.58	4.65	3.85	2.36
Fair value of Plan Assets as at the end of period	-	-	-	-	-
Funded (Asset)/Liability recognized in the Balance Sheet	26.38	24.58	4.65	3.85	2.36
Unrecognized Past Service Cost	-	-	-	-	-
Net Liability recognized in the Balance Sheet	26.38	24.58	4.65	3.85	2.36
iv) Expenses recognized in the Profit and Loss Account					
Current Service Cost	8.48	7.79	2.02	1.90	1.58
Past Service Cost	-	-	-	-	-
Interest Cost	1.97	1.50	0.31	0.18	0.17
Expected Return on Plan Assets	-	-	-	-	-
Net Actuarial (Gain)/Loss	,(4.96)	1.23	0.58	1.59	(1.25)
Total Expenses recognized in the Profit and Loss Account	5.45	10.52	2.91	3.66	0.05

Shilpi Cable Technologies Ltd.

B. EARN LEAVE ENCASHMENT

i) Changes in present Value of Obligation

Present value of Obligation as at the beginning of period	8.09	5.75	6.56	5.28	2.52
Interest Cost	0.65	0.49	0.52	0.40	0.18
Current Service Cost	4.21	3.83	3.88	3.20	2.80
Past Service Cost	-	-	-	-	-
Benefit Paid	(4.88)	(4.67)	-	-	-
Actuarial (Gains)/Loss on Obligation	1.3	2.69	(0.65)	(2.31)	(0.23)
Present value of Obligation as at the end of period	9.37	8.09	10.31	6.56	0.53

ii) Changes in Fair value of Plan Assets

Present value of Plan assets as at the beginning of period	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-
Actuarial (Gain)/Loss	-	-	-	-	-
Employees' Contributions	-	-	-	-	-
Benefits Paid	-	-	-	-	-
Fair Value of Assets as at the end of period	-	-	-	-	-
Total Actuarial gain to be recognised	(1.30)	(2.69)	0.65	2.31	0.53

iii) Reconciliation of the Present Value of Defined Present Obligations and the Fair value of Assets

Present value of Obligation as at the end of period	9.37	8.09	10.31	6.56	0.53
Fair value of Plan Assets as at the end of period	-	-	-	-	-
Funded (Asset)/Liability recognized in the Balance Sheet	9.37	8.09	10.31	6.56	0.53
Unrecognized Past Service Cost	-	-	-	-	-
Net Liability recognized in the Balance Sheet	9.37	8.09	10.31	6.56	0.53

iv) Expenses recognized in the Profit and Loss Account

Current Service Cost	4.21	3.83	3.88	3.20	2.80
Past Service Cost	-	-	-	-	-
Interest Cost	0.65	0.49	0.52	0.40	0.18
Expected Return on Plan Assets	-	-	-	-	-
Net Actuarial (Gain)/Loss	1.3	2.69	(0.65)	(2.31)	(0.23)
Total Expenses recognized in the Profit and Loss Account	6.16	7.01	3.76	1.28	2.75

6 Debit / Credit balances of the parties are subject to confirmation / reconciliation.

7 (A) Based on the information available with the company in respect of MSME (as defined in the Micro Small & Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprises during the year.

(B) The above information regarding MSME has been determined to the extent such parties have been identified on the basis of information available with the compmay. This has been relied upon by the auditors.

8 The company has provided excise duty on finished goods amounting Rs. 45.46 Lacs (Previous year Rs. 65.97 Lacs) at the end of year, there is no resultant impact on the profit for the year.

9 ADDITIONAL INFORMATION REQUIRED UNDER PART-II OF SCHEDULE 'VI' OF THE COMPANIES ACT, 1956

Amount (In Lakhs.)

Particulars	2012-13	2011-12
a) Value of imports on CIF Basis :		
i) Capital Goods	1,714.51	-
ii) Raw Materials and Spare Parts	28,697.71	24,186.23
b) Expenditure in Foreign Currency :		
i) On Capital Goods	1,714.51	10.58
ii) Raw Materials and Spare Parts	25,786.77	21,061.81
iii) Others	488.55	33.28
c) Earning in Foreign Currency :		
i) Sales (Export)	559.92	-
ii) Others	0.20	-
d) Auditors' Remuneration :		
i) Statutory Audit Fee	5.50	3.25
ii) Tax Audit Fee	1.00	1.00
iii) Service Tax	0.81	0.44
e) Directors' Remuneration	51.80	70.61

10 Earning Per Share

Particulars		2012-13	2011-12
Weighted average number of shares outstanding during the year	Nos.	37,516,136	32,298,762
Net profit for the year attributable to Shareholders	Rs.	261,897,234	186,241,000
Earning per Share of Rs. 10/- each	Rs.	6.98	5.77
Diluted Earning per Share of Rs. 10/- each	Rs.	6.98	5.77

11 Leases :

Accounting for leases has been done in accordance with Accounting Standard-19 issued by ICAI. Following are the details of lease transactions for the year:

(A) Finance Lease

The Company does not have any finance lease agreement.

(B) Operating Lease

The Company does not have any operating lease agreement.

12 Segment wise Revenue, results and Capital employed are as follows :

Based on the guidelines of Accounting Standards on segment reporting (AS-17) issued by The Institute of Chartered Accountants of India, the Company is exclusively engaged in dealing in only one segment i.e manufacturing of cable and accessories, hence there is only one primary segment in context of accounting standards 17 on Segment Reporting issued by ICAI. The company is not operating in any of the geographical segment.

Shilpi Cable Technologies Ltd.

13 Details of transactions entered into with related parties during the year is as follows:

- a) List of Related Party
- i) Subsidiary Company : M/s Shilpi Worlwide JLT
- ii) Associates Companies : M/s MVM Impex Pvt. Limited
: M/s Shilpi Cables Pvt. Limited
: M/s Gloster Metals & Alloys Private Limited
: M/s Shilpi Communication Private Limited
- (iii) Key Management Personnel : 1. Mr. Mukesh Kumar Gupta
: 2. Mr. Manish Goel
: 3. Mr. Ghanshyam Pandey
- iv) Directors' Relative : 1. Mrs. Laxmi Pandey Wife of Mr. Ghanshyam Pandey
: 2. Mrs. Anukriti Goel Daughter in Law of Mr. Mukesh Kr. Gupta
: 3. Ms. Shilpi Goel Daughter of Mr. Mukesh Kr. Gupta
: 4. Mr. Vishal Goel Son of Mr. Mukesh Kr. Gupta
: 5. Mrs. Sharda Rani Wife of Mr. Mukesh Kr. Gupta

b) In Conformity with Accounting Standard 18 issued by ICAI, the transactions with related parties during the financial year and outstanding Balances as on 31.03.2013 are given under:

Particulars	(Rs. In Lacs)			
	Subsidiary Company	Associates Companies in which Directors are interested	Key Management Personnel	Relative of Directors
Purchases	-	-	-	-
Expenses				
Salaries/Remuneration	-	-	51.80	25.80
Others	-	6.00	4.60	2.70
Sales	-	-	-	-
Job Works Charges	-	-	-	-
Receipts				
Share Application Money	-	-	-	-
Unsecured Loan	-	3,436.80	141.00	-
Loans & Advances	-	-	-	-
Payments				
Unsecured Loan (Repayment)	-	2,803.65	606.64	-
Loans & Advances	416.19	-	-	-
Share Capital	-	-	-	-
Outstanding as on 31st March 2013				
Payable				
Unsecured Loan	-	1,025.63	297.08	-
Loans & Advances	-	-	-	-
Others	-	0.55	17.08	5.86
Receivable	569.59	-	-	-
Corporate Guarantees	5,500.00	-	-	-



- 14 Prior years Figures have been regrouped, rearranged & recast where considered necessary to conform to the current period's classification
- 15 All the figures have been rounded off to the nearest lakh Rupees.

