



## CORDS CABLE INDUSTRIES LTD.

REGD. OFFICE : 94, 1st Floor, Shambhu Dayal Bagh Marg,  
Near Okhla Industrial Area Phase-III,  
Old Ishwar Nagar, New Delhi - 110020  
Tel : +91-11-40551200 ; Fax : +91-11-40551281  
Website : www.cordscable.com ; Email : ccil@cordscable.com  
CIN : L74999DL1991PLC046092

August 31, 2019

Listing Department (Compliance Cell), National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051	Listing Department (Compliance Cell), Bombay Stock Exchange Ltd. Floor 25, PJ Towers, Dalal Street, Mumbai- 400 001
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**Sub: Submission of Annual Report 2018-2019**


Dear Sir(s),

Pursuant to the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Please find enclosed herewith Annual Report of the company for the financial year 2018-2019 for your records and reference.

This is in compliance with the provisions of SEBI (LODR) Regulations, 2015. You are requested to kindly acknowledge receipt of the same.

Thanking You,

**For CORDS CABLE INDUSTRIES LIMITED**  
**For Cords Cable Industries Ltd.**

  
Company Secretary

**Garima Pant**

Company Secretary

**Works :**

(UNIT I) : A-525, E-518, 519, 520, Industrial Area Chopanki, Bhiwadi, Distt. Alwar - 301707 (Rajasthan) Tel. No. : +91-7230003177  
(UNIT II) : SP-239, 240, 241, Industrial Area Kaharani, Bhiwadi, Distt. Alwar - 301019 (Rajasthan) Tel. No. : +91-7230003176

Annual Report  
**2018-19**





**INDEX**

<b>CONTENTS</b>	<b>PAGE NOS.</b>
Corporate Profile .....	02
Management Discussion and Analysis Report .....	03-06
Directors Report .....	07-57
Independent Auditor's Report .....	58-62
Balance Sheet .....	63
Profit & Loss Account .....	64
Cash Flow Statement .....	65
Notes on the Financial Statement .....	66-92



**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Naveen Sawhney	Managing Director
Mr. Sanjeev Kumar	Whole Time Director
Mr. Vijay Kumar	Independent Director (Non-Executive)
Mr. Vimal Dev Monga	Independent Director (Non-Executive)
Mrs. Asha Bhandari	Independent Director (Non-Executive)

**MANAGEMENT TEAM**

Mr. Varun Sawhney	Vice President (Marketing, HR & IT)
Mr. Gaurav Sawhney	Vice President (Finance and Banking)
Mr. Hemant Kumar Pandita	Vice President (Marketing)
Mr. Sumer Misri	Senior General Manager (Export)
Mr. Sandeep Kumar	General Manager (Accounts & Taxation)
Mr. Anil Kumar Gupta	General Manager (Technical)
Mr. Jugendra Singh	General Manager (Sales & Marketing)
Mr. Ajay Dixit	General Manager (Sales & Marketing)

**COMPANY SECRETARY**

Ms. Garima Pant

**CHIEF FINANCIAL OFFICER**

Mr. Manoj Kumar Gupta

**REGISTRAR AND SHARE TRANSFER AGENT**

Link Intime India Private Limited  
Noble Heights, 1st Floor, C- 1 Block  
LSC, Near Savitri Market  
Janakpuri, New Delhi- 110028  
Tel No - +91-011-41410592, 93,94  
Fax No- +91-011-41410591  
[Email-delhi@linkintime.co.in](mailto:Email-delhi@linkintime.co.in)

**STATUTORY AUDITORS**

M/s Alok Misra & Co.  
Chartered Accountants  
New Delhi

**BANKERS / FINANCIAL INSTITUTIONS**

Canara Bank  
ICICI Bank Limited  
Karnataka Bank Limited  
Vijaya Bank  
State Bank of India  
Rajasthan State Industrial Development & Investment Corporation Ltd. (RIICO Ltd.)  
Bajaj Finance Limited  
Tata Capital Financial Services Limited  
HDFC Bank Limited

**Email ID-**

For Investor- [csco@cordscable.com](mailto:csco@cordscable.com)  
For Others - [ccil@cordscable.com](mailto:ccil@cordscable.com)  
Website - [www.cordscable.com](http://www.cordscable.com)

**REGIONAL OFFICES**

(1) Mumbai (2) Hyderabad (3) Kolkata

**STOCK EXCHANGES**

Bombay Stock Exchange Limited  
National Stock Exchange of India Limited

**REGISTERED OFFICE**

**Cords Cable Industries Limited**  
CIN : L74999DL1991PLC046092  
94, 1st Floor, Shambhu Dayal Bagh Marg,  
Near Okhla Industrial Area Phase-III,  
Old Ishwar Nagar, New Delhi-110020  
Tel No- +91-011-40551200  
Fax No-+91-011-40551280/81

**PLANT LOCATIONS**

- 1) A-525, E-518, 519, 520, Industrial Area Chopanki, Bhiwadi, District-Alwar (Raj) 301 707
- 2) SP-239, 240, 241, Industrial Area Kahrani, Bhiwadi, District-Alwar (Raj) 301 019

## MANAGEMENT DISCUSSION & ANALYSIS

### ECONOMIC OVERVIEW

#### Global Economy

As per IMF, following a broad-based upswing in cyclical growth that lasted nearly two years, the global economic expansion decelerated in the second half of 2018. Activity softened amid an increase in trade tensions and tariff hikes between the United States of America and China, a decline in business confidence, a tightening of financial conditions, and higher policy uncertainty across many economies. Against this global backdrop, a combination of country- and sector-specific factors further reduced momentum. After peaking at close to 4 percent in 2017, global growth remained strong, at 3.8 percent in the first half of 2018, but dropped to 3.2 percent in the second half of the year.

Reflecting the slowdown in activity in the latter half of 2018 and the first half of 2019, global growth is set to moderate from 3.6 percent in 2018 to 3.3 percent in 2019, and then to return to 3.6 percent in 2020. The projected pickup in the second half of 2019 is predicated on an ongoing build-up of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies. The outlook for inflation largely mirrors the prospects for growth and commodity prices. Inflation is projected to remain broadly at current levels for the advanced economy group, while for the emerging market and developing economy, it is set to resume its steady decline of the past decade after a temporary modest rise this year.

Source - <https://www.imf.org/en/Publications/WEO/Issues/2019/03/28/world-economic-outlook-april-2019> - Global Prospects & Policies

#### Indian Economy

India's economy grew slower than expected at 6.8% for the year 2018-19 which was led by slowdown in the H2 of 2018-19 mainly led by NBFCs which has been under severe liquidity pressure affecting consumption finance as well as rural distress adding it to it. Responding to the emergent situation, the Reserve Bank of India cut the policy rate by 25 basis points or 0.25 per cent making it three cuts in a row. The CPI Inflation decreased to 3.4% in 2018-19 from 3.6% in 2017-18. India's per-capita income increased 10% to ₹ 10,534 per month in 2018-19 from ₹ 9,580 in FY19 which is an indicator of the prosperity of a country.

The Economic Survey projected a GDP growth at 7 per cent in the 2019-20 fiscal year. India may face challenge on the fiscal front following the economic slowdown that's expected to impact tax collections amid rising state expenditure on the farm sector. The other challenges may include oil prices after Iran sanctions, below-target revenue from the Goods and Services Tax, sourcing funds for big schemes, farmer's income and healthcare.

Investment, especially private investment, is the "key driver" that drives demand, creates capacity, increases labour productivity, introduces new technology, allows creative destruction, and generates jobs.

As articulated by the Prime Minister, Shri. Narendra Modi, India aims to grow into a USD 5 trillion economy by 2024-25, which will make India the third-largest economy in the world. Given 4% inflation, as the Monetary Policy Framework specified by the Government for the Reserve Bank of India, this requires real annual growth rate in GDP of 8%.

Source - <https://economictimes.indiatimes.com/news/economy/indicators/indias-gdp-growth-slips-to-5-8-percent-in-q4/articleshow/69597967.cms?from=mdr>  
<https://www.indiabudget.gov.in/economicsurvey/> - Economic Survey  
<https://economictimes.indiatimes.com/news/economy/indicators/the-rbi-delivers-with-25-bps-cut-now-all-is-up-to-the-rain-god/articleshow/69674076.cms> - Repo Rate Cut

#### Industry Scenario

The Indian Wire & Cables Industry was estimated to be of ₹ 596 Bn in FY19 which is further estimated to grow to ₹ 686 Bn in FY20. The industry size was ₹ 393 Bn in FY16. The factors behind the cable industry growth in the industry has been and will be due to the huge growth in infrastructure by the government majorly led by investments in smart cities, railways, metro rails, airport development and modernization, freight corridors, power sector, water desalination, sewage treatment, building automation and hydrocarbon sector etc.

The cables and wires industry in India has seen many improvements in the past decade. It has grown from a small industry to a substantially large one during this period. Increased infrastructure spending by the government will boost growth in cables and wires as new construction activities will increase demand for elastomeric and flexible cables, development in infrastructure drives growth for commercial and industrial buildings thus increasing demand for building wires and LV cables. Demand for fire survival cables will be supported by metro, airport and commercial real estate projects. Changing trends in relation to home improvements and increasing disposable incomes to boost demand for retail building wires segment.

The prospects of the Wire and Cable industry are interlinked with the other industries viz: Power, Telecom, Railways, Aviation, Water, FMCG, Real estate, Steel, Cement, Refineries and Infrastructure etc. With investments across different infrastructure segments in the background of government initiatives, the demand for cables is expected to increase considerably.

With the growth of other related industries, the Indian Wire and Cable industry is indeed bound to grow & prosper.

## COMPANY OVERVIEW

Cords Cable Industries Limited (CORDS) is a specialised Control & Instrumentation cable company offering wide range of cable products to multiple industries. CORDS has over 3 decades of rich experience and enjoys a strong brand image, especially in the B2B segment. CORDS designs, develops and manufactures a varied range of Instrumentation, Control, Thermocouple Extension / Compensating, Communication and Power Cables. The company's state of the art manufacturing plants are located at Alwar in Rajasthan.

CORDS is in the business of providing cost-effective and quality solutions for various electrical connectivity requirements. CORDS has carved a niche in manufacturing of customised cables as per the customer's specifications. 95% of the company's orders are based on customer specifications. 81% of the company's cable comprises of Instrumentation & control cables and balance 19% comprises of Power cables. Investments in infrastructure and various industries will prove to be a big positive for the company. CORDS continuously strives to achieve higher efficiencies, cost control, better preventive maintenance and focuses on improving its product mix to attain economies of scale.

Company's current capacity stands at 65,000 Kms p.a. spread across 2 manufacturing facilities in Rajasthan. Chopanki unit has a capacity of 30,000 Kms p.a. while Kahrani unit has a capacity of 35,000 kms p.a. The wire and cable manufactured conform to International standards such as EN, BS, IEC & VDE. The cables cater to various areas which include oil & gas, hydrocarbons, airports, railways, metro rail, smart cities as well as power sector.

## OPPORTUNITIES IN VARIOUS SECTORS

### Oil & Gas

As per IBEF, the oil and gas sector is among the eight core industries in India and plays a major role in influencing decision making for all the other important sections of the economy. India's economic growth is closely related to energy demand; therefore the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investment.

The Government of India has adopted several policies to fulfil the increasing demand. The government has allowed 100 per cent Foreign Direct Investment (FDI) in many segments of the sector, including natural gas, petroleum products, and refineries, among others. Today, it attracts both domestic and foreign investment. India is expected to be one of the largest contributors to non-OECD petroleum consumption growth globally. Oil imports rose sharply to US\$ 87.37 billion in 2017-18 from US\$ 70.72 billion in 2016-17. India retained its spot as the third largest consumer of oil in the world in 2017 with consumption of 4.69 mbpd of oil in 2017, compared to 4.56 mbpd in 2016.