For RMA & Associates

Chartered Accountants

FRN : 000978N

Pankaj Chander

(Partner)

M.No. 089065

Place : New Delhi

Date : 09.05.2013

For and on behalf of the Board

Mukesh Kumar Gupta

(Managing Director)

DIN No. 00163044

Manish Goel

(Director)

DIN No. 00163105

Shruti Bhardwaj

(Company Secretary)

Shilpi Cable Technologies Ltd.

Cash Flow Statement for the year Ended 31st March, 2013

(Rs. In Lacs)

Sr. No.	Particulars		As on 31-03-2013		As on 31-03-2012
A	Cash Flow from Operations				
	Profit before Taxation		3,740.67		2,776.98
	Adjustments for:				
	Depreciation	364.33		332.30	
	Misc. Expenses written off	(0.28)		0.13	
	Financial Charges	3,235.39		2,415.53	
	Provision for Grauity, Leave Encashment etc.	14.98		17.53	
	Interest Income	(173.94)		(265.97)	
	(Profit)/Loss on Sale of Fixed Assets	9.56	3,450.04	0.80	2,500.32
	Operating Profit before Working Capital Changes		7,190.71		5,277.30
	(Increase)/Decrease in Current Assets				
	Inventories	(3,496.22)		(2,561.35)	
	Sundry Debtors	(5,969.75)		(11,039.53)	
	Other Current Assets	297.56	(9,168.41)	94.62	(13,506.26)
	Increase/(Decrease) in Current Liabilities				
	Sundry Creditors	5,471.83		7,053.38	
	Expenses Payable	(19.18)		60.79	
	Short Term Borrowings	(689.53)		151.36	
	Other Liabilities	22.77	4,785.89	182.43	7,447.96
	Cash Inflow/(Outflow) from Operations		2,808.19		(781.00)
	Taxes Paid				
	Wealth Tax Paid	(0.08)		(0.33)	
	Income Tax Paid	(590.83)	(590.91)	(298.52)	(298.85)
	Net Cash Inflow/ (Outflow) from Operation (A)		2,217.28		(1,079.85)
B	Cash Flow from Investing Activities				
	Addition to Fixed Assets	(2,198.15)			(1,974.15)
	Sale of Fixed Asset	8.96			3.60
	Change in Capital WIP	1,731.79			
	Income from Interest/Dividends	173.94			265.97
	Long Term Loans & Advances	(410.86)			(137.80)
	Investment in Subsidiary				(995.54)
	Net Cash Inflow/ (Outflow) from Investing Activities (B)		(694.32)		(2,837.92)
C	Cash Flow from Financing Activities				
	Increase in Share Capital	521.74			1,331.62
	Increase /(Decrease) in Share Application Money	(521.74)			(14,896.00)
	Prior Period Adjustments	(45.34)			(379.61)
	Increase in Securities Premium	-			5,387.02
	Increase/(Decrease) in Long Term Borrowings	2,636.91			1,036.42
	Financial Charges Paid	(3,235.39)			(2,415.53)
	Net Cash Inflow/(Outflow) from Financing Activities (C)		(643.82)		(9,936.08)
	Net Change in Cash or Cash Equivalents during the Year		879.14		(13,853.85)
	Cash and Cash Equivalents at the beginning of the year		1,727.76		15,581.61
	Cash and Cash Equivalents at the end of the year		2,606.90		1,727.76

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'
- Previous year's figures have been regrouped / rearranged /recasted wherever necessary to make them comparable with those of current year.

For RMA & Associates

Chartered Accountants
FRN : 000978N

Pankaj Chander
(Partner)
M.No. 089065

Mukesh Kumar Gupta
(Managing Director)
DIN No. 00163044

Manish Goel
(Director)
DIN No. 00163105

On behalf of the Board of Directors

Shruti Bhardwaj
(Company Secretary)

Place : New Delhi
Date : 09.05.2013



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

1. Name of the Subsidiary	Shilpi World Wide JLT
2. Financial Year of the company	31.03.2013
3. Shares held in the Subsidiary Company at the end of the financial year of the subsidiary Company	300 Equity Shares of AED 1000/- each fully paid up (Rs. 14800/- each)
4. Extent of holding	100.00%
5. The net aggregate of Profits/ Loss of the Subsidiary Company so far as they concern the members of the company	
a) Dealt with in the Accounts of the company for the year ended 31 March 2013	Nil
b) Not dealt with in the Accounts of the Company for the year ended 31 March 2013	Rs. 3180 .20Lacs
6. The net aggregate of Profits/Loss of the Subsidiary Company for the previous financial year so far as they concern the members of the company	
a) Dealt with in the Accounts of the company for the year ended 31 March 2012	NA
b) Not dealt with in the Accounts of the Company for the year ended 31 March 2012	Rs. 518.17Lacs
7. Change in the Company's interest in the Subsidiary between the end of the Financial Year of the Subsidiary and the end of the Company's Financial Year	Nil
8. Material Changes which have occurred between the end of the Financial year of the Subsidiary and the end of the Company's Financial year in respect of	
a) Fixed Assets	Nil
b) Investments	Nil
c) Money lent by the Subsidiary Company	Nil
d) Money borrowed by the Subsidiary Company other than for meeting the Current Liabilities	Nil

Note: The Balance sheet for the period ended 31st March,2013 along with Director's Reports and Auditor's Reports of the Subsidiary Companies are attached herewith.

Exchange Rate on 31.03.2012: 1 AED = Rs 12.98

Exchange Rate on 31.03.2013: 1 AED = Rs 14.80

Place : New Delhi
Date : 09.05.2013

Manish Goel
(Whole Time Director)
DIN 00163105

Mukesh Kumar Gupta
(Managing Director)
DIN 00163044

Shruti Bhardwaj
(Company Secretary)

Shilpi Cable Technologies Ltd.

Details pertaining to subsidiary companies as per the requirement of para (IV) of the Direction under section 212(8) of the Companies Act 1956, issued by the Ministry of Corporate Affairs vide General Circular No 2/2011 dated 08/02/2011 are as follows

Particulars	(Rs in Lacs)	
	Shilpi World Wide JLT	
Summary Balance Sheet	31.03.2013	31.03.2012
Share Capital	44.4	38.94
Reserve and Surplus	3875.33	518.17
Loan Fund	1086.16	0
Total Liabilities	6040.26	6410.31
Fixed Assets	35.62	37.04
Total Assets	10541.94	7114.37
Investment (excluding subsidiary)	1556.35	0
Summary Profit & Loss Account		
Turnover	30218.53	6844.61
Profit/(loss) before Tax	3180.2	518.17
Provision for Tax	0	0
Profit/(loss) after Tax	3180.2	518.17
Proposed Dividend	0	0
Exchange Rates: 31/03/2012 1 AED = Rs. 12.98		
31/03/2013 1 AED = Rs 14.80		
Average Rate for the year 1 AED = Rs. 14.33		

For Shilpi Cable Technologies Ltd.

Place : New Delhi
Date : 09.05.2013

Mukesh Kumar Gupta
(Managing Director)
DIN 00163044

Manish Goel
(Director)
DIN 00163105

Shruti Bhardwaj
(Company Secretary)



AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors of

SHILPI CABLE TECHNOLOGIES LIMITED

1. We have audited the attached Consolidated Balance Sheet of SHILPI CABLE TECHNOLOGIES LIMITED (the Company) at 31st March 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated Financial Statements are the responsibilities of the Company's management and have been prepared by the management on the basis of separate financial statement and other financial information regarding subsidiary. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of its subsidiary M/s Shilpi World Wide JLT included in the consolidated financial statements. These financial statements and other financial information have been audited /reviewed by other auditors whose report have been furnished to us, and our opinion on the consolidated financial statement to the extent they have been derived from such financial statement is based solely on the report of other auditors.
4. A) In our opinion the Consolidated Financial Statement have been prepared by the company management in accordance with the requirements of Accounting Standard (AS)-21, "Consolidated Financial Statements", Accounting Standard(AS)-23, Accounting of Investment in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules,2006,
B) Based on our audit as foresaid, and on consideration of Audit reports of separate Financial Statements and to the best of our information and according to the explanations given to us, we are of the opinion that the said Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - I. In the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
 - II. In the case of Consolidated Statement of Profit and Loss, of the consolidated results of the operations of the Group for the year ended on that date ; and
 - III. In the case of Consolidated Cash Flow Statement, of the consolidated cash flow of the group for the year ended on that date.

Place: New Delhi
Date :09.05.2013

**For RMA & Associates
Chartered Accountants
FRN: 000978N**

**Pankaj Chander
Partner
M.No. : 089065**

Shilpi Cable Technologies Ltd.

Consolidated Balance Sheet as at 31st March, 2013

(Rs. in Lacs)

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Fund			
(a) Share Capital	2	3,751.61	3,229.88
(b) Reserves and Surplus	3	16,428.24	10,527.40
(c) Shares to be issued pursuant to Scheme of Amalgamation			521.74
(2) Share application money pending allotment		-	-
(3) Minority Interest		22.65	21.19
(4) Non-Current Liabilities			
(a) Long-Term Borrowings	4	11,669.33	9,032.42
(b) Deferred Tax Liabilities (Net)	5	1,064.57	790.31
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions		-	-
(5) Current Liabilities			
(a) Short-Term Borrowings	4A	1,838.88	1,441.80
(b) Trade Payables	6	23,166.88	19,318.33
(c) Other Current Liabilities	7	325.68	592.53
(d) Short-Term Provisions	7A	888.02	603.24
TOTAL		59,155.86	46,078.84
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		8,220.39	6,409.18
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		4.37	1,736.16
(iv) Intangible Assets under development		-	-
(b) Non-Current Investments	9	2,872.81	1,337.78
(c) Deferred Tax Assets (Net)		-	-
(d) Long-term Loans and Advances	10	35.38	198.40
(e) Other Non-Current Assets		-	-
(2) Current Assets			
(a) Current Investments			-
(b) Inventories	11	10,735.39	5,833.22
(c) Trade Receivables	12	32,613.18	27,094.12
(d) Cash and Cash Equivalents	13	2,700.46	1,739.67
(e) Short-Term Loans and Advances	14	612.40	23.47
(f) Other Current Assets	15	1,361.48	1,706.84
TOTAL		59,155.86	46,078.84
Significant Accounting Policies	1 to 24		
Notes on Financial Statements			

As per our audit report of even date attached

For RMA & Associates

Chartered Accountants

FRN : 000978N

Pankaj Chander

(Partner)

M.No. 089065

Mukesh Kumar Gupta

(Managing Director)

DIN No. 00163044

For and on behalf of the Board of Directors

Manish Goel

(Director)

DIN No. 00163105

Shruti Bhardwaj

(Company Secretary)

Place : New Delhi

Date : 09.05.2013



Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

(Rs. in Lacs)

Particulars	"Note No."		As at 31st March, 2013		As at 31st March, 2012
I. Revenue from Operations	16		95,707.39		52,899.50
II. Other Income	17		173.94		265.97
III. Total Revenue (I+II)			95,881.33		53,165.47
IV. EXPENSES					
Cost of materials/ Services consumed	18		84,058.91		46,752.73
Changes in inventories of finished goods, wip and stock-in-trade	19		(1,857.19)		(1,660.09)
Other Manufacturing/ Operating Expenses	20		1,228.96		769.00
Employee Benefits Expenses	21		562.35		424.24
Finance Costs	22		3,258.59		2,415.79
Depreciation and Amortization Expenses	8		368.03		337.08
Other Expenses	23		1,156.58		831.57
Selling & Distribution Expenses			96.44		-
Total Expenses			88,872.67		49,870.32
V. Profit before exceptional and extraordinary items (III-IV)			7,008.66		3,295.15
VI. Exceptional Items			-		-
VII. Profit before extraordinary items and tax (V-VI)			7,008.66		3,295.15
VIII. Extraordinary Items			-		-
IX. Profit before Tax(PBT) (VII-VIII)			7,008.66		3,295.15
X. Tax Expense of continuing operations :					
Current Tax (Income Tax)		846.97		569.00	
Tax Adjustment of Previous Years		-		-	
Current Tax (Wealth Tax)		0.45		0.08	
MAT credit Entitlement		-		-	
Deferred Tax Expenses/(Income)	5	274.26	1,121.68	345.49	914.57
XI. Profit/(loss) for the period from continuing operations (IX-X)			5,886.98		2,380.58
XII. Profit/(loss) from discontinuing operations			-		-
XIII. Tax expense of discontinuing operations			-		-
XIV. Profit/ (loss) from discontinuing operations (after Tax) (XII-XIII)			-		-
XV. Profit/ (loss) for the period [Profit After Tax (PAT)] (XI+XIV)			5,886.98		2,380.58
XVI. Earnings per equity share					
(1) Basic			15.69		7.37
(2) Diluted					

Significant Accounting Policies

Notes on Financial Statements

1 to 24

As per our audit report of even date attached

For RMA & Associates

Chartered Accountants
FRN : 000978N

Pankaj Chander

(Partner)
M.No. 089065

Mukesh Kumar Gupta

(Managing Director)
DIN No. 00163044

For and on behalf of the Board of Directors

Manish Goel

(Director)
DIN No. 00163105

Shruti Bhardwaj

(Company Secretary)

Place : New Delhi
Date : 09.05.2013

Shilpi Cable Technologies Ltd.

Note- 1:- SIGNIFICANT ACCOUNTING POLICIES

Corporate Information:

"Shilpi Cable Technologies Ltd being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at A-19/B-1 Extension, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110 044.

The Company was initially incorporated under the provisions of the Companies Act, 1956, as a public limited company with the name and style of Rosenberger Shilpi Cable Technologies Ltd vide Certificate of Incorporation No. (CIN) U 64201 DL 2006 PLC 150753 dated 9th July, 2006 issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. The Company obtained Certificate for Commencement of Business on 13th July, 2006. Name of the Company was changed to its present name-'Shilpi Cable Technologies Ltd' vide fresh Certificate of Incorporation dated 21st October, 2008 issued by the ROC, New Delhi. "

The company is carrying on the business of manufacturing and trading of Cables, wires and Accessories used in Telecom, Automobile, Consumer Durables etc.

1 a) Principles of Consolidation

The consolidated financial statements has been prepared on following basis:

- i) The Consolidated Financial Statement has been prepared in accordance with the Accounting Standard 21 (AS-21) " Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- ii) The financial statements of the parent company and its subsidiary company have been combined on a line by line basis by adding together like items of assets, liabilities, income & expenses. The intra-group balances and intra-group transactions and unrealized profits or losses are fully eliminated.
- iii) The consolidated financial statement has been prepared using uniform accounting policies for similar material transactions and other events in similar circumstances.
- iv) The excess of cost of the company of its investments in the subsidiary company over its share of the equity of the subsidiary company, at the date on which the investments in the subsidiary company are made, is recognised as "goodwill" being an asset in the consolidated financial statements. Alternatively, where the Share of equity in the subsidiary company as on the date of investments, is in the excess of cost of the company, it is recognised as 'capital reserve' and shown under the head 'Reserve and Surplus', in the consolidated financial statements.
- v) Minority Interest's share of net profit of the subsidiary for the year is identified and adjusted against the consolidated profit & loss in order to arrive at the net income attributable to the shareholders of the Company.
- vi) Minority Interest's share of net assets of the subsidiary is identified and presented in the consolidated Balance Sheet separated from liabilities and the equity of the Company's Shareholders
- vii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and presented in the same manner as the company's separate financial statements
- viii) The following subsidiary company is considered in the preparation of consolidated financial statements: -
Name of Company : - Shilpi Worlwide JLT
County of Incorporation : - UAE
%age of Voting Power : - 100

1 b) Basis of Preparation:

- i. The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis.

- ii. Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.
- iii. The preparation of financial statements are in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

c) Preparation and disclosure of financial statements :

During the year ended 31st March 2013, the company prepared its books of accounts as per Revised Schedule VI, notified under The Companies Act 1956 for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

2 Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any direct cost of bringing the assets to their working for intended use.