According to data released by the Department of Industrial Policy and Promotion (DIPP), the petroleum and natural

gas sector attracted FDI worth US\$ 7.00 billion between April 2000 and December 2018. Energy demand of India is anticipated to grow faster than energy demand of all major economies, on the back of continuous robust economic growth. Consequently, India's energy demand as a percentage of global energy demand is expected to rise to 11 per cent in 2040 from 5.58 per cent in 2017. Crude oil consumption is expected to grow at a CAGR of 3.60 per cent to 500 million tonnes by 2040 from 221.76 million tonnes in 2017. Natural Gas consumption is forecasted to increase at a CAGR of 4.31 per cent to 143.08 million tonnes by 2040 from 54.20 million tonnes in 2017. The growth in the oil and gas industry will lead to growth in speciality & control cables.

Source – IBEF <https://www.ibef.org/industry/oil-gas-india.aspx>

### Railway

Cables are an integral part of the railway infrastructure for current supply, control tasks, data transmission etc. In the Budget 2019, government proposed to use public-private partnerships to unleash faster development and completion of tracks, rolling-stock manufacturing and delivery of passenger freight services. Private investments are being pushed thanks to the ₹ 50-trillion investment required between 2018 and 2030, which the government would find difficult to generate by itself.

As much as ₹ 28,100 crore is expected to come during the current year from PPP initiatives. This will include station redevelopment. The Budget estimates government investment in railways to increase by a good 24 per cent to ₹ 65,837 crore from ₹ 53,060 crore in 2018-19. The boost for railway infrastructure will generate demand for cables industry as well.

During the financial year 2018-19, new Metro Rail projects for a total route length of 300 kms have been approved. Moreover, during 2019, nearly 210 kms metro lines have been operationalized. With this, a total of 657 kms of Metro Rail network has become functional across the country,

Source - [https://www.business-standard.com/budget/article/budget-2019-rs-50-trn-investments-in-railways-by-2030-ppp-model-allowed-119070501286\\_1.html](https://www.business-standard.com/budget/article/budget-2019-rs-50-trn-investments-in-railways-by-2030-ppp-model-allowed-119070501286_1.html)

<https://www.financialexpress.com/budget/railway-budget-2019-indian-railways-to-focus-on-suburban-network-boost-for-rapid-rail-and-metro/1632632/>

### Power

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

Between April 2000 and December 2018, the industry attracted US\$ 14.18 billion in Foreign Direct Investment



(FDI), accounting for 3.48 per cent of total FDI inflows in India.

In Budget 2019, Government proposed “one nation one grid” for affordable power to states. She said the much-needed power reforms — such as the power tariff reform — should be soon taken up. The Saubhagya – ‘Pradhan Mantri Sahaj Bijli Har Ghar Yojana’ — scheme was launched by Prime Minister Narendra Modi in September 2017 to achieve household electrification by providing last-mile connectivity and electricity connections to all households in rural and urban areas. 100% electrification target has been met in all states barring Chhattisgarh — where power penetration currently stands at 99.67%.

As per Central Electricity Authority estimates, total power generation (thermal, hydel and nuclear combined) is expected to grow 6.5% this fiscal — almost double of last year’s 3.5% growth). Total generation is likely to be around 1,330 billion in 2019-20, of which 85% would be thermal. All round supply through out the country will benefit the power cables in India for Cords.

Source – IBEF - <https://www.ibef.org/industry/power-sector-india.aspx>

<https://economictimes.indiatimes.com/industry/energy/power/union-budget-2019-sitharaman-proposes-one-nation-one-grid-for-power-sector/articleshow/70084111.cms>

### **Airport Infrastructure Development**

The civil aviation industry in India has emerged as one of the fastest growing industries in the country during the last three years. India is currently considered the third largest domestic civil aviation market in the world. Domestic passenger traffic grew YoY by 18.28 per cent to reach 243 million in FY18 and is expected to become 293.28 million in FY20E. International passenger grew YoY by 10.43 per cent to reach 65.48 million in FY18 and traffic is expected to become 76 million in FY20E.

According to data released by the Department of Industrial Policy and Promotion (DIPP), FDI inflows in India’s air transport sector (including air freight) reached US\$ 1,817.23 million between April 2000 and December 2018. India’s aviation industry is expected to witness ₹ 35,000 crore (US\$ 4.99 billion) investment in the next four years. The Indian government is planning to invest US\$ 1.83 billion for development of airport infrastructure along with aviation navigation services by 2026.

Specialized Cables are used for these types of developments and developing airport infrastructure indirectly increases usage of specialized cables

Source - <https://www.ibef.org/industry/indian-aviation.aspx>

### **RISKS, THREATS AND CONCERNS**

**Finance Cost Risk:** Finance Cost risk arises due to payment of high rate of interest on term loans and other funds & non-fund based facilities being availed by the company from banks and other financial institutions. The company tries to minimize this risk by keeping a check on the interest rates charged by various banks and by

swapping its long term/short term loans with banks charging lesser interest rates.

**Liquidity Risk:** Liquidity risk is the risk that the company may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital or income in the process. The company manages the liquidity risk by ensuring the availability of adequate funds at all times to meet its liability obligations on before the due dates.

**Raw Material Availability and Price Fluctuations:** Scarce availability and price-volatility in Company’s Basic Raw Materials - Copper, Aluminium, Steel, and PVC etc. can severely impact the profits of the Company. To mitigate these risks, the Company inculcates MOUs with its suppliers, price-booking of raw materials, price escalation clauses for large orders and hedges these raw-materials on the commodity exchange.

**Foreign Exchange Risk:** Foreign exchange risk is a financial risk posed by an exposure to unanticipated changes in the exchange rate between two currencies. Company imports a part of its raw materials and is also engaged in export of its products. To mitigate this risk, the company resorts to forward booking where deemed appropriate.

**Human Resource Risk:** In the absence of quality human resources, the company may not be able to execute its growth plans. To mitigate this risk, the company places due importance to 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.

### **RESULTS OF OPERATIONS**

(INR in Lacs)

Particulars	FY’19	FY’18
<b>Gross Sale</b>	<b>48,949.71</b>	<b>42,843.93</b>
<b>Net Income from Operations</b>	<b>41,674.59</b>	<b>36,537.88</b>
<b>Total Expenditure</b>		
Consumption of Raw Material	<b>33,453.45</b>	29,207.66
Manufacturing Expenses	<b>1,644.86</b>	1,204.58
Staff Cost	<b>1,862.47</b>	1,579.18
Administrative & Other expenses	<b>795.32</b>	1,000.74
<b>OPBITDA</b>	<b>3,918.49</b>	<b>3,545.72</b>
Depreciation & Amortisation	<b>567.35</b>	506.04
<b>OPBIT</b>	<b>3,351.14</b>	<b>3,039.68</b>
Finance charges (Net)	<b>2,392.58</b>	2,293.97
<b>OPBT</b>	<b>958.56</b>	<b>745.71</b>
Non Operating Income / Other Income	<b>175.42</b>	175.65
<b>PBT</b>	<b>1,133.98</b>	<b>921.36</b>
Current Year tax	<b>361.34</b>	277.74
Deferred tax	<b>37.22</b>	17.43
<b>Other Comprehensive Income</b>	<b>0.83</b>	(1.96)
<b>PAT</b>	<b>736.25</b>	<b>624.23</b>



During the year under review, Net Sales from Operations stood at ₹ 41,674.59 Lacs, as against ₹ 36,537.89 Lacs in FY'18.

The Operational Profit, before making provision for Interest, Depreciation and Amortization, stood at ₹ 3,918.49 Lacs for FY'19 as against ₹ 3,545.72 Lacs in FY'18. Thereby, the Profit After Tax during the year stood at ₹ 736.25 Lacs, as against ₹ 624.23 Lacs in the previous Financial Year' 18.

Your company has added many new customers in the last one year which are expected to result in multiplying effect into sales, growth in coming years and with Hydrocarbon sector currently being the largest contributor to the revenue stream and across other core sectors and industries like Metro Rails, Freight Corridors, Oil & Gas, FMCG, Ferrous & Non Ferrous Metals, Cement, Metals, Fertilizers, Chemicals, FMCG, Renewable Power, Nuclear & Thermal Power, Indian Railways, Refineries, LPG Bottling, Airports Development & Modernization, Water Desalination, Building Automation, Sewage Treatment etc. CORDS is Pre-qualified supplier and has approvals from a large number of large private corporates as well as PSUs including Cairn, Delhi Metro, ONGC, CPCL, HPCL, IOCL, Bombardier, Asian Paints, Honeywell, BHEL, Tata Steel, Sun Pharma, NTPC, Shree Cement, Engineers India Ltd., L&T, GE, Biocon, Alstom, ACC, ABB, Jubilant Life Sciences, Ansaldo STS, Hitachi, Samsung, Abu Dhabi National Oil Co., Petroleum Development Oman, Yemen Petroleum Co. The company is also exporting cables to various countries in the Middle-East, South East Asia and Africa.

**SIGNIFICANT CHANGES IN FINANCIAL RATIOS**

During the year, on a standalone basis, there was no significant change i.e. which are more than 25% as compared to the previous year, in the financial ratios compared to the previous year. However, there is a slight change in Return on Net Worth as compared to the previous year which is summarized below:

Particular	Consolidated		Change (%)	Reason for Change
	FY 2018-19	FY 2017-18		
Return on Net worth	7.93%	6.81%	1.12%	Growth in return on Net Worth is on account of growth in sales.

**SEGMENTAL OVERVIEW**

The company operates under a single product segment i.e. Cables. The company mainly focuses on specialized instrumentation cable and control cables which differentiates it from most other wire & cable players in the country.

**INTERNAL CONTROL SYSTEM**

The system of Internal Control provides for maintenance of proper accounting records, reliability of financial information and assures its operations are effective and efficient, and its activities comply with applicable laws and regulations. The internal audit is carried out by an independent firm of Chartered Accountants and covers all the key areas of the company's business.

**INDUSTRIAL RELATIONS AND HUMAN CAPITAL**

The Company strives to provide the best working environment with ample opportunities to grow and explore. The Company maintained healthy, cordial and harmonious industrial relations at all levels throughout the year. Every initiative and policy of the Company takes care of welfare of all its employees. The human resource development function of the Company is guided by a strong set of values and policies.

**FUTURE OUTLOOK**

The vision of CORDS is to be recognized as a leading global player, providing products and services, offering comprehensive solutions to the electrical, data and signal connectivity requirements of businesses as well as household users. It focuses on capturing new markets by developing customers in new and existing territories, to provide new cables for special applications like solar, marine, low temperature cables, cables for automobiles etc.

**DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**CAUTIONARY STATEMENT**

*Statement made in this report in describing the company's objectives, estimates and expectations are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events but the company, however, cannot guarantee that these assumptions are accurate or will be materialized by the company. Actual results may vary from those expressed or implied, depending upon the economic conditions, Government policies and/ or other related factors.*

On Behalf of The Board of Directors

**Naveen Sawhney**  
**Managing Director**  
**DIN : 00893704**

**Sanjeev Kumar**  
**Whole Time Director**  
**DIN : 07178759**

New Delhi  
 August 13, 2019

## DIRECTORS' REPORT

To,

Dear Members,

Your Directors take pleasure in presenting the 28<sup>th</sup> Annual Report of your company together with the audited statement of accounts for financial year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	FY 2018-19	FY 2017-18
Revenue from Operations	41,674.59	36,537.88
Other Income	175.42	175.65
<b>Total Income</b>	<b>41,850.01</b>	<b>36,713.53</b>
<b>Operating Expenditure</b>	<b>37,756.10</b>	<b>32,992.16</b>
<b>Profit before interest, tax and depreciation (PBITD)</b>	<b>4,093.91</b>	<b>3,721.37</b>
Finance Cost	2,392.58	2,293.97
Depreciation	567.35	506.04
<b>Profit before tax (PBT)</b>	<b>1,133.98</b>	<b>921.36</b>
Provision for Tax	398.56	295.17
Other Comprehensive Income	0.83	(1.96)
<b>Profit after Tax (PAT)</b>	<b>736.25</b>	<b>624.23</b>
Profit brought forward from previous year	6,157.79	5,533.56
Profit available for appropriations	6,894.04	6,157.79
<b>Appropriations:</b>		
Transferred to General Reserve	-	-
Profit carried forward	6,894.04	6,157.79

### COMPANY'S PERFORMANCE/STATE OF COMPANY'S AFFAIRS

During the year under review, your company's total revenue stood at ₹41850.01 lacs as against ₹36713.53 lacs in the previous year. Your Company earned Profit Before Interest, Tax and Depreciation of ₹4093.91 lacs as against a PBITDA of ₹3721.37 lacs in the previous year. The interest cost was ₹2392.58 lac as against ₹2293.97 lacs in the previous year. The finance cost includes the Preference Share Dividend and tax thereon as and when approved and declared in Annual General Meeting (AGM). Preference Dividend paid in F.Y. 2017-18 was ₹ 16.86 lacs and in the FY 2018-19 was ₹19.29 lacs.