3 Depreciation:

- a Depreciation is provided as per Straight Line Method at rates provided by schedule XIV of the Companies Act 1956. In case of purchase / sale of assets during the year, depreciation has been charged on pro rata basis from / up to date of commercial production / sale.
- b License and process know-how fee having future economic benefits is amortised on straight line method over a period of 10 years from the date when the asset is available for use in accordance with Accounting Standard-26 issued by ICAI.

4 Inventories:

Inventories are valued at cost or net realisable value whichever is less with cost established using the weighted average cost method. The cost of work in progress & finished goods include overheads on estimate basis.

5 Foreign Currency Transaction :

Sales made to clients outside India and realisations deposited into Bank account are accounted for on the basis of exchange rate as on the date of the transaction. Adjustments are made for any variations in the sales proceeds on conversion into Indian currency up to actual receipts. Expenditure in foreign currency is accounted at the exchange rate prevalent when such expenditure is incurred. Current assets and current liabilities denominated in foreign currency are translate at the exchange rate prevalent at the date of the balance sheet. The exchange differences arising out of foreign currency transactions are recognised as Income or expenses in the year. The exchange differences arising out of foreign currency transactions pertaining to fixed assets are adjusted to carrying amount of related fixed assets.

6 Taxation:

Current Tax calculations are based upon the assessable profits of the company computed in accordance with the Income Tax Act, 1961. The deferred tax charged or credit is recognised using current tax rates. Where there is unabsorbed depreciation or carry forward losses deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/Liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws to reassess realisation /liabilities.

Shilpi Cable Technologies Ltd.

7 **Revenue Recognition:**

- A) Sales of goods Indigenous and exports both are recognised at the time of dispatch / Constructive delivery. Sales are exclusive of Excise Duty, Sales Tax and Trade Discount.
- (B) Interest Income is recognised on time proportion basis.
- (C) Dividend Income is recognised when the right to receive the dividend is established.
- (D) Other Income is recognised on the basis of Accounting Standard – 9 (Revenue Recognition) notified by the Companies (Accounting Standards) Rules, 2006.

8 **Borrowing Cost:**

Borrowing cost that are attributable to the acquisition / construction of qualifying assets are capitalized as part of the cost of the respective assets. Other borrowing costs are recognized as expenses in the year in which they are incurred.

9 **Lease**

- a) **Finance Lease:** Assets taken on lease are capitalised at fair value/contracted price. Depreciation on the same is charged at the rate applicable to similar type of fixed assets as per accounting policy on 'Depreciation'. If the leased assets are returnable to the lessor on expiry of lease period, the same is depreciated over its' useful life or lease period, whichever is shorter. Lease payments made are apportioned between finance charges and reduction of outstanding liability in relation to assets taken on lease.
- b) **Operating Lease:** Lease payments made for assets taken on operating lease are recognised as expense over the lease period.

- 10 (a) Investments are either classified as current investments or long- term investments. The cost of investments includes acquisition charges such as brokerage, fees and duties. Current investments are carried at lower of cost and fair value
- (b) Long- term investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment.

11 (A) **Short Term Employee Benefits:**

Short term Employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which related services are rendered.

(B) **Defined Contribution Plans:**

Company's contributions and other amount, if any, payable during the year towards Provident Fund, Pension Fund and Employee State Insurance are recognized in the profit and loss account of the year

(C) **Defined Benefit Plans:**

Company's liability towards gratuity in accordance with Payment of Gratuity Act, 1972 and other long term benefits are determined and accounted in accordance with AS-15 (Revised) based on the Actuarial Valuation as on the balance sheet date.

- 12 Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

13 **Deferred Revenue Expenditure**

Pre operative expenditures are treated as deferred revenue expenditures and is amortised over such periods as determined by management from time to time.

14 Research & Development Expenditure

Research & Development expenditure is accounted for in accordance with Accounting Standard-26 issued by ICAI.

15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized where there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

16 IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the amount of an asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss A/c in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist.

17 Government Grants

Government grants are accounted for on receipt basis. Grants related to specific fixed assets are deducted from the gross value of the assets and grants related to revenue are deducted in reporting the related expenses.

Scheme of Amalgamation :

- I. During the previous financial year a Scheme of Amalgamation was framed under the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, for amalgamation of Shilpi Cabletronics Ltd with Shilpi Cable Technologies Ltd.
- II. During the financial year above said Scheme of Amalgamation was approved by the Hon'ble High Court of Delhi vide its order dated 14th May, 2012. The Appointed Date of the Scheme was 1st April, 2011. The Scheme became effective on 1st June, 2012, being the date of filing of the Court Orders with the ROC. Since the Scheme was operative from the Appointed Date, 1st April, 2011, it has already been given effect to in the previous audited accounts.
- III. In terms of the Scheme, Equity Shares of the Transferor Company which are beneficially held by the Transferee Company shall not get cancelled but shall stand transferred to and vested in the Trust to be settled by the Transferee Company. The Transferee Company issued 9 (nine) Equity Shares of Rs. 10 each, credited as fully paid up, for every 4 (four) Equity Shares of Rs. 10 each held in the Transferor Company to the Trustee of the Trust who shall hold such shares for the sole benefit of the Transferee Company. Accordingly, the Transferee Company has issued 52,17,374 Equity Shares of Rs.10/- each to the aforesaid Trustee of the Trust, in exchange of 100% share capital of the Transferor Company during the financial year.

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note -2 : SHARE CAPITAL

(A) Authorised, Issued, Subscribed and paid-up share capital and par value per share

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Authorised Share Capital		
4,25,00,000 equity shares of Rs. 10/- each (Previous year 4,25,00,000 equity shares of Rs. 10/- each)	4,250.00	4,250.00
	4,250.00	4,250.00
Issued, Subscribed & Paid up Share Capital		
3,75,16,136 equity shares of Rs. 10/- each (Previous year 3,22,98,762 equity shares of Rs. 10/- each)	3,751.61	3,229.88
Total	3,751.61	3,229.88
(B) Reconciliation of number of equity shares outstanding at the beginning and at end of the year		
Particulars	As at 31st March, 2013	As at 31st March, 2012
Number of shares outstanding as at beginning of the year	32,298,762	24,200,000
Add:		
Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	5,217,374	-
Number of shares allotted for cash (80,98,762 Equity Shares of Rs.10 each fully paid have been allotted during the financial year 2011-12 to the Public at premium of Rs. 59 per equity share.)	-	8,098,762
	37,516,136	32,298,762
Less:		
Number of shares bought back during the year	-	-
Number of shares outstanding as at end of the year	37,516,136	32,298,762
65,00,000 equity shares held by promoters of the company are locked in up to 15.04.2014 13,04,344 equity shares held by Trustee of SCTL Securities Trust are locked in up to 31.07.2015		
(C) Shareholdings in the company by the holding/ultimate holding company and their subsidiaries/associates		
Out of equity shares issued by the company, share held by holding company are as follows:	As at 31st March, 2013	As at 31st March, 2012
Shilpi Communication Private Limited	44.65%	74.77%
(D) The details of Shareholders holding more than 5% shares :		
Name of the shareholder	No. of Shares	% held
Shilpi Communication Private Limited	16,750,000	44.65%
Trustee of SCTL Securities Trust (Anand Gupta)	5,217,374	13.91%

(E) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 3 :RESERVES & SURPLUS

(Rs. in Lacs)

Particulars	As at 31st March, 2012	Additions during the period	Deductions during the period	As at 31st March, 2013
Securities Premium Reserve	6,327.02	-	-	6,327.02
Foreign Currency Translation Reserve	41.68	66.32	-	108.00
Surplus (Profit and Loss A/c)	4,158.70	5,886.98	52.46	9,993.22
Total	10,527.40	5,953.30	52.46	16,428.24

Note - 4 : LONG-TERM BORROWINGS

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) <u>LOAN FROM BANKS / FIs</u>		
<u>Vehicle Loan</u>	55.83	29.25
Term loan from Banks for Vehicle Loan against hypothecation of vehicle purchased out of above loan		
<u>Working Capital Limits from Schedule Banks</u>	9,111.76	6,636.01
(From Bankers under Consortium Arrangement Secured against hypothecation of Company's Stocks, Book Debts and other current assets and second charge over Fixed Assets of the company)"		
Term Loan	-	650.43
(From Bankers under Multiple banking arrangement, secured against hypothecation/ mortgage of Plant & Machinery, and other fixed assets and second charge over current assets of the company)		
Other Loans from Bank / FIs (Unsecured)	15.41	62.28
(B) <u>LOANS FROM OTHERS</u>		
Unsecured		
Loans from Corporate	1,163.63	891.73
(C) <u>LOANS AND ADVANCES FROM RELATED PARTIES</u>		
Unsecured		
Loans from Related Parties	1,322.70	762.72
Total (A+B+C)	11,669.33	9,032.42

Note: There is no default, continuing or otherwise, in repayment of any of the above loans.

Note - 4A : SHORT TERM BORROWINGS

(Rs. in Lacs)

Amount due with in next financial year

<u>Vehicle Loan</u>	59.87	55.85
(Loan against hypothecation of vehicle purchased out of above loan)		
<u>Term Loan</u>	649.00	1,263.48
(From Bankers under Multiple banking arrangement, secured against hypothecation/ mortgage of Plant & Machinery, and other fixed assets and second charge over current assets of the company)		
Other Loans from Bank / FIs (Unsecured)	1,130.01	122.47
Total	1,838.88	1,441.80

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 5 : Deferred Tax Liabilities (Net)

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liabilities	1,077.75	801.39
Deferred Tax Assets	13.18	11.08
Deferred Tax Liabilities (Net)	1,064.57	790.31
Deferred Tax Expenses/(Income)	274.26	345.49
Transfer to Profit & Loss Account		
Accounting Standard - 22 - Accounting for Taxes on Income		
The major components of Deferred Tax Liabilities (net) as on 31.03.2013 are given below:-		
Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
DEFERRED TAX LIABILITIES		
Relatd to Fixed Assets	1,077.75	801.39
DEFERRED TAX ASSETS		
Carried forward Business Loss	-	-
Carried forward Short Term Capital Loss	-	-
Provision for Gratuity / Leaves	13.18	11.08
Disallowances under Income Tax Act, 1961	-	-
DEFERRED TAX LIABILITIES (NET)	(1,064.57)	(790.31)

Note - 6 : TRADE PAYABLES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Trades Payable		
Creditors for Goods (Considered Good)	23,166.88	19,318.33
Total	23,166.88	19,318.33

Note -7 : OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Duties & Taxes	162.68	86.94
Expenses Payable	108.59	119.57
Creditors for Capital Expendiure	8.44	6.89
Creditors for Expenses	84.48	164.88
Advance Against Share Capital	-	214.25
Other Liabilities	(38.51)	-
Total	325.68	592.53

Note - 7A : SHORT TERM PROVISIONS

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Provision for Employee Benefits	40.60	34.16
Provision for Income Tax	846.97	569.00
Provision for Wealth Tax	0.45	0.08
Total	888.02	603.24

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 8 : FIXED ASSETS

		(Rs. In Lacs)									
Sl. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block			
		As On 01.04.2012	Additions	Sale/ Adjust	As On 31.03.2013	As On 01.04.2012	During The Year	Sale/ Adjust	As On 31.03.2013	As On 31.03.2012	
1	Land	290.16	-	-	290.16	-	-	-	290.16	290.16	
2	Factory Building	2,066.26	-	-	2,066.26	260.89	69.01	-	1,736.37	1,805.37	
3	Plant & Machinery	4,918.93	2,081.54	-	7,000.47	878.38	260.98	-	5,861.08	4,040.55	
4	Furniture's & Fixtures	91.51	1.36	-	92.87	19.97	5.92	-	66.94	71.54	
5	Computers & Software's	39.40	6.70	0.18	45.92	14.23	6.82	0.03	24.90	25.17	
6	Vehicles	238.74	108.54	29.03	318.25	62.35	25.30	10.66	240.94	176.39	
	Total	7,645.00	2,198.14	29.21	9,813.93	1,235.82	368.03	10.69	8,220.39	6,409.18	
7	Capital Work in Progress	1736.16	-	1731.79	4.37	-	-	-	4.37	1,736.16	
	Grand Total	9381.16	2,198.14	1761.00	9,818.30	1,235.82	368.03	10.69	8,224.76	8,145.34	

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 9 : NON CURRENT INVESTMESNTS

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
(A) Investment in Equity Instruments		
(B) Investment in Government or Trust Securities		
- NSC	0.40	0.40
(C) Other Non Current Investment		
Fiber Plus LLC	1,535.03	-
Interest in SCTL Securities Trust (for details refer note no -1)	1,337.38	1,337.38
Total	2,872.81	1,337.78

Note - 10 : LONG TERM LOANS AND ADVANCES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
(A) Loans and advances to related parties		
Secured, considered goods	-	-
Unsecured, considered goods	-	154.82
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
(B) Security Deposits		
Secured, considered goods	-	-
Unsecured, considered goods	35.38	43.58
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (A+B)	35.38	198.40

Note - 11 : INVENTORIES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
(a) Raw Material	4,425.66	2,786.62
(b) Work -in-Progress	2,719.98	1,520.32
(c) Finished Goods	3,589.75	1,526.28
Total	10,735.39	5,833.22

Mode of Valuation:

- Raw Material, Stores & Spares, Loose Tools and Packing Materials are valued at cost
- Work -in-Progress are valued at Cost or Net Realisable Value, whichever is lower
- Finished Goods and Stock-in-Trade are valued at Cost or Net Realisable Value, whichever is lower

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 12 : TRADE RECEIVABLES

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Trade receivables outstanding for more than six months from the date they became due for payment:		
(i) Secured ,considered good	-	-
(ii) Unsecured ,considered good	218.53	245.28
(iii) Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
(B) Trade Receivables (others)		
(i) Secured ,considered good	-	-
(ii) Unsecured ,considered good	32,394.65	26,848.84
(iii) Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
Total	32,613.18	27,094.12

Note:

Debts due by directors or officers of the company or any of them either severally or jointly with others or by firms or private companies respectively in which any director is a partner or a director is a member is NIL

Note - 13 : CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2013	As at 31st March, 2012
		(Rs. in Lacs)
(A) Balances with Banks		
(I) Earmarked Bank balances (Escrow Accounts)		
(i) Employee security deposits pursuant to section 417 of the companies act, 1956	-	-
(ii) Unpaid dividend bank account	-	-
(iii) Money raised in public issue kept in scheduled bank account pending allotment	-	-
(iv) Money kept in escrow account for payment of buyback consideration	-	-
(II) Bank balance held as margin money or as security against:		
(i) Borrowings	-	-
(ii) Guarantees	7.65	42.78
(iii) Letter of Credit	2,306.59	1,618.34
(iv) Other commitments	-	-
(III) Other bank balances		
(i) Bank deposits with more than 12 months	-	-
(ii) Others	325.89	15.50
(B) Cheques, drafts in hand		
(i) Cheques on hand	-	-
(ii) Drafts in hand	-	-
(C) Cash on hand	60.33	63.05
(D) Others		
(i) Preference shares acquired with less than 3 months for maturity	-	-
(ii) Investment in floater Mutual Funds	-	-
(iii) Government securities acquired with less than 3 months for maturity	-	-
(iv) FDRs (Deposits on Demand)	-	-
Total	2,700.46	1,739.67

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 14 : SHORT TERM LOANS AND ADVANCES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
(A) Loans and advances to related parties		
Secured, considered goods	-	-
Unsecured, considered goods	-	-
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (A)	-	-
(B) Loans and advances due by directors or officers of the company or any of them either severally or jointly with others or by firms or private companies respectively in which any director is a partner or a director or member		
Secured, considered goods	-	-
Unsecured, considered goods	-	-
Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
Total (B)	-	-
(C) Other Loan & Advances		
Prepaid Expenses	21.57	23.47
Others	590.83	
Total (C)	612.40	23.47
TOTAL [(A)+(B)+(C)]	612.40	23.47