Your company earned profit after tax for the year of ₹736.25 lacs as against a PAT of ₹624.23 lacs earned in the previous year.

FY 2018-19 witnessed a lot of investment in infrastructure by government & private players in the focus areas of power, railway, metro rails, roads & related sectors. The cables are an integral part of all the development undertaken and hence its demand tends to move in tandem with it. The overall development also led to rise in demand of your company's products and is expected to continue given huge capital expenditures lined up for the upcoming years. As a result, company's net sales grew by 14% and profit after taxes grew by more than 18% for FY19 vs. FY18. Our efforts to manage the finance cost

has been showing in our performance for the year which only grew by about 4% whereas top line grew by much higher than that. Increased capacity utilization is expected to further improve financial performance of the company going forward.

#### Newly added prestigious export/domestic clients

Your company in the previous year has been approved by many reputed institutions and authorities as their vendor which testifies our excellent product quality. Your company started the year with getting approved as vendor for a Gulf Oil major in the hydrocarbon sector for instrumentation, control, fiber optics & LV power distribution. Company received revalidation as approved vendor for Engineers India Limited (EIL).

Your company was also approved as a pre-qualified supplier with Airports Authority of India (AAI), approved vendor with Raipur Development Authority (RDA) for supplying of cables for 3 years, approved vendor for Government works in the state of Punjab for "Aluminium Conductor LT Cables (ISI Marked)" and approved vendor for RDSO (Research Design & Standards Organization) under Government of India – Ministry of Railways.

Your Company's current focus is on increasing its business from a variety of segments including the Hydrocarbons, Freight Corridor, Smart Cities Mission, Railway signalling and Protection systems and various Infrastructure projects.

**CAPITAL STRUCTURE**

During the Financial Year under review, Company has not issued any Equity/ Preference shares to its shareholders.

The Authorised Capital of the Company is ₹ 17,10,00,000/- (Rupees Seventeen Crores Ten Lakhs Only) divided into no(s) 1,35,00,000 (One Crore Thirty Five Lacs) Equity Shares of ₹ 10/- (Rupees Ten) each and no(s) 3,60,000 (Three Lacs Sixty Thousand) Non Convertible Cumulative Redeemable Preference Share of ₹100/- (Rupees Hundred) each.

Also, the Issued, Subscribed and paid up share capital of the Company is ₹ 14,52,77,800/- (Rupees Fourteen Crores Fifty Two Lakhs Seventy Seven Thousand Eight Hundred only) divided into no(s) 1,29,27,780 (One Crore Twenty Nine Lakh Twenty Seven Thousand Seven Hundred and Eighty only) Equity shares of ₹ 10/- (Rupees Ten) each and no(s) 1,60,000 (One Lakh Sixty Thousand) Non- Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid.

**APPROPRIATIONS:**

**a) Transfer to Reserves**

During the Financial year ended on March 31, 2019, no amount has been transferred to General Reserves of the company.

**b) Dividend**

Dividend @ 10% p.a. on No(s) 1,60,000 Non Convertible Cumulative Redeemable Preference Shares of ₹ 100 each fully paid up for the FY ended on March 31, 2019 is recommended. These shares are not listed on any stock exchanges.

The Board of Directors, after duly considering the requirement of funds for Working Capital and repayment of loan instalments, have not recommended dividend on equity shares for the year under review in view to further strengthen the financial position of your Company.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended March 31, 2019.

**PARTICULARS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

As on date of this report, your company does not have any subsidiary, joint ventures and associate company. Further, during the period under review no company become or ceased to be its subsidiaries, joint venture or associate company.

**LISTING OF SHARES**

The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The listing fee for the year 2019-20 has already been paid to the stock exchanges.

**ISO CERTIFICATES**

Your company is to be awarded the globally recognized prestigious ISO 9001: 2015, ISO 14001:2004 and BS OHSAS 18001:2007 Certification, for meeting international standards of Quality, Environmental, Occupational Health and Safety Management Systems.

**CREDIT RATING**

Credit Analysis and Research Ltd. (CARE Ratings) reaffirmed the credit ratings of the company's long term / short term bank facilities:

Facilities	Rating	Rating Definition
Long term Bank Facilities	CARE BBB; Stable (Triple B; Outlook: Stable)	This rating is applicable to facilities having tenure of more than one year. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. 'Stable' outlook indicates expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.
Short term Bank Facilities	CARE A3 (A Three)	This rating is applicable to facilities having tenure up to one year. Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations.

**DETAILS OF ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS**

During the period under review, no material order has been passed by any regulator or court or tribunal which would impact the going concern status and the Company's future operations excepting to the extent as may be mentioned in the Notes to Accounts attached to the Financial Statements forming part of the Annual Report.

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In terms of the applicable provisions of the Act and the Articles of Association of the Company, Mr. Naveen Sawhney (DIN: 00893704), Managing Director of the company shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

On the recommendation of Board, the proposal regarding his re-appointment as Director is placed for your approval.

Brief resume and other details of Mr. Naveen Sawhney, who is proposed to be re-appointed as a Director of your company, have been furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

The Company has received Form DIR- 8 from all Directors pursuant to Section 164(2) and Rule 14 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

**Key Managerial Personnel (KMP):**

In term of Section 2(51) and Section 203 of the Company's Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following persons are the Key Managerial Personnel (KMP) of the Company:

- ❖ Mr. Naveen Sawhney (Managing Director),
- ❖ Mr. Sanjeev Kumar (Whole Time Director),
- ❖ Mr. Manoj Kumar Gupta (Chief Financial Officer)
- ❖ Ms. Garima Pant (Company Secretary)

Remuneration and other details of the said Key Managerial Personnel for the financial year ended March 31, 2019 are mentioned in Form MGT -9 (Extract of Annual Return) which is attached as annexure to the Board Report.

There were no changes in other directors and Key Managerial Personnel during the year under review.

**Declaration from Independent Director(s)**

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year. The Independent directors had no pecuniary relationship or transactions with the Company.

In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made there under and Listing Regulations and are independent of the management.

The Independent directors also confirmed that they have complied with the Company's Code of Conduct.

**BOARD AND ITS COMMITTEES**

The Board of Directors of your Company had already constituted various Committees in Compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Committee of Directors and Corporate Social Responsibility (CSR) Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference/ role of the committees are taken by the Board of Directors.

Details of the role and composition of these committees, including the numbers of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Section, which forms part of

the Annual Report.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review, 4 (Four) meetings of the Board of Directors were held. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this Annual Report. The maximum interval between two meetings did not exceed 120 days as prescribed under Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard SS-1.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors make the following statement in term of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a) that in the preparation of the annual accounts for the Financial Year ended March 31, 2019, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b) the directors had 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 March 31, 2019 and of the profit of the company for the financial year ended on March 31, 2019;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts for the financial year ended on March 31, 2019 have been prepared on a going concern basis;
- e) that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems, established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.



## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the resumes of potential candidates for appointment of Directors and meets them prior to making recommendations of their nomination to the Board. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of the Act and the Listing Regulations. The remuneration determined for Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Executive Directors are not paid sitting fees; the Independent Directors are entitled to sitting fees for attending the Board Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company. The Company's Policy on Directors' Appointment and Remuneration can be viewed at the following link: [http://cordscable.com/cordscable/Nomination\\_Remuneration\\_Policy.pdf](http://cordscable.com/cordscable/Nomination_Remuneration_Policy.pdf) and The Remuneration details of the Directors, Chief Financial Officer and Company Secretary, along with details of ratio of remuneration of each Director to the median remuneration of employees of the Company for the FY under review are provided as **ANNEXURE - 1**.

## **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Independent Directors attend a Familiarization / Orientation Programme on being inducted into the Board. The details of Familiarization Programme are provided in the Corporate Governance Report and are also available on the Company's website at [http://cordscable.com/cordscable/Familiarisation\\_Programme.pdf](http://cordscable.com/cordscable/Familiarisation_Programme.pdf).

## **ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors.

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of

the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The Board's functioning was evaluated on various aspects, including inter-alia the Structure of the Board, Meetings of the Board, Functions of the Board, Degree of fulfilment of key responsibilities, Establishment and delineation of responsibilities to various Committees, Effectiveness of Board Processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings and guidance/support to the Management during Board/Committee Meetings.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate meeting of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Board of Directors expressed their satisfaction with the evaluation process.

## **INDEPENDENT DIRECTORS' MEETING**

During the year under review, the Independent Directors of the company met on February 12, 2019 without the presence of the Executive Directors or management personnel, inter-alia, to discuss:

- ❖ Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ❖ Evaluation of the performance of Chairman of the Company, taking into views of Executive and Non Executive Directors;
- ❖ Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal Control System of the Company has been devised through its extensive experience that ensures control over various functions of its business. The Company practices Quality Management System for Design, Planning, Production and Marketing. Periodic audits conducted by Internal Auditors and Statutory Auditors provide means whereby any weakness, whether financial or otherwise, is identified and rectified in time. The details in respect of internal financial control and their adequacy are also included in the Management Discussion and Analysis, which forms part of this report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the FY 2018-19, all contracts / arrangements / transactions entered into by your Company with related parties under Section 188 of Companies Act, 2013 were in the ordinary course of the business and on arm's length basis. No Material Related Party Transactions i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. **Thus, there are no transactions required to be reported in Form AOC -2.** Also, during the FY 2018-19, there were no materially significant related party transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which might have potential conflict with the interest of the Company at large.

Further, the related party transactions attracting the compliance under Section 177 of the Companies Act, 2013 and/or SEBI Listing Regulations were placed before the Audit Committee on quarterly basis for necessary approval/review. Also a statement of all related party transactions entered was presented before the Audit Committee on quarterly basis, specifying the nature, value and any other related terms and conditions of the transactions.

During the period under review Related Party transactions were also disclosed to the Board on regular basis as per IND AS -24. Details of related party transactions as per IND AS- 24 may be referred to in Note 29 (D) of the Financial Statement.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.cordscable.com/cordscable/corporate.php>. None of the Directors has any pecuniary relationship or transaction(s) vis-a-vis the company except remuneration and sitting fees.

## **CORPORATE GOVERNANCE**

Your company has put in place an effective Corporate Governance system which ensures that provisions of the Act and Listing Regulations are duly complied with, not only in form but also in substance. A detailed Report on Corporate Governance together with the Auditors' Certificate on its compliance forms part of the Annual Report as **ANNEXURE - 2.**

Certificate from M/s Gupta Gulshan & Associates, Company Secretaries, regarding compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) and Schedule V of SEBI (Listing Obligation and Disclosure Requirements), 2015 has been obtained and is annexed at the end of Corporate Governance Report. Also declaration signed by the Managing Director stating that the members of the Board

of Directors and Senior management personnel have affirmed the compliance with code of conduct of the Board of Directors and Senior Management is forms part of this report. The code can be viewed at the following link: <http://cordscable.com/cordscable/media/policies/Code-of-Conduct-for-Directors-Management-Team.pdf>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report and gives details of the overall industry structure, performance and state of affairs of your company's business, risk management systems and other material developments during the FY under review.

## **EXTRACT OF THE ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is annexed as **ANNEXURE - 3** which forms an integral part of this Report and is also available with annual return of the Company on the web address viz. <http://www.cordscable.com/cordscable/cordscablesindustries.php>.

## **DEPOSITS FROM PUBLIC**

Your Company has neither accepted nor renewed any deposits during the FY 2018-19 in terms of Chapter V of the Companies Act, 2013 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013.**

During the financial year ended on March 31, 2019, Company has not given any loan, investments and guarantees made/given by the Company pursuant to provisions of Section 186 of Companies Act, 2013.

## **RISK MANAGEMENT POLICY**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed by the Board and the Audit Committee.