Note - 15 : OTHER CURRENT ASSETS

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Deposits with Government Authorities	1,195.14	1,317.54
Deposits & Advances receivable in cash or in kind	166.34	389.30
Total	1,361.48	1,706.84

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 16 : REVENUE FROM OPERATIONS

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Sales of products (A)		
Cables Wires & Accessories	95,525.55	52,873.42
Total (A)	95,525.55	52,873.42
Sales of services (B)		-
Service Charges	181.84	26.08
Total (B)	181.84	26.08
Other operating revenues (C)		
Job Work Charges	-	-
Total (C)	-	-
Total Revenue from Operations (A)+(B)+(C)	95,707.39	52,899.50

Service Charges includes amount of Work Contract Services which includes Civil Work, Electrical Work, Transportation Charges, Security Charges and Other Liasoning Work

Note - 17 : OTHER INCOMES

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Income from non-current investments		
Miscellaneous Income	1.96	-
Total (A)	1.96	-
(B) Income from current investments		
Interest Income on FDRs	171.98	265.97
Dividends	-	-
Total (B)	171.98	265.97
Total (A)+(B)	173.94	265.97

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 18 : COST OF MATERIAL AND SERVICES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
A. COST OF MATERIAL		
Opening Stock	2,786.62	1,885.36
Add:		
Purchases and Adjustments	86,913.73	47,627.04
Total	89,700.35	49,512.40
Less:		
Transfers and Adjustments (at cost)		
Closing Stock	5,786.58	2,786.62
Total (a)	83,913.77	46,725.78
B. COST OF SERVICES		
Purchases for Civil Work	96.29	11.23
Purchases of Electrical Work	20.31	5.32
Civil Work Expenses	21.86	5.29
Contractor's Salary	3.42	1.35
Electrical Work	3.26	3.76
Total (b)	145.14	26.95
Total (a + b)	84058.91	46752.73

Note - 19 : DETAILS OF CHANGES IN INVENTORIES

Particulars	(Rs. in Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Opening Stock		
Finished Goods	1,526.28	752.04
Work in-Progress	1,520.32	634.47
Total (A)	3,046.60	1,386.51
Closing Stock		
Finished Goods	2,183.81	1,526.28
Work in-Progress	2,719.98	1,520.32
Total (B)	4,903.79	3,046.60
Change in Inventories	(1,857.19)	(1,660.09)

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 20 : OTHER MANUFACTURING EXPENSES

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Wages	448.29	376.80
Power & Fuel	190.60	120.85
Freight, Cartage & Custom Clearance	160.43	79.04
Job Work Charges	24.90	6.54
Repairs-Plant & Machinery	56.49	27.27
Factory Expenses	8.37	22.69
Testing Charges	1.43	4.51
Stores, Consumables & Packing	338.45	131.30
Total	1,228.96	769.00

Note - 21 : EMPLOYEE BENEFITS EXPENSES

(Rs. in Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Salaries & Wages, Bonus, Gratuity and Allowances	479.19	331.70
Contribution to PF, ESIC and Superannuation Fund	20.69	11.70
Staff Welfare Expense	10.83	7.40
Recruitment Expenses	-	2.83
Director's Remuneration	51.64	70.61
Total	562.35	424.24

Note - 22 : FINANCE COST

Particulars	As at 31st March, 2013	As at 31st March, 2012
Interest Expenses	1,261.27	841.50
Interest on Term Loans	144.55	302.80
Other Borrowing Cost	868.71	663.01
Bank Charges	984.06	608.48
Total	3,258.59	2,415.79

Shilpi Cable Technologies Ltd.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS AS ON 31st MARCH, 2013

Note - 23 : OTHER EXPENSES

Particulars	(Rs. In Lacs)	
	As at 31st March, 2013	As at 31st March, 2012
Amount Write Off	-	9.18
Books & Periodicals	0.22	0.16
Communication Exps	30.77	28.19
Conveyance Expenses	30.76	16.99
Donation & Charity	-	0.22
Entertainment Expenses	25.22	-
Fees & Subscriptions	9.26	16.74
Insurance	12.16	14.65
Hotel, Boarding & Lodging Expenses	-	10.52
Legal , professional and consultancy charges	263.22	120.39
Loss on Sale of Fixed Assets	9.57	0.80
Loading & Unloading Expenses	3.98	0.66
Miscellaneous Expenses	59.14	15.86
"Net gain/loss on foreign currency transactions/ translation (other than adjusted as finance costs)"	66.73	276.31
Office Expenses	6.77	3.20
Interest & Penalty	0.73	0.98
Interest on Duty and Taxes	29.99	-
Payment to Statutory Auditors	7.31	4.97
Power & Fuel	9.11	2.25
Property Tax	-	0.65
Postage, Telegram & Courier	2.64	3.23
Preliminary Expenses Written off	-	0.13
Printing Stationery and Periodicals	29.22	7.93
Repair & Maintenance	15.40	23.48
Rent, Rates & Taxes other than taxes on income	73.74	35.44
Security Expenses	27.61	29.44
Travelling Exps (Officers & Staff)	160.02	81.63
Vehicle Running & Maintenance	30.59	6.43
Advertising & Publicity Expenses	10.15	25.93
Business Promotion	32.28	6.28
Commission Expenses	0.14	1.86
Discount	46.53	19.46
Freight & Forwarding Expenses	140.98	50.68
Sales & Distribution Expense-Others	4.87	-
Service Division Expense	12.77	-
Others	4.70	16.93
Total	1,156.58	831.57

Notes 24 -OTHER NOTES TO THE ACCOUNTS
1 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (Rs. In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(A) Contingent Liabilities		
(a) Claims against the company not acknowledged as debts	1,101.42	-
(b) Guarantees		
- Bank Guarantees (For EPCG and Performance)	127.62	147.84
- Corporate Guarantee (For WC loans to Subsidiary)	5,500.00	-
Total	6,729.04	147.84
(B) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Others	-	-
Total	-	-
TOTAL [(A)+(B)]	6,729.04	147.84

2 The Details of Subsidiaries Companies

Name of Company	Origin	Shareholding	Status as on 31-03-2013
Shilpi Worldwide JLT	UAE	100%	wholly owned subsidiary

3 In the opinion of the Board of Directors the Current Assets, Loans and Advances have a value on realisation in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

4 In the opinion of the Board of Directors, provisions made for Income tax and other statutory dues are sufficient to meet liabilities under respective heads. However, any shortage or excess shall be dealt in the year of final disposal by the concerned authorities.

5 Disclosure in accordance with Revised AS-15 on "Employee Benefits"

The Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountants of India has been adopted by the Company. In accordance with the above Standard, the additional obligations of in accordance with the above Standard, the additional obligations of the Company, on account of employee benefits, based on independent actuarial valuation as per the transitional provisions of As - 15 (Revised 2005)

Shilpi Cable Technologies Ltd.

Defined Benefit Plans

Leave Encashment & Gratuity

Valuations in respect of Leave Encashments and Gratuity have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Principal actuarial assumptions	2012-13	2011-12	2010-11	2009-10	2008-09
Discount Rate (Per annum)	8.00%	8.50%	8.00%	7.50%	7.00%
Rate of increase in Compensation levels	5.50%	6.00%	5.50%	5.00%	4.50%
Rate of Return on Plan Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Expected Retirement Age of employees in no. of Years	60 Years	60 Years	60 Years	60 Years	60 Years

A. GRATUITY

i) Changes in present Value of Obligation

Present value of Obligation as at beginning of the period	24.58	17.66	3.85	2.36	2.41
Interest Cost	1.96	1.50	0.31	0.18	0.17
Current Service Cost	8.45	7.78	2.02	1.90	1.58
Past Service Cost	-	-	-	-	-
Benefit Paid	,(3.66)	(3.59)	(2.12)	(2.17)	(0.55)
Actuarial (Gains)/Loss on Obligation	,(4.96)	1.22	0.58	1.59	(1.25)
Present value of Obligation as at the end of period	26.38	24.58	4.64	3.85	2.36

ii) Changes in Fair value of Plan Assets

Present value of Plan assets as at the beginning of the period	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-
Actuarial (Gain)/Loss	-	-	-	-	-
Employees' Contributions	-	-	-	-	-
Benefits Paid	-	-	-	-	-
Fair Value of Assets as at the end of period	-	-	-	-	-
Total Actuarial gain to be recognised	,(4.96)	1.22	4.65	3.85	2.36

iii) Reconciliation of the Present Value of Defined Present Obligations and the Fair value of Assets

Present value of Obligation as at the end of period	26.38	24.58	4.65	3.85	2.36
Fair value of Plan Assets as at the end of period	-	-	-	-	-
Funded (Asset)/Liability recognized in the Balance Sheet	26.38	24.58	4.65	3.85	2.36
Unrecognized Past Service Cost	-	-	-	-	-
Net Liability recognized in the Balance Sheet	26.38	24.58	4.65	3.85	2.36

iv) Expenses recognized in the Profit and Loss Account

Current Service Cost	8.48	7.79	2.02	1.90	1.58
Past Service Cost	-	-	-	-	-
Interest Cost	1.97	1.50	0.31	0.18	0.17
Expected Return on Plan Assets	-	-	-	-	-
Net Actuarial (Gain)/Loss	,(4.96)	1.23	0.58	1.59	(1.25)
Total Expenses recognized in the Profit and Loss Account	5.45	10.52	2.91	3.66	0.05

B. EARN LEAVE ENCASHMENT

i) Changes in Present Value of Obligation					
Present value of Obligation as at the beginning of period	8.09	5.75	6.56	5.28	2.52
Interest Cost	0.65	0.49	0.52	0.40	0.18
Current Service Cost	4.21	3.83	3.88	3.20	2.80
Past Service Cost	-	-	-	-	-
Benefit Paid	(4.88)	(4.67)	-	-	-
Actuarial (Gains)/Loss on Obligation	1.3	2.69	(0.65)	(2.31)	(0.23)
Present value of Obligation as at the end of period	9.37	8.09	10.31	6.56	0.53
ii) Changes in Fair value of Plan Assets					
Present value of Plan assets as at the beginning of period	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-
Actuarial (Gain)/Loss	-	-	-	-	-
Employees' Contributions	-	-	-	-	-
Benefits Paid	-	-	-	-	-
Fair Value of Assets as at the end of period	-	-	-	-	-
Total Actuarial gain to be recognised	(1.30)	(2.69)	0.65	2.31	0.53
iii) Reconciliation of the Present Value of Defined Present Obligations and the Fair value of Assets					
Present value of Obligation as at the end of period	9.37	8.09	10.31	6.56	0.53
Fair value of Plan Assets as at the end of period	-	-	-	-	-
Funded (Asset)/Liability recognized in the Balance Sheet	9.37	8.09	10.31	6.56	0.53
Unrecognized Past Service Cost	-	-	-	-	-
Net Liability recognized in the Balance Sheet	9.37	8.09	10.31	6.56	0.53
iv) Expenses recognized in the Profit and Loss Account					
Current Service Cost	4.21	3.83	3.88	3.20	2.80
Past Service Cost	-	-	-	-	-
Interest Cost	0.65	0.49	0.52	0.40	0.18
Expected Return on Plan Assets	-	-	-	-	-
Net Actuarial (Gain)/Loss	1.3	2.69	(0.65)	(2.31)	(0.23)
Total Expenses recognized in the Profit and Loss Account	6.16	7.01	3.76	1.28	2.75

6 Debit / Credit balances of the parties are subject to confirmation / reconciliation.

7 (A) Based on the information available with the company in respect of MSME (as defined in the Micro Small & Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprises during the year.

(B) The above information regarding MSME has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

8 The company has provided excise duty on finished goods amounting Rs. 45.46 Lacs (Previous year Rs. 65.97 Lacs) at the end of year, there is no resultant impact on the profit for the year.

Shilpi Cable Technologies Ltd.

9 ADDITIONAL INFORMATION REQUIRED UNDER PART-II OF SCHEDULE 'VI' OF THE COMPANIES ACT, 1956

(Rs. In Lacs)

Particulars				2012-13	2011-12
a) Value of imports on CIF Basis :					
i) Capital Goods				1,714.51	-
ii) Raw Materials and Spare Parts				28,697.71	24,186.23
b) Expenditure in Foreign Currency :					
i) On Capital Goods				1,714.51	10.58
ii) Raw Materials and Spare Parts				25,786.77	21,061.81
iii) Others				488.55	33.28
c) Earning in Foreign Currency :					
i) Sales (Export)				559.92	-
ii) Others				0.20	518.17
d) Auditors' Remuneration :					
i) Statutory Audit Fee				5.50	3.25
ii) Tax Audit Fee				1.00	1.00
iii) Service Tax				0.81	0.44
e) Directors' Remuneration				51.80	70.61

10 Earning Per Share

Particulars				2012-13	2011-12
Weighted average number of shares outstanding during the year			Nos.	37,516,136	32,298,762
Net profit for the year attributable to Shareholders			Rs.	588,698,000	238,057,647
Earning per Share of Rs. 10/- each			Rs.	15.69	7.37
Diluted Earning per Share of Rs. 10/- each			Rs.	15.69	7.37

11 Leases :

Accounting for leases has been done in accordance with Accounting Standard-19 issued by ICAI. Following are the details of lease transactions for the year:

(A) Finance Lease

The Company does not have any finance lease agreement.

(B) Operating Lease

The Company does not have any operating lease agreement.

12 Segment wise Revenue, results and Capital employed are as follows :

Based on the guidelines of Accounting Standards on segment reporting (AS-17) issued by The Institute of Chartered Accountants of India, the Company is exclusively engaged in dealing in only one segment i.e manufacturing of cable and accessories, hence there is only one primary segment in context of accounting standards 17 on Segment Reporting issued by ICAI. The company is not operating in any of the geographical segment.

13 Details of transactions entered into with related parties during the year is as follows:

a) List of Related Party

- i) Subsidiary Company : M/s Shilpi Worlwide JLT
- ii) Associates Companies : M/s MVM Impex Pvt. Limited
: M/s Shilpi Cables Pvt. Limited
: M/s Gloster Metals & Alloys Private Limited
: M/s Shilpi Communication Private Limited
- (iii) Key Management Personnel : 1. Mr. Mukesh Kumar Gupta
: 2. Mr. Manish Goel
: 3. Mr. Ghanshyam Pandey
- iv) Directors' Relative : 1. Mrs. Laxmi Pandey Wife of Mr. Ghanshyam Pandey
: 2. Mrs. Anukriti Goel Daughter in Law of Mr. Mukesh Kr. Gupta
: 3. Ms. Shilpi Goel Daughter of Mr. Mukesh Kr. Gupta
: 4. Mr. Vishal Goel Son of Mr. Mukesh Kr. Gupta
: 5. Mrs. Sharda Rani Wife of Mr. Mukesh Kr. Gupta

b) In Conformity with Accounting Standard 18 issued by ICAI, the transactions with related parties during the financial year and outstanding Balances as on 31.03.2013 are given under:

Particulars	(Rs. In Lacs)			
	Subsidiary Company	Associates Companies in which Directors are interested	Key Management Personnel	Relative of Directors
Purchases	-	-	-	-
Expenses				
Salaries/Remuneration	-	-	51.80	25.80
Others	-	6.00	4.60	2.70
Sales	-	-	-	-
Job Works Charges	-	-	-	-
Receipts				
Share Application Money	-	-	-	-
Unsecured Loan	-	3,436.80	141.00	-
Loans & Advances	-	-	-	-
Payments				
Unsecured Loan (Repayment)	-	2,803.65	606.64	-
Loans & Advances	416.19	-	-	-
Share Capital	-	-	-	-
Outstanding as on 31st March 2013				
Payable				
Unsecured Loan	-	1,025.63	297.08	-
Loans & Advances	-	-	-	-
Others	-	0.55	17.08	5.86
Receivable	569.59	-	-	-
Corporate Guarantees	5,500.00	-	-	-

Shilpi Cable Technologies Ltd.