In the opinion of board; any element which may threaten the existence of your company does not exist as on date of report and do not consider that such element may arise in future.

#### **WHISTLEBLOWER POLICY / VIGIL MECHANISM**

Your Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour and is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct.

Accordingly, the Board of Directors has formulated a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud/corruption or violation of the Company's code of conduct or ethics policy.

The procedure "Vigil Mechanism / Whistle Blower Policy" ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for genuinely raised concern.

The Company has in place a Vigil Mechanism i.e. whistle blower policy to deal with unethical behaviour, victimization, fraud and other grievances or concerns, if any. The aforementioned Whistle blower policy can be accessed on the Company's website: <http://www.cordscable.com/cordscable/corporate.php>

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In terms of section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company have constituted a Corporate Social Responsibility Committee and adopted Corporate Social Responsibility Policy which is implemented by the Company.

The Company's CSR policy is in conformity with the provisions of the Companies Act, 2013 which can be accessed at [http://cordscable.com/cordscable/CSR\\_Policy.pdf](http://cordscable.com/cordscable/CSR_Policy.pdf)

The Annual Report on CSR activities is provided as **ANNEXURE - 4** and forms an integral part of this Annual Report.

#### **INSIDER TRADING CODE**

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. <http://cordscable.com>.

All Board Directors and the designated persons have confirmed compliance with the Code.

#### **DISCLOSURE FOR PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment as per applicable provisions.

As on date of this report, Internal Complaints Committee has not received any complaint pertaining to sexual harassment and no complaint is pending for disposal before the Committee.

#### **AUDIT COMMITTEE**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this Annual Report. Board of your Company has accepted all recommendations of the Audit Committee.

#### **AUDITORS AND AUDITOR'S REPORT**

##### **Statutory Auditors**

The Members at their 25<sup>th</sup> Annual General Meeting (AGM) held on September 30, 2016, had appointed M/s Alok Misra & Co., Chartered Accountants, (FRN 018734N) as the Statutory Auditor of the company to hold the office for a term of five years i.e., from the conclusion of 25<sup>th</sup> Annual General Meeting until the conclusion of 30<sup>th</sup> Annual General Meeting at the remuneration of ₹ 6 Lacs p.a. plus Taxes as applicable, subject to ratification of their appointment by the shareholders, every year. The Ministry of Corporate Affairs vide its Notification dated

7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

The Statutory Auditors, "M/s Alok Misra & Co., Chartered Accountants" have submitted a certificate confirming their eligibility under Section 139 of the Act and meet the criteria for appointment specified in Section 141 of the Act. Further, the company has also received declaration from the Auditors that they are not disqualified for such appointment/ reappointment under the said act.

#### **Statutory Auditors' Report**

The Auditors Report to the members on the Financial Statement of the company for the financial year ended on March 31, 2019 does not contain any qualifications, reservations or adverse remarks. The observations of statutory Auditors in their report read with relevant Notes to Accounts are self explanatory and and therefore do not require further comments.

#### **REPORTING OF FRAUDS**

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed there under either to the Company or to the Central Government.

#### **COST AUDITORS**

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s S. Chander & Associates, Cost Accountants (Firm Regn. No. 100105), as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2019-20, at a remuneration of ₹1.07 Lacs p.a. plus taxes as applicable and out of pocket expenses incurred in connection with the aforesaid audit. Since the remuneration payable to the Cost Auditor is required to be ratified by the shareholders, the Board recommends the same for approval by members at ensuing AGM.

A Certificate from M/s S. Chander & Associates, Cost Accountants (Firm Regn. No. 100105), has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

Your company is required to maintain Cost Records as specified by the Central Government in accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, and accordingly such accounts and records are made and maintained. The Cost Auditors has submitted their report to the board.

#### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Gupta Gulshan & Associates, Company Secretaries were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the financial year ended on March 31, 2019 at a remuneration of ₹ 1.50 Lacs p.a. plus taxes as applicable and out of pocket expenses incurred in connection with the aforesaid audit.

#### **Secretarial Audit Report**

Pursuant to Section 204 of the Companies Act, 2013, and Rules made there under, a Secretarial Audit Report for the FY 2018-19 in Form MR 3 given by M/s. Gupta Gulshan & Associates, Company Secretary in practice is attached as **ANNEXURE - 5** with this report. Regarding observations of the secretarial auditors the board submits following comments:

Regarding CSR contribution, it is submitted that in order, to meet the requirement of funds for Working Capital and repayment of loan installments, the company has deposited ₹ 2 lacs in Prime Minister National Relief Fund as CSR expenditure. However, efforts shall be made to contribute towards CSR activities during F.Y. 2019-20 as well.

#### **Annual Secretarial Compliance Report**

SEBI vide its circular no CIR/CFD/CMD1/27/2019 dated February 08, 2019 directs all listed entities and their material subsidiaries to submit annual secretarial compliance report within 60 days from the end of the financial year. Compliance Report for the F. Y. March 31, 2019 prepared by M/s. Gupta Gulshan & Associates, Company Secretary in practice is attached as **ANNEXURE - 5A** with this report.

#### **HUMAN RESOURCES**

The Company takes pride in the commitment, competence and dedication different aspects of Human Resource Management such as recruitment, promotion, compensation, training, selections etc. The Company ensures equal, just fair and unbiased approach in hiring, promoting and developing an employee.

Your Directors would also like to place on records their appreciation of the commitment and efficient services rendered by all employees of the company, without whose whole hearted efforts, the overall satisfactory performance of the company would not have been possible.

#### **PARTICULARS OF EMPLOYEES**

Details containing the name and other particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, of the employees are set out in **ANNEXURE - 1** to the Board's Report.

**COMPLIANCE WITH SECRETARIAL STANDARDS**

The company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of Board of Directors and General Meetings respectively.

**ELECTRONIC FILLING**

You are company is uplodng all compliance, filling like Shareholding Pattern, Corporate Governance Report, Media Releases, among others through NEAPS in NSE & through BSE Corporate compliance and listing centre in BSE. Apart from the above, the Company is also periodically uploading Annual Reports, Financial Results, and Shareholding Pattern etc on its website viz. www.cordscable.com within the prescribed time limit.

**MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION**

A certificate given by the Managing Director and Chief Financial Officer of your company to the Board as contemplated under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements), 2015, is provided in a separate section as **ANNEXURE - 6** and forms part of this Report.

**CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided as **ANNEXURE - 7** and form an integral part of this Annual Report.

**FOREIGN EXCHANGE EARNING AND OUTGO**

(a)	Activities relating to export, initiatives taken to increase exports, development of new export markets for products and export plans	During the year under review, the Company's products were exported mainly to Middle-East countries. Company participated in Exhibitions, Technical Seminars & Conferences in foreign countries for promotion of its products. Efforts continue to enlarge the geographical reach on export market in order to maximize foreign exchange inflow and every effort made to minimize the foreign exchange outflow.
(b)	Total Foreign Exchange used & earned: Earnings Outgo	₹ 507.52 Lacs ₹ 542.20 Lacs

**STATUTORY DISCLOSURES**

Your Directors state that there being no transactions with respect to following items during FY under review, no disclosure or reporting is required in respect of the same:

1. Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to

employees of your Company under any scheme, save and except ESOS referred to in this Report.

4. Neither the Managing Director nor the Whole-time Director of your Company receives any remuneration or commission from any of its subsidiaries as there was no such subsidiary company during the period under review.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. Buy back of shares.

**AWARDS AND RECONGNITIONS**

During the FY under review, your company received following awards/recognitions which are listed below:

- Approved as a vendor with **Raipur Development Authority** (RDA), Chhattisgarh for supplying 1.1 KV grade of the following cables:
  - a. Instrumentation cables
  - b. Control cables
  - c. Power cables

This approval is valid for a period of Three years and it shall enable Cords Cable Industries Ltd. to offer its approved list of cables towards the ongoing and upcoming projects of RDA.

- Received revalidation of its enlistment as an approved vendor for Engineers India Limited (EIL).
- Registered and prequalified with an Arabian Gulf based Oil major. This approval is expected to

boost the Exports of your company and further enhance company's revenue contribution from the Hydrocarbon sector from throughout the GCC (Gulf Cooperation Council) member states.

- Awarded a prestigious contract for supply of Signal Cables including Fire Resistant - Gas Detector Signal Cables, Alarm Cables and Control Cables to be used in Polymer Addition Project towards Hydrocarbon sector in the state of Punjab (India), worth ₹ 47.20 crore
- Awarded prestigious orders for supply of Control, Power and Earthing Cables to be used in a Thermal

Power Project in the state of Uttar Pradesh. The total estimated, value of the said orders is ₹ 16.63 crore.

- Approved as a pre-qualified supplier with Samsung Engineering Co. Ltd. for their International orders. Cords Cable Industries Ltd. now enable to participate in future bids for supplying qualified products to Samsung Engineering Co. Ltd's range of engineering services' portfolio which includes upstream and downstream hydrocarbon facilities, power plants, water and waste treatment plants, and industrial production facilities.
- Approved as a pre—qualified supplier with Airports Authority of India (AAI). This prestigious approval shall now enable Cords Cable industries Ltd. to offer its approved list of cables towards creating, upgrading, maintaining and managing aviation infrastructure in the country for the projects where AAI is entrusted with Airport Modernisation and Development.
- Awarded 3 bulk contracts towards designing, engineering & 'supplying of Fire Resistant Signal Cables, Conventional Type instrumentation Cables and Power Cables to be used in the Hydrocarbon sector in the states of Haryana, Assam and Gujarat.

#### **GREEN INITIATIVE IN THE CORPORATE GOVERNANCE**

In view of the Green Initiative in Corporate Governance introduced by the Ministry of Corporate Affairs vide its circular no. 17/2011 dated 21.04.2011, your company started a sustainability initiative with the aim of going green and minimizing its impact on the environment.

Your Company sincerely appreciates shareholders who have contributed towards furtherance of Green Initiative. We further appeal to other shareholders to contribute towards furtherance of Green Initiative by opting for electronic communication.

Electronic copies of the Annual Report 2018-19 and Notice of the 28<sup>th</sup> Annual General Meeting are sent to all members whose email addresses are registered with the

company/Depository participants. For members who have not registered their email addresses, physical copies of Annual Reports 2018-19 and Notice of the 28<sup>th</sup> Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to Company Secretary.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the notice. This is pursuant to section 108 of Companies Act, 2013 and Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the Notice.

The Company is also periodically uploading Annual Reports, Financial Results and Shareholding Pattern etc. on its website viz. [www.cordscable.com](http://www.cordscable.com) within the prescribed time limit.

#### **ACKNOWLEDGEMENT**

Your Board of Directors would like to place on record their sincere appreciation for the support and contributions made by all the Employees, Customers, Suppliers, Bankers, Investors, Business Associates and all other Stakeholders. Our consistent growth was made possible due to their hard work, solidarity, co-operation and support.

The Directors also thank the Government of India, various State Governments and concerned Government Departments/Agencies for their co-operation, support and look forward to their continued support in the future.

Your Directors acknowledge with gratitude, the encouragement and support extended by all our valued shareholders.

**On Behalf of the Board of Directors**

**Naveen Sawhney**  
Managing Director  
DIN : 00893704

**Sanjeev Kumar**  
Whole Time Director  
DIN : 07178759

New Delhi  
August 13, 2019

**Annexure 1 to the Directors' Report**

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

<b>Non-executive directors</b>	<b>Ratio to median remuneration *</b>
Mr. Vijay Kumar	-
Mrs. Asha Bhandari	-
Mr. Vimal Dev Monga	-

\* No remuneration was paid to Non-executive directors except sitting fees.

<b>Executive directors</b>	<b>Ratio to median remuneration</b>
Mr. Naveen Sawhney	<b>43.37:1</b>
Mr. Sanjeev Kumar	<b>5.94: 1</b>

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase in remuneration in the financial year</b>
Mr. Naveen Sawhney	-
Mr. Sanjeev Kumar	16.97
Mr. Manoj Kumar (CFO)	8.11
Ms. Garima Pant (CS)	9.79

- c. The percentage increase in the median remuneration of employees in the financial year: **1.67%**  
 d. The number of permanent employees on the rolls of Company: **217**  
 e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration of Managerial Personnel	2.91
Average increase in remuneration of employees other than the Managerial Personnel	5.45

- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirmed that the remuneration is as per the remuneration policy of the Company.

- g. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as under:-



Particulars of top 10 employees in terms of remuneration drawn, as on March 31, 2019:

S. No.	Name of Employee	Designation	Remuneration (₹in lacs)	Nature of employment	Qualification	Experience (in Years)	DOJ	Age (Years)	Previous Employment
1	Naveen Sawhney	Managing Director	95.45	Permanent	Mech. Engg. & PGD Mktg. Mgmt.	47	01-Apr-95	67	Delton Cables Ltd.
2	Hemant Kr Pandita	Vice President (Marketing)	21.08	Retainership	B.E.	8	01-Nov-13	64	Gemscab Industries Ltd.
3	Varun Sawhney	Vice President (Marketing, IT & HR)	15.91	Permanent	B.Tech, MBA	14	01-May-05	39	Cords Cable Industries Ltd.
4	Gaurav Sawhney	Vice President (Finance & Banking)	15.91	Permanent	B.Sc. (Business Economics), B.Com. (H), Executive PGDM (Finance)	11	04-Jan-08	36	Cords Cable Industries Ltd.
5	Manoj Gupta	CFO	17.26	Permanent	CA	4	01-Apr-15	48	Globus Spirit Ltd.
6	Jugendra Singh	GM (Sales & Marketing)	15.66	Permanent	B.E.	13	25-Jun-06	53	Servel India Pvt. Ltd.
7	Ajay Dixit	GM (Sales & Marketing)	14.11	Permanent	BA	24	01-May-95	47	Cords Cable Industries Ltd.
8	Sanjeev Kumar	Whole Time Director	13.78	Permanent	ICWA	16	02-Apr-12	43	M/s Machino Plastics Ltd.
9	Sumer Misri	SGM (Export)	13.52	Permanent	B.E.	2.5	19-Nov-16	58	PME Power Solution India Ltd.
10	Harish Kumar	DGM (Planning & Execution)	13.49	Permanent	B.Com, MA	13	01-Nov-06	50	Delton Cables Ltd.

**Note :**

1. Remuneration includes Basic Salary, Allowances, Taxable value of perquisites calculated in accordance with the Income Tax, 1961 and Rules made thereunder.
2. None of the employees, except Mr. Naveen Sawhney own more than 2% of the outstanding shares of the Company as on March 31, 2019.
3. None of the employee is a relative of any director or manager of the company except Mr. Varun Sawhney & Mr. Gaurav Sawhney, who are the sons of Mr. Naveen Sawhney, Managing Director of the Company.



**ANNEXURE TO THE DIRECTORS' REPORT- PARTICULARS OF EMPLOYEES AS ON MARCH 31, 2019**

**A** Employed throughout the financial year under review and were in receipt of remuneration for the year which, in the aggregate was not less than ₹ 1,02,00,000/- per annum:-

S. No	Name / Designation/ Nature of Duties	Age (Years)	Qualification/ Experience (in years)	Remuneration	Date of Joining	Previous employment & designation	Shareholding in the Company in Number & Percentage
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**B** Employed for the part of the financial year and was in receipt of remuneration which in the aggregate was not less than ₹ 8,50,000/- per month :-

S. No	Name / Designation/ Nature of Duties	Age (Years)	Qualification/ Experience (in years)	Remuneration	Date of Joining	Previous employment & designation	Shareholding in the Company in Number & Percentage
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

New Delhi  
Date : Aug 13, 2019

**Naveen Sawhney**  
Managing Director  
DIN : 00893704

**Sanjeev Kumar**  
Whole Time Director  
DIN : 07178759

**Annexure 2 to the Directors' Report  
CORPORATE GOVERNANCE REPORT**

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Our corporate governance practices are the reflection of our value system encompassing our culture, policies and relationships with our stakeholders Integrity and transparency are key to our corporate governance practice to ensure that we gain and retain the trust of our stakeholder at all times.

Company endeavors to transcend beyond the regulatory structure and basic requirements of corporate governance, focusing consistently towards building confidence of its shareholders, customers, employees and the society at large. Stakeholders' interests are taken into account, before making any business decision. The following principles strengthen Corporate Governance in Cords Cable Industries Limited:

- (i) Independence and versatility of the Board.
- (ii) Integrity and ethical behaviour of all personnel.
- (iii) Recognition of obligations towards all stakeholders—shareholders, customers, employees, suppliers and the society.
- (iv) High degree of disclosure and transparency levels.
- (v) Total compliance with laws in all areas in which the Company operates.
- (vi) Achievement of above goals with compassion for people and environment.

Your Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "the Listing Regulations" and also Guidance Note on Board Evaluation as prescribed by SEBI.

**2. BOARD OF DIRECTORS**

**(a) Composition and category of Board of Directors**

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value.

The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well informed Board with qualifications and experience in diverse areas. The Board composition is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Listing Regulations') and the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive and Independent Directors including a Woman Director. The Board of Directors as at the end of March 31, 2019, comprised of 5 Directors, out of which 2 were Executive Directors and 3 were Non-executive Independent Directors the Chairman of the Board is an Executive Director and more than one-half of the total number of Directors comprised of Non-Executive Independent Directors.

<b>Category of Directors</b>	<b>No. of Directors</b>	<b>%</b>
Independent Directors	3	60%
Executive Directors	2	40%

None of the Directors are related to each other. Mr. Naveen Sawhney, who was the Managing Director of the Company held 60,55,222 equity shares of the Company as on March 31, 2019. No other Director holds equity shares in the Company.

The Board has identified the following skills set with reference to its business and Industry which are available with the Board:

Name of the Director	Expertise in specific functional area
Naveen Sawhney	Industrialist, Cable industry domain business strategy, Corporate management, planning and finance, Marketing.
Sanjeev Kumar	ICWA, Cost cutting/controller, commercial affairs cable industry domain.
Vijay Kumar	Entrepreneur, Business and Corporate Planning Cable Industry domain.
Asha Bhandari	Entrepreneur General Corporate Management.
Vimal Dev Monga	Entrepreneur, Organisational & Business Management Cable Industry domain.

**(b) Directors' Directorships/Committee memberships**

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Relevant details of the Board of Directors (excluding directorship / membership in Cords Cable Industries Limited) as on March 31, 2019 are given below:

S. No.	Name of the Director	Date of Appointment	Category of Director	Number of Directorship in other Public Companies		Number of Committee positions held in other Public Companies		List of Directorship held in other listed Companies and Category of Directorship
				Chairman	Member	Chairman	Member	
1	Mr. Naveen Sawhney DIN 00893704	April 01, 1995	Non-Independent Executive Director	0	0	0	0	-
2	Mr. Sanjeev Kumar DIN 07178759	May 30, 2015	Non-Independent Executive Director	0	0	0	0	-
3	Mr. Vijay Kumar DIN 01291193	January 10, 2015	Independent Director	0	0	0	0	-
4	Mrs. Asha Bhandari DIN 00212254	April 01, 2015	Independent Director	0	0	0	0	-
5	Mr. Vimal Dev Monga DIN 06803618	April 23, 2015	Independent Director	0	0	0	0	-

- Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies other than Cords Cable Industries Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.
- None of the other Directors are related inter-se.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
- Maximum tenure of Independent Directors are in accordance with the Companies Act, 2013 and rules made thereunder.

**(c) Independent Director's confirmation by the Board**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and are Independent of the management. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on website of the Company in the following link:<http://cordscable.com/cordscable/media/policies/Term-Conditions-of-appointment-of-Independent-Director.pdf>.

**(d) Number of Independent Directorships**

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

**(e) Number of Meetings held and Attendance of Directors during Financial Year 2018-19**

The Board of Directors met Four times i.e. on May 28, 2018, August 13, 2018, November 05, 2018 and February 12, 2019 during the financial year 2018-19. The Board meets at least once every quarter to review the quarterly results and other items of the Agenda and if necessary, additional meetings are held. The gap between two Board Meetings does not exceed 120 days as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standard by the Institute of Company Secretaries of India. The Chairman of the Board/the Managing Director and the Company Secretary discuss the items to be included in the Agenda.

The notice of the Board Meeting is given well in advance to all the Directors and the meetings of the Board are held usually in the Registered Office of the company. The Agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful discussions at the meeting. Where it is not practicable to attach any documents to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda.

**(f) Recording of Minutes of Proceedings at Board and Committee Meeting**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard -1. The minutes are entered in the minutes Book within 30 days from the conclusion of the meeting.

The Company is in compliance with the provisions of the Secretarial Standards on the Meetings of the Board of Directors and committee thereof. **The attendance of the Directors at the Board Meetings and the Annual General Meeting of the Company is given as below:**

S. No.	Name of the Director	Category	Number of board meetings during the year 2018-19		Whether attended Last AGM held on 28.09.2018
			Held	Attended	
1	Mr. Naveen Sawhney DIN 00893704	Non –Independent, Executive Director	4	4	Yes
2	Mr. Sanjeev Kumar DIN 07178759	Non -Independent, Executive Director	4	4	Yes
3	Mr. Vijay Kumar DIN 01291193	Independent Director, Non Executive	4	2	No
4	Mrs. Asha Bhandari DIN 00212254	Independent Director, Non Executive	4	4	No
5	Mr. Vimal Dev Monga DIN 06803618	Independent Director, Non Executive	4	3	Yes

The necessary quorum was present for all the meetings.

**(g) Disclosure of relationships between directors inter-se;**

No Director is related to any other Director on the Board in terms of the definition of ‘relative’ given under the Companies Act, 2013.

**(h) Directors retiring and seeking re-appointment**

Mr. Naveen Sawhney, Managing Director of the Company, will be retiring by rotation on the forthcoming Annual General Meeting of the Company and being eligible have seek himself for the re-appointment.

The relevant information pertaining to Directors seeking appointment and re-appointment is given separately in the annexure to the Notice of the ensuing Annual General Meeting.

**(i) Number of shares and convertible instruments held by directors;**

Details of equity shares of the Company held by the Directors as on March 31, 2019 are given below:

Name	Category	Number of Equity Shares	Number of Preference Shares
Mr. Naveen Sawhney	Non-Independent, Executive Director	60,55,222 Shares of ₹ 10 each	1,60,000 shares of ₹ 100 each
Mr. Sanjeev Kumar	Non-Independent, Executive Director	0	0
Mr. Vijay Kumar	Independent Director, Non Executive	0	0
Mrs. Asha Bhandari	Independent Director, Non Executive	0	0
Mr. Vimal Dev Monga	Independent Director, Non Executive	0	0

**(j) Information available to the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

The Board periodically reviews compliance reports of all laws applicable to the Company prepared by the Company.

**(k) Post Meeting Mechanism**

The important decisions taken at the Board/Board Committee Meetings are communicated to the concerned department/ division.

**(l) Board Support**

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

**(m) Roles, Responsibilities and Duties of the Board**

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

**The Chairman cum Managing Director:** His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board & preside over all Board & General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

**Independent Directors :** play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgement.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

**(n) Web link where details of familiarisation programmes imparted to independent directors is disclosed.**

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations performance updates of the Company, Industry scenario, business strategy, internal control and risks involved and mitigation plan.