14 Prior years Figures have been regrouped, rearranged & recast where considered necessary to conform to the current period's classification

15 All the figures have been rounded off to the nearest lakh Rupees.

As per our audit report of even date attached

For RMA & Associates

Chartered Accountants

FRN : 000978N

Pankaj Chander

(Partner)

M.No. 089065

Mukesh Kumar Gupta

(Managing Director)

DIN No. 00163044

For and on behalf of the Board of Directors

Manish Goel

(Director)

DIN No. 00163105

Shruti Bhardwaj

(Company Secretary)

Place : New Delhi

Date : 09.05.2013



Consolidated Cash Flow Statement for the year ended 31st March, 2013

Sr. No.	Particulars	As on	
		31-03-2013	31-03-2012
A	Cash Flow from Operations		
	Profit before Taxation	7,008.66	3,295.15
	Adjustments for:		
	Depreciation	368.03	337.08
	Misc. Expenses written off	(0.28)	0.13
	Financial Charges	3,258.59	2,415.79
	Provision for Grauity, Leave Encashment etc.	14.98	17.53
	Payment of Gratuity, Leave Encashment etc.	-	(7.44)
	Interest Income	(173.94)	(265.97)
	(Profit)/Loss on Sale of Fixed Assets	9.57	0.80
	Operating Profit before Working Capital Changes	3,476.95	2,497.92
	(Increase)/Decrease in Current Assets	10,485.61	5,793.07
	Inventories	(4,902.17)	(631.81)
	Sundry Debtors	(5,519.06)	(13,941.08)
	Other Current Assets	(243.57)	343.10
	Increase/(Decrease) in Current Liabilities	(10,664.80)	(14,229.79)
	Sundry Creditors	3,848.55	9,629.44
	Expenses Payable	(10.98)	80.02
	Short-Term Borrowings	397.08	151.36
	Other Liabilities	(255.87)	318.79
	Cash Inflow/(Outflow) from Operations	3,978.78	10,179.61
	Taxes Paid	3,799.59	1,742.89
	Wealth Tax Paid	(0.08)	(0.33)
	Income Tax Paid	(590.83)	(303.63)
	Net Cash Inflow/ (Outflow) from Operation (A)	3,208.68	1,438.93
B	Cash Flow from Investing Activities		
	Addition to Fixed Assets	(2,198.14)	(1,846.55)
	Sale of Fixed Asset	8.96	3.71
	Change in Capital WIP	1,731.79	
	Income from Interest/Dividends	173.94	265.97
	Long-Term Loans & Advances	163.02	(118.99)
	Investments	(1,535.03)	(1,337.38)
	Net Cash Inflow/ (Outflow) from Investing Activities (B)	(1,655.46)	(3,033.24)
C	Cash Flow from Financing Activities		
	Increase in Share Capital	521.74	1,331.62
	Increase in Cash Reserves	-	2,437.37
	Increase/(Decrease) in Share Application Money	(521.74)	(14,896.00)
	Minority Interest	1.46	(551.76)
	Prior Period Adjustments	(38.52)	-
	Increase/(Decrease) in Long-Term Borrowings	2,636.91	1,133.85
	Financial Charges Paid	(3,258.59)	(2,415.79)
	Net Cash Inflow/(Outflow) from Financing Activities (C)	(658.74)	(12,960.71)
	Foreign Currency Translation Reserve	66.32	41.68
	Net Change in Cash and Cash Equivalents during the Year	960.80	(14,513.34)
	Cash and Cash Equivalents at the beginning of the year	1,739.67	16,253.01
	Cash and Cash Equivalents at the end of the year	2,700.46	1,739.67

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'
- Previous year's figures have been regrouped / rearranged / recasted whenever necessary to make them comparable with those of current year.

As per our audit report of even date attached

For RMA & Associates

Chartered Accountants
FRN : 000978N

Pankaj Chander

(Partner)
M.No. 089065

Mukesh Kumar Gupta

(Managing Director)
DIN No. 00163044

For and on behalf of the Board of Directors

Manish Goel

(Director)
DIN No. 00163105

Shruti Bhardwaj

(Company Secretary)

Place : New Delhi

Date : 09.05.2013



IMPORTANT MESSAGE

Dear shareholder

Sub:Green Initiative in Corporate Governance

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular no 17/2011 dated 21.04.2011 and circular no 18/2011 dated 29.04.2011 issued by the Ministry, Companies can now send various notices and documents, including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute to the corporate Social Responsibility initiative of the Company.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below and send it back in the attached postage prepaid envelope at below stated address:

BEETAL Financial & Computer Services (P) Limited

Beetal House,3rd Floor,99 Madangir,Behind Local Shopping Centre

Near Dada Harsukhdas Mandir,New Delhi - 110062

Tel:011 29961281; **Fax:**011 29961284

You can also download the attached registration form from Company's website www.shilpicables.com

Lets be part of this "Green Initiative".

Please note that as a member of the Company you will be entitled to receive all such communication in physical form, upon request.

Thanking you

Yours Truly

For Shilpi Cable Technologies Ltd

Mukesh Kumar Gupta

Managing Director

Shilpi Cable Technologies Ltd.

E-Communication Registration Form

Folio No./ DP ID & Client ID :

Name of 1st Registered Holder :

Name of the Joint Holder(s) :

Registered Address :

E-mail ID (to be registered) :

I/We Shareholder(s) of Shilpi Cable Technologies Limited agree to receive Communication from the Company in electronic mode.

Please register my above e-mail id in your record for sending all future communication through e-mail.

Dated :

.....
Signature of Shareholder

Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.



Shilpi Cable Technologies Ltd.

Regd.Office: A-19/B-1 Extension Mohan Co-op. Industrial Estate, Mathura Road, P.O. Badarpur



ATTENDANCE SLIP

(To be completed and Handed Over the Entrance of the Meeting Hall)

DP.Id.

Folio No.

Client Id.

No of Shares held.....

All particulars should tally with the Company's records

I hereby record my presence at the 7th Annual General Meeting of the Company held at 11.30 a.m. on Wednesday the 25 September 2013 at the Aiwan E Ghalib Auditorium, Mata Sundari Lane, ITO, Delhi-110002

Members Name(Sole Applicant).....

(1st Joint holder).....

(2nd Joint holder).....

Father's Name.....

Complete Address.....

Proxy's Name

I certify that I am registered share holder / proxy for the registered share holder of the company.

.....
(Member's/Proxy's Signature)

- NOTES:**
1. Attendance slip which is not complete in all respects shall not be accepted.
 2. This attendance slip is valid only in case shares are held on the date of the meeting



Shilpi Cable Technologies Ltd.

Regd.Office: A-19/B-1 Extension Mohan Co-op. Industrial Estate, Mathura Road, P.O. Badarpur



PROXY FORM

(To be filled by the Share Holder)

DP.Id.

Folio No.

Client Id.

No of Shares held.....

I/We.....of.....(Address) being

The member/Members of Shilpi Cable Technologies Ltd hereby appoint Mr./Mrs.....of

.....falling him/her, Mr./ Ms.....

Of.....as my/our proxy to vote for me/us, on

my/our behalf at the 7th Annual General Meeting of the Company held at 11.30 a.m. on Wednesday the 25 September 2013 at the Aiwan E Ghalib Auditorium, Mata Sundari Lane, ITO, Delhi-110002 and at any adjournment thereof.

As witness my/our hand thisday of2013

.....
Signature

- Note:**
1. The proxy form duly executed and properly stamped should reach the Company's Registered office at least 48 hours before the time of the meeting.
 2. The proxy need not be a member.
 3. Proxy cannot speak at the meeting or vote on a show of hands.



Shilpi Cable Technologies Ltd.

A-19/B-1 Extension, Mohan Co-op. Industrial Estate,
Mathura Road, P.O. Badarpur, New Delhi - 110044, India
Tel. : +91 11 43117900 Fax : +91 11 43117902