The details of the Familiarization Programme for Independent Directors is disclosed on the Company's website at the web link: <http://cordscable.com/cordscable/corporate.php>

**(o) Disclosure's as per Schedule V of Companies Act, 2013.**

S. No.	Particulars	Naveen Sawhney (Managing Director)	Sanjeev Kumar (Whole Time Director)
i)	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	As per the resolution mentioned in the Notice of 28 <sup>th</sup> Annual General Meeting.	As per the resolution mentioned in the Notice of 28 <sup>th</sup> Annual General Meeting.
ii)	Details of fixed component and performance linked incentives along with the performance criteria;	Besides the monthly CTC (Cost to Company) of ₹8,96,000/- p.m., Mr. Naveen Sawhney (subject to necessary approvals) shall be entitled to commission based on net profits of the Company, perquisites and statutory benefits as per company policy which includes Gratuity, Leave Encashment, as proposed in the resolution forming part of the Notice of AGM.	Besides the Gross monthly remuneration of ₹1,38,200/-, Mr. Sanjeev Kumar shall be entitled for perquisites and statutory benefits as per company policy which includes Gratuity, Leave Encashment, Telephone, Helper Reimbursement as proposed in the resolution forming part of the Notice of AGM. The monthly CTC (Cost to Company) of Mr. Sanjeev Kumar is ₹1,50,000/-.
iii)	Service contracts, notice period, severance fees; and	Mr. Naveen Sawhney is appointed as Managing Director for the period of 3 years i.e. 01.07.2019 to 30.06.2021	Mr. Sanjeev Kumar is appointed as Whole Director for the period of 5 years i.e. 30.05.2015 to 29.05.2020
iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Nil	Nil

**3. GOVERNANCE CODES**

**(a) Code of Conduct:**

The Company has adopted Code of conduct which is applicable to the Board of Directors and senior management personnel of the Company. The Board of Directors and the members of Senior Management Team of the Company have affirmed the Compliance of this Code during the year ended March 31, 2019. *A declaration signed by the Chairman and Managing Director of the Company to this effect is placed as Annexure 6 to the Directors Report.* The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website <http://cordscable.com/cordscable/corporate.php>.

**(b) Conflict of Interests:**

Each Director informs the Company on an annual basis about the Board and the Committee positions he/she occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

**(c) Insider Trading Code:**

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.



The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. <http://cordscable.com/cordscable/corporate.php>

**4. COMMITTEES OF THE BOARD**

During the period under review, there are six (6) Committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, Committee of Directors and Share Transfer Committee. The Minutes of the meetings of all committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

**Terms of Reference and other Details of committees:**

**A) AUDIT COMMITTEE**

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

During the year ended March 31, 2019, Four Audit Committee Meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

May 28, 2018, August 13, 2018, November 05, 2018 and February 12, 2019.

The necessary quorum was present for all the meetings.

**Composition & Attendance:**

As on March 31, 2019, the Audit Committee comprised of 4 Directors. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Position in the Committee\$	No. of Meetings held	No. of Meetings attended
Mr. Vijay Kumar DIN 01291193	Member, Independent, Non- Executive	04	02
Mrs. Asha Bhandari DIN 00212254	Member, Independent, Non- Executive	04	04
Mr. Vimal Dev Monga DIN 06803618	Member, Independent, Non- Executive	04	03
Mr. Naveen Sawhney DIN 00893704	Member, Managing Director, Executive	04	04

**\$ Committee Members appoints Chairman by rotation among Independent Directors.**

All the members of the Audit Committee are qualified and having insight to interpret and understand financial statements.

Ms. Garima Pant, Company Secretary of the company acts as the Secretary of the Audit Committee. In addition to the above, the committee meetings were also attended by the Statutory Auditors and other personnel's of the company (particularly the head of the finance function).

All the recommendation of the Audit Committee has been accepted by the Board of Directors.

**Committee**

The audit committee has been assigned the following powers:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**The terms of reference of the audit committee are broadly as under:**

- (1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (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 and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the Company with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) 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;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) 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;
- (16) 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;
- (17) 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;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

#### **REVIEW OF INFORMATION BY AUDIT COMMITTEE**

**The Audit Committee shall mandatorily review the following information:**

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), 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 shall be subject to review by the Audit Committee.
- Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**B) NOMINATION AND REMUNERATION COMMITTEE**

(Formerly termed as Remuneration Committee)

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

During the financial year ended March 31, 2019, One Nomination and Remuneration Committee meeting was held on May 28, 2018.

The necessary quorum was present for all the meetings.

**Composition & Attendance:**

As on March 31, 2019, the Nomination and Remuneration comprised of 3 Directors. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name	Position in the Committee\$	No. of Meetings held	No. of Meetings attended
Mr. Vijay Kumar DIN 01291193	Member, Independent, Non-Executive	01	-
Mrs. Asha Bhandari DIN 00212254	Member, Independent, Non-Executive	01	01
Mr. Vimal Dev Monga DIN 06803618	Member, Independent, Non-Executive	01	01

**\$ Committee Members appoints Chairman by rotation among Independent Directors.**

The terms of reference of Nomination and Remuneration Committee, inter alia, includes the following:

- (1) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal;
- (2) To carry out evaluation of every Director’s performance;
- (3) To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- (4) To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- (5) To devise a policy on Board diversity;
- (6) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- (7) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (8) Recommend to the board, all remuneration, in whatever form, payable to senior management;
- (9) To perform such other functions as may be necessary or appropriate for the performance of its duties;
- (10) Matters under Companies Act required being review by Nomination and Remuneration committee;

The Company has a Nomination and Remuneration Policy in place, which is disclosed on its website at the following link : <http://cordscable.com/cordscable/corporate.php>

The decisions of Nomination and Remuneration Committee are placed for information in the subsequent Board Meeting.

**Details of remuneration paid / payable to Directors for the year ended March 31, 2019.**

• **EXECUTIVE DIRECTORS**

(Amount p.a. in lakhs)

Name of Director	Salary	Perquisites & Allowances	Commission	Total
Mr. Naveen Sawhney DIN 00893704	94.80	0.65	--	95.45
Mr. Sanjeev Kumar DIN 07178759	12.56	1.22	--	13.78

*Note : There is no separate provision for payment of severance fees.*

*The Company does not have any Employee Stock Option Scheme.*

• **NON EXECUTIVE DIRECTORS**

During the year under review, none of the Non-Executive Directors had any pecuniary relationship or transaction vis-à-vis the company, other than payment of sitting fee as mentioned below.

(Amount p.a. in lakhs)

Name of Director	Sitting Fees	Total
Mr. Vijay Kumar (DIN 01291193)	0.30	0.30
Mrs. Asha Bhandari (DIN 00212254)	0.55	0.55
Mr. Vimal Dev Monga (DIN 06803618)	0.40	0.40

**Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The report of performance evaluation was then discussed and noted by the Board.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**C) STAKEHOLDERS RELATIONSHIP COMMITTEE**

(Formerly termed as Investors' Grievance Committee)

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

The Stakeholders Relationship Committee comprises of four members with three Non-Executive Independent Directors.

During the financial year ended March 31, 2019, Four Stakeholder Relationship Committee meetings were held on May 28, 2018, August 13, 2018, November 05, 2018 and February 12, 2019.

The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

Name	Position in the Committee \$	No. of meetings held	No. of meetings attended
Mr. Vijay Kumar (DIN 01291193)	Member, Independent, Non- Executive	04	02
Mrs. Asha Bhandari (DIN 00212254)	Member, Independent, Non- Executive	04	04
Mr. Vimal Dev Monga (DIN 06803618 )	Member, Independent, Non- Executive	04	03
Mr. Naveen Sawhney (DIN 00893704)	Member, Managing Director, Executive	04	04

**\$ Committee Members appoints Chairman by rotation among Independent Directors.**

The necessary quorum was present for all the meetings.

The terms of reference of Stakeholders Relationship Committee, inter alia, includes the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;

- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- (5) To perform such other functions as may be necessary or appropriate for the performance of its duties;
- (6) Matters under Companies Act required being review by Stakeholders Relationship Committee;

**Compliance Officer**

Ms. Garima Pant, Company Secretary is the ‘Compliance Officer’ of the Company for the requirements under the Listing Agreements with Stock Exchanges.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

**Status of investor complaints / requests as on 31<sup>st</sup> March 2019**

Period: 01.04.2018 - 31.03.2019	No. of Complaints
Pending at the beginning of financial year 2018-19	Nil
Total complaints received during the year	<b>38</b>
Total complaints resolved during the year	<b>38</b>
Total complaints pending as on 31 <sup>st</sup> March 2019	Nil

**D) OTHER COMMITTEES**

The Company is having following other Committees formed to speed up the routine matters and to comply other statutory formalities:

**i) Committee of Directors**

During the period ended on March 31, 2019, the Committee of Directors comprises of two members viz. Mr. Naveen Sawhney (DIN 00893704), Mr. Sanjeev Kumar (DIN 07178759). Mr. Naveen Sawhney is the Chairman of the Committee. The Committee meets as and when required.

Seventeen (17) meetings of Committee of Directors were held during the year on April 04, 2018, May 14, 2018, June 25, 2018, July 19, 2018, August 07, 2018, August 28, 2018, September 29, 2018, October 11, 2018, October 29, 2018, November 02, 2018, November 19, 2018, December 31, 2018, January 10, 2019, January 16, 2019, March 05, 2019 and March 12, 2019, March 26, 2019.

**Terms of Reference**

- a) Decision on ordinary business activities of the company and matters related to general management and administration.
- b) Operation of various bank accounts including opening and closure of bank accounts.
- c) Powers to borrow provided that the amount to be borrowed together with amount already borrowed by the company does not exceed the limit approved under section 180 (1) (c) of the Companies Act, 2013.
- d) Power to make investment not exceeding ₹ 100 crore, give loan not exceeding ₹ 25 crore, guarantee and provide security up to ₹ 100 crore.
- e) Arrangement for foreign exchange transactions and contracts.
- f) Execution of various documents on behalf of company.
- g) Court cases and other legal matters.
- h) Any other matters which the Committee at its own or as per directions of the board thinks fit in the interest of company and other stakeholders provided it is not required to transact that matter at board or general meeting.”

The necessary quorum was present for all the meetings.

**ii) Share Transfer Committee:**

The Share Transfer Committee comprises of two members' viz. Mr. Naveen Sawhney (DIN 00893704) and Mr. Sanjeev Kumar (DIN: 07178759). Mr. Naveen Sawhney is the Chairman of the Committee. The Committee meets as and when required to look into the Transfer, Transmission, issue of duplicate share certificate, Issue of Share Certificates by way of renewal, split, consolidation, dematerialization / re-materialization of shares etc.

Fifteen meetings of the Share Transfer Committee were held during the year on May 05, 2018, June 18, 2018, June 30, 2018, July 16, 2018, July 23, 2018, August 07, 2018, August 16, 2018, August 22, 2018, September 29, 2018, October 23, 2018, November 03, 2018, November 20, 2018, December 05, 2018, December 28, 2018, January 21, 2019.

The necessary quorum was present for all the meetings.

**iii) Corporate Social Responsibility (CSR) Committee:**

The Board has constituted CSR Committee of the Company in line with the provisions of Section 135 of the Companies Act, 2013 alongwith rules made thereunder. Based on the recommendation of the Corporate Social Responsibility Committee, the Board of Directors have formulated and adopted a Policy on Corporate Social Responsibility. The same is displayed under the Corporate Governance section on the Company's website 'www.cordscable.com'. A Report on Corporate Social Responsibility activities carried out by the Company during the year under review and details thereof are given as **Annexure - 4** to the Director's Report. As per Section 135 of the Companies Act, 2013, the Company had deposited ₹ 2 lakh in Prime Minister National Relief Fund as CSR expenditure during the Financial Year 2018-19.

The composition of the CSR Committee comprises of Four Directors viz. Mr. Naveen Sawhney (Non-Independent, Executive Director), Mr. Vijay Kumar (Independent, Non-Executive Director), Mrs. Asha Bhandari (Independent, Non-Executive Director), Mr. Vimal Dev Monga (Independent, Non-Executive Director).

During the year under review, One CSR Committee Meetings were held, viz; February 12, 2019.

The details of attendance of each Member at the CSR Committee Meetings held during the year ended March 31, 2019 are as under:

Name of Director	Designation	No. of CSR Meetings during the year 2018-19	
		Held	Attended
Naveen Sawhney	(Non-Independent, Executive Director)	1	1
Mr. Vijay Kumar	(Independent, Non-Executive Director)	1	0
Mrs. Asha Bhandari	(Independent, Non-Executive Director),	1	1
Mr. Vimal Dev Monga	(Independent, Non-Executive Director).	1	1

The broad terms of reference for CSR committee is as follows:

- (i) Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval;
- (ii) Recommend CSR activities as stated under Schedule VII of the Act;
- (iii) Recommend the CSR Budget;
- (iv) Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules;
- (v) Create transparent monitoring mechanism for implementation of CSR Initiatives;
- (vi) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company;
- (vii) Monitor CSR Policy from time to time;
- (viii) Authorise executives of the company to attend the CSR Committee meetings;
- (ix) Any other matter as the CSR Committee may deem appropriate to discharge its functions or as may be directed by the Board of Directors from time to time;
- (x) Matters under Companies Act required being review by CSR committee;



**iv) Separate meeting of Independent Directors:**

In terms of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors are required to meet at least once in a year, without the presence of Non-Independent Directors and members of the management, to deal with the matters listed out in Schedule IV to the Companies Act, 2013 and Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year ended March 31, 2019, one meeting of Independent Directors was held on February 12, 2019. In a separate meeting, Independent Directors, *inter alia reviewed*:

- The performance of non-independent directors, performance of the board as a whole;
- The performance of the Chairman of the company, taking into account the views of executive directors and non-executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;

Attendance of the Independent Directors at the meeting is as under:

Name of the Director	No. of Meeting held	No. of Meeting attended
Mr. Vijay Kumar	1	0
Mrs. Asha Bhandari	1	1
Mr. Vimal Dev Monga	1	1

The Independent Directors expresses their satisfaction to the desired level on the governance of the Board.

**5. GENERAL BODY MEETINGS**

Location, date and time of Annual General Meeting held during the preceding 3 years and the Special Resolution passed thereat are as follows:

Year	Date & Time	Venue	Special Resolution passed
2017-2018	September 28, 2018 03.30 p.m.	International Society for Krishna Consciousness (ISKON) Hare Krishna Hills, Sant Nagar Main Road, East of Kailash, New Delhi 110065.	Approval of Regularisation and the increase in the remuneration payable to Mr. Sanjeev kumar (DIN: 07178759), whole time director of the company for remaining period of his tenure as Whole Time Director i.e. from May 30, 2018 to May 29, 2020. Authorisation to Board of Directors for Borrowing an amount not exceeding ₹ 500 crores.
2016-2017	September 26, 2017 09.30 a.m.	Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near Interstate Bus Terminal, Delhi-110054	Approval of the Increase in remuneration of Mr. Naveen Sawhney, Managing Director of the Company for the remaining period of his tenure as Managing Director i.e. from 01.02.2017 to 30.06.2019. Approval of the Increase in remuneration of Mr. Sanjeev Kumar, Whole Time Director for the remaining period of his tenure as Whole Time Director i.e. from 01.02.2017 to 29.05.2020.
2015-2016	September 30, 2016 11.30 a.m.	Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near Interstate Bus Terminal, Delhi-110054	Appointment of Mrs. Asha Bhandari (DIN 00212254) as Independent Director. Appointment of Mr. Vimal Dev Monga (DIN 06803618) as Independent Director. Re-appointment of Mr. Naveen Sawhney (DIN 00893704) as Managing Director and to approve his remuneration. Issue of Cumulative Redeemable Non Convertible Preference Shares.

**Postal Ballot:**

- During the financial year under review, no postal ballot was conducted and no special resolution is proposed to be conducted through postal ballot as on the date of this report.
- Person who conducted the postal ballot exercise : not applicable

- iii. Whether any special resolution is proposed to be conducted through postal ballot : not applicable
- iv. Procedure of postal ballot : not applicable

**6. MEANS OF COMMUNICATION TO SHAREHOLDERS**

- i. The Un-audited quarterly / half yearly results are announced within forty- five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- ii. The quarterly and half-yearly/Annual financial results are sent to the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), These Financial Results are published in leading newspapers, namely, Mint, Financial Express, Business Standard in English and Hari Bhoomi, Jansatta in Hindi within forty eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- iii. The financial results are also displayed on Company's website [www.cordscable.com](http://www.cordscable.com)
- iv. Any presentation made to the institutional investor or/ and analysts release are sent to stock exchanges and are displayed on the website of the company ([www.cordscable.com](http://www.cordscable.com))
- v. **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates'. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.
- vi. **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates'. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.
- vii. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in centralized web based complaints redress system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaints and its current status.
- viii. The Company has designated the e mail id : [cscso@cordscable.com](mailto:cscso@cordscable.com) for investor relation, and the same is prominently displayed on the website of the company ([www.cordscable.com](http://www.cordscable.com))
- ix **Management Discussion & Analysis**  
Management Discussion & Analysis is separately annexed and forming part of the Annual Report.

**7. GENERAL SHAREHOLDER INFORMATION**

**(i) 28th Annual General Meeting for the financial year 2018-19**

Day & Date	Friday , September 27, 2019
Venue	International Society for Krishna Consciousness (ISKON) Hare Krishna Hills, Sant Nagar Main Road, East of Kailash, New Delhi 110065.
Time	03:00 p.m.
Book Closure	Saturday, September 21, 2019 to Friday, September 27, 2019 (both day inclusive)

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM to be held on September 27, 2019.

**(ii) Financial Calendar**

Financial Year                      April 01 to March 31  
AGM in                                      September

**Calendar of financial year ended March 31, 2019**

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended March 31, 2019 were held on the following dates:

- Results for quarter ending June 30, 2018                      On 13.08.2018
- Results for quarter ending September 30, 2018                      On 05.11.2018
- Results for quarter ending December 31, 2018                      On 12.02.2019
- Results for year ending March 31, 2019                      On 29.05.2019

**Tentative Calendar for financial year ending March 31, 2020**

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2020 are as follows:

- Results for quarter ending June 30, 2019 On or before 14.08.2019
- Results for quarter ending September 30, 2019 On or before 14.11.2019
- Results for quarter ending December 31, 2019 On or before 14.02.2020
- Results for year ending March 31, 2020 On or before 30.05.2020

**(iii) Listing Details:**

Name and Address of the Stock Exchange	Stock Code
<b>National Stock Exchange of India Ltd</b> Exchange Plaza, Plot No-C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051	CORDSCABLE
<b>Bombay Stock Exchange Ltd</b> Floor 25, PJ Towers, Dalal Street, Mumbai-400 001	532941
ISIN No.	INE792I01017

Annual listing fees for the financial year 2019-2020 have been paid to the above Stock Exchanges.

- (iv) Custodial fees to Depositories :** Paid to National Security Depository Ltd and Central Depository Securities Ltd. for the F.Y. 2019-20.
- (v) Dividend on :** No(s) 1,60,000 Cumulative redeemable Non Convertible Preference Shares @10% p.a., from April 2018 to March, 2019 will be paid to preference shareholders, if approved by the shareholders at the ensuing AGM. (These shares are not listed in any stock exchange.)
- (vi) Corporate Identity Number (CIN)** of the company : L74999DL1991PLC046092
- (vii) Unclaimed Dividend/ Share :** Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the Dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. <http://cordscable.com/cordscable/corporate.php>.

**(viii) Shareholding as on March 31, 2019: (Face Value : ₹ 10 each)**

**a) Distribution of Shareholding As on March 31, 2019**

No. of Shares held	No. of shareholders	% of Shareholders	Aggregate shares held	% of Shareholding
1 - 500	9,446	87.9434	1101515	8.5205
501 - 1000	611	5.6885	500240	3.8695
1001 - 2000	309	2.8768	475378	3.6772
2001 - 3000	117	1.0893	301943	2.3356
3001 - 4000	52	0.4841	186530	1.4429
4001 - 5000	55	0.5121	254436	1.9681
5001 - 10000	82	0.7634	600174	4.6425
10001 - *****	69	0.6424	9507564	73.5437
<b>TOTAL</b>	<b>10741</b>	<b>100.00</b>	<b>12927780</b>	<b>100.00</b>

**b) Shareholding Pattern as on March 31, 2019 : (Face Value : ₹ 10 each)**

S. No.	Category of Shareholders	Total no of Shares	Shares held as a percentage of total number of shares
1	Promoters	66,53,638	51.47
2	Foreign Portfolio Investor	90,189	0.70
3	Financial Institutional / Banks	215	0.00
4	Bodies Corporate	10,09,721	7.81
5	Individual Shareholders holding nominal share capital upto ₹ 2 Lakh	31,66,231	24.49

6	Individual Shareholders holding nominal share capital in excess of ₹ 2 Lakh	14,88,173	11.51
7	NRIs	1,38,238	1.07
8	Clearing Members	85,228	0.66
9	Hindi Undivided Family	2,85,963	2.21
10	NBFCs registered with RBI	25	0.00
11	IEPF	10,159	0.08
	<b>GRAND TOTAL</b>	<b>12927780</b>	<b>100.00</b>

c) **Top ten equity shareholders of the Company as on March 31, 2019: (Face Value : ₹ 10 each)**

S. No	Name of the Shareholder	Number of Shares	Shares held as a percentage of total no of shares
1.	Naveen Sawhney	60,55,222	46.8388
2.	Mukul Agrawal C/o Param Capital	9,36,376	7.2431
3.	Globe Capital Market Ltd	2,27,901	1.7629
4.	Adarsh Sawhney	2,24,006	1.7327
5.	Gaurav Sawhney	1,98,466	1.5352
6.	Varun Sawhney	1,75,944	1.3610
7.	Globe Fincap Ltd	1,73,000	1.3382
8.	Thermo Pads Pvt Ltd	1,02,868	0.7957
9.	Shubhkam Ventures Pvt Ltd	1,00,000	0.7735
10.	India Max Investment Fund Ltd	90,189	0.6976
	<b>GRAND TOTAL</b>	<b>82,83,972</b>	<b>64.0787</b>

d) **Market Price Data**

The monthly high and low prices and volumes of the Company's Shares at BSE and NSE for the financial Year ended 31<sup>st</sup> March, 2019 as under:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No of Shares)	High (₹)	Low (₹)	Volume (No of Shares)
April' 18	99.60	80.50	75,952	102.00	79.25	6,76,987
May' 18	94.00	71.25	1,35,530	98.00	70.30	4,09,087
June' 18	81.65	55.00	2,08,305	82.45	55.00	5,32,267
July' 18	84.40	56.00	2,66,389	84.90	55.10	11,56,328
Aug' 18	88.40	70.00	1,49,239	88.50	70.10	6,41,609
Sep' 18	82.00	60.40	47,671	81.95	60.00	3,37,340
Oct' 18	68.25	52.30	75,630	68.90	51.25	3,15,231
Nov' 18	70.00	59.05	72,428	68.85	58.25	5,25,054
Dec' 18	75.90	53.70	2,95,759	74.90	53.50	14,24,557
Jan' 19	71.50	57.00	1,08,637	74.70	56.35	6,16,665
Feb' 19	61.05	54.50	27,491	63.00	54.30	2,20,098
Mar' 19	68.20	55.10	93,385	68.00	56.50	6,38,597

e) **Performance in Comparison to BSE Sensex.**

The Performance of the share price of the Company in comparison to the BSE Sensex is as under:

Month	BSE Sensex		NSE Sensex		Cords Cable Industries Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2018	35,213.30	32,972.56	10759	10,111.3	99.60	80.50
May 2018	35,993.53	34,302.89	10929.2	10,417.8	94.00	71.25
June 2018	35,877.41	34,784.68	10893.25	10,550.9	81.65	55.00
July 2018	37,644.59	35,106.57	11366	10,604.65	84.40	56.00

August 2018	38,989.65	37,128.99	11760.2	11234.95	88.40	70.00
September 2018	38,934.35	35,985.63	11751.8	10,850.3	82.00	60.40
October 2018	36,616.64	33,291.58	11035.68	10,004.55	68.25	52.30
November 2018	36,389.22	34,303.38	10922.45	10,341.9	70.00	59.05
December 2018	36,554.99	34,426.29	10985.15	10,333.85	75.90	53.70
January 2019	36,701.03	35,375.51	10987.45	10,583.65	71.50	57.00
February 2019	37,172.18	35,287.16	11118.1	10,585.65	61.05	54.50
March 2019	38,748.54	35,926.94	11630.35	10,817	68.20	55.10

**(ix) Registrar and Share Transfer Agent**

The Company has appointed Link Intime India Pvt. Ltd. as its Registrar and Share Transfer Agent to whom communications regarding change of address, transfer of shares etc should be addressed. The address of the Registrar and Share Transfer Agent is as under-

Name & Address of R & T Agent	Link Intime India Pvt. Ltd. Noble Heights, 1st Floor, Plot No. NH 2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi-110058.
Tel No.	+91-011- 41410592, 93, 94
Fax No.	+91-011, 414105991
Email	delhi@linkintime.co.in
Website	www.linkintime.co.in

**(x) Share Transfer System**

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

**(xi) Nomination**

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**(xii) Reconciliation of Share Capital Audit**

As stipulated by SEBI, Gupta Gulshan and Associates, practicing company secretary (Membership No. FCS 5576, C. P. No. 3925) carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of total number of shares in dematerialized form and in physical form.

**(xiii) Dematerialization of shares and liquidity**

The shares of the Company are traded in dematerialized form. 21,48,680 equity shares of the Company stands in CDSL A/c, 1,07,76,747 equity shares stands in NSDL A/c & Balance 2,353 are in physical form as on March 31, 2019.

The equity shares of the Company are actively traded at BSE & NSE.



**(xiv) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on liquidity**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2019, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**(xv) Commodity Price risk or foreign exchange risk and hedging activities.**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company has managed the Foreign Exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company used Forward Exchange Contracts to hedge against its Foreign Currency exposures relating to firm commitments.

**(xvi) Credit ratings**

Credit Analysis and Research Ltd. (CARE Ratings) reaffirmed the credit ratings of the company's long term / short term bank facilities as CARE BBB (Outlook: Stable); CARE A3 respectively.

**(xvii) In case the securities are suspended from trading, the director report shall explain the reason thereof.**

Not applicable

**8. OTHER DISCLOSURES:****a) Related Party Transactions**

A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://cordscable.com/cordscable/corporate.php>

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

**b) Compliances with Rules and Regulations**

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchanges or the SEBI (The Securities and Exchange Board of India) or any statutory authority, on any matter related to capital markets, during the last three years 2015-16, 2016-2017 and 2017-18, respectively.

**c) Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at the following link <http://cordscable.com/cordscable/corporate.php>.

**d) Compliance with Secretarial Standards**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

**e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Board of Directors periodically reviewed the compliance of all Applicable Laws and steps taken by the Company to rectify instances of non-compliance, if any. The company is in compliance with all mandatory requirements of SEBI Listing Regulations. In addition, the company has also adopted the following non-mandatory requirements to the extent mentioned below:

**i) The Board**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.



**ii) Shareholders' Communication**

The Company has maintained a functional website at [www.cordscable.com](http://www.cordscable.com) containing basic information about the Company viz., details of its business, financial information, shareholding pattern, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

Quarterly / Financial Results are published in leading newspapers, namely, Mint, Financial Express, Business Standard in English and Hari Bhoomi, Jansatta in Hindi. These results are also put up on Company's website [www.cordscable.com](http://www.cordscable.com).

**iii) Audit qualifications**

During the year under review, there was no audit qualification on the company's financial statements.

**iv) Reporting of Internal Auditor**

M/s Anil Nupur & Co., Chartered Accountants - Internal Auditors of the company, reports to the Managing Director & CFO and they have a direct access to the Audit Committee and participates in the meetings of the Audit Committee of the Board of Directors of the Company, as and when required.

**f) Commodity price risk and Commodity hedging activities**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

**g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

Not Applicable

**h) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

**i) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.**

Not Applicable

**j) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 26 to the Financial Statements.

**k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2019 is given in the Directors' report.

**(l) The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.****(m) Consolidation of folios and avoidance of multiple mailing**

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

**(n) Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**o) Risk Management**

The Board is apprised of the matters with regard to Risk Management & Assessment. The Risk minimization procedures have been put in place and are being reviewed from time to time, to ensure that the executive management, controls risk, through means of a properly defined framework.

**p) Policy**

The Company has also adopted Policy on Determination of Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents.

**q) MD/CFO Certification**

As required under Regulation 17 (8) of the SEBI Listing Regulations, the Managing Director (MD) and the Chief Financial Officer (CFO) of the Company have submitted a Compliance Certificate for the financial year ended March 31, 2019, which is annexed as Annexure 6 to this Report. In term of Regulation 33 (2)(a) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Managing Director and CFO certified the quarterly financial results while placing the final results before the Board.

**r) Equity Shares in the suspense account**

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2018	Aggregate numbers of shareholders are 05.	The outstanding shares in the suspense account lying at the beginning of the year are 599.
Shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	Aggregate numbers of shareholders are 05.	The outstanding shares in the suspense account lying at the beginning of the year are 599.
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Yes, The voting rights on these shares are frozen till the rightful owner of such shares claims the shares.	

**s) Secretarial Audit Report**

The Company has undertaken Secretarial Audit for the financial year 2018-19 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the Securities and Exchange Board of India and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report is annexed as **Annexure 5** to the Director Report.

**t) Reconciliation of share capital audit**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

**u) Compliance Certificate from the Secretarial Auditor of the Company**

Certificate from M/s Gupta Gulshan & Associates, Company Secretaries, Confirming compliance with the conditions of Corporate Governance as stipulated schedule V of SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure 2A** forming part of this report.

**v) Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.**

**w) Plant Locations**

- A-525, E-518, E-519, E-520, Industrial Area Chopanki, Bhiwadi, Distt. Alwar - 301707 (Rajasthan)
- SP-239,240 & 241, Industrial Area Kahrani, Bhiwadi, Dist Alwar-301019 (Rajasthan)

**x) Service of documents through electronic mode**

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, to its dedicated e-mail id i.e., "delhi@linkintime.co.in."

**y) Investor Correspondence*****For share transfer, transmission and dematerialization requests***

<b>Link Intime India Pvt. Ltd. (RTA)</b> Noble Heights, 1st Floor, Plot No. NH 2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi- 110058. Tel. No. +91-011- 41410592/93/94 Fax No +91-011, 414105991 Email <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>	<b>Link Intime India Private Limited (RTA)</b> C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai -400083 Tel. No. +91-022- 49186270 Fax No +91-022- 49186060 Email <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
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***For General Correspondence*****Company Secretary,**

Cords Cable Industries Ltd.  
94, 1<sup>st</sup> Floor, Shambhu Dayal Bagh Marg,  
Near Okhla Industrial Area,  
Old Ishwar Nagar,  
New Delhi 110020  
Tel No.011- 40551200  
Fax No. 011- 40551280/81  
Email ID: [csco@cordscable.com](mailto:csco@cordscable.com)  
CIN L74999DL1991PLC046092

**On Behalf of The Board of Directors**

New Delhi  
August 13, 2019

**Naveen Sawhney**  
Managing Director  
DIN : 00893704

**Sanjeev Kumar**  
Whole Time Director  
DIN : 07178759

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that services of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with the depository through their concerned Depository Participants.

**Annexure 2A to the Directors' Report**

**GUPTA GULSHAN & ASSOCIATES**

Company Secretaries

202, Kumar House, Central Market,  
Prashant Vihar, Delhi 110085

Email: gulshanguptacs@gmail.com

Phone: 011 47510390, 98105 10390

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

The Members

Cords Cable Industries Limited

We have examined the compliance of conditions of Corporate Governance by Cords Cable Industries Limited ("the Company"), for the financial year ended **March 31, 2019** as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation 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 substantially complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations, the compliances of which needs to be further strengthened.

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.

**For Gupta Gulshan & Associates**  
Company Secretaries

**Gulshan Kumar Gupta**  
Membership No., FCS: 5576  
Certificate of Practice No. 3925

Delhi, August 13, 2019

**GUPTA GULSHAN & ASSOCIATES**  
Company Secretaries

202, Kumar House, Central Market,  
Prashant Vihar, Delhi 110085  
Email: gulshanguptacs@gmail.com  
Phone: 011 47510390, 98105 10390

**CERTIFICATE**

*(Pursuant to clause 10 of Part C of Schedule V of LODR)*

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of **Cords Cable Industries Limited** (CIN: L74999DL1991PLC046092) and on the basis of the status of Directors Identification Number available on the website of Ministry of Corporate Affairs and as per written representation/declaration received from the Directors and taken on record by the Board of Directors, we hereby certify that as on **March 31, 2019**, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

For **Gupta Gulshan & Associates**  
Company Secretaries

**Gulshan Kumar Gupta**  
Membership No., FCS: 5576  
Certificate of Practice No. 3925

Delhi, August 13, 2019

**Annexure 3 to the Directors' Report**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2019**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L74999DL1991PLC046092
2.	Registration Date	21/10/1991
3.	Name of the Company	CORDS CABLE INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	Public Company (Company Limited by Shares)
5.	Address of the Registered office & contact details	94, 1 <sup>st</sup> Floor, Shambhu dayal Bagh Marg, Near Okhla Industrial Area Phase-III, Old Ishwar Nagar, New Delhi-110020 Tel No.- +91-11-40551200 Fax: +91-11-40551280/81 Website: www.cordscable.com E-mail: ccil@cordscable.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited Noble Heights, 1 <sup>st</sup> Floor, Plot No. NH 2, C-1 Block, L.S.C. Near Savitri Market, Janakpuri, New Delhi 110058 Tel No : +91 011 41410592 Fax: +91 011 41410591 E-mail id : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Electrical Wires and Cables	31300	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of Shares held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 <sup>st</sup> March, 2018]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	6647138	-	6647138	51.4175	6653638	-	6653638	51.4678	0.0503
b) Central Govt	-	-	-	-	-	-	-	-	0
c) State Govt(s)	-	-	-	-	-	-	-	-	0
d) Bodies Corp.	-	-	-	-	-	-	-	-	0
e) Banks / FI	-	-	-	-	-	-	-	-	0
f) Any other	-	-	-	-	-	-	-	-	0
<b>Sub-Total (A)(1)</b>	<b>6647138</b>	<b>-</b>	<b>6647138</b>	<b>51.4175</b>	<b>6653638</b>	<b>-</b>	<b>6653638</b>	<b>51.4678</b>	<b>0.0503</b>



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 <sup>st</sup> March, 2018]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other – individuals									
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI									
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>6647138</b>	<b>-</b>	<b>6647138</b>	<b>51.4175</b>	<b>6653638</b>	<b>-</b>	<b>6653638</b>	<b>51.4678</b>	<b>0.0503</b>
<b>B. Public Shareholding-</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1734	-	1734	0.0134	215	-	215	0.0017	(0.0117)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others: Foreign portfolio Investor	75000	-	75000	0.5801	90189	-	90189	0.6976	0.1174
<b>Sub-total (B)(1):-</b>	<b>76734</b>	<b>-</b>	<b>76734</b>	<b>0.5936</b>	<b>90404</b>	<b>-</b>	<b>90404</b>	<b>0.6993</b>	<b>0.1057</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	1215567	-	1215567	9.4028	1009721	-	1009721	7.8105	(1.5923)
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2497949	4026	2501975	19.3535	2887797	2353	2890150	22.3561	3.0026
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1926364	20000	1946364	15.0557	1764254	-	1764254	13.6470	(1.4087)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 <sup>st</sup> March, 2018]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
IEPF	-	-	-	-	10159	-	10159	0.0786	0.0786
NBFC's registered with RBI	-	-	-	-	25	-	25	0.0002	0.0002
Hindu Undivided Family	336296	-	336296	2.6013	285963	-	285963	2.2120	(0.3893)
Non Resident Indians (Repat)	67676	-	67676	0.5235	109105	-	109105	0.8440	0.3205
Non Resident Indians (Non Repat)	14718	-	14718	0.1138	29133	-	29133	0.2254	0.1116
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	121312	-	121312	0.9384	85228	-	85228	0.6593	(0.2791)
Trusts	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>6179882</b>	<b>24026</b>	<b>6203908</b>	<b>47.9890</b>	<b>6181385</b>	<b>2353</b>	<b>6183738</b>	<b>47.8331</b>	<b>(0.1560)</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>6256616</b>	<b>24026</b>	<b>6280642</b>	<b>48.5825</b>	<b>6271789</b>	<b>2353</b>	<b>6274142</b>	<b>48.5322</b>	<b>(0.0503)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>12903754</b>	<b>24026</b>	<b>12927780</b>	<b>100</b>	<b>12925427</b>	<b>2353</b>	<b>12927780</b>	<b>100</b>	<b>--</b>

**B) Shareholding of Promoter-**

S. N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Naveen Sawhney	6048722	46.7886	0	6055222	46.8389	0	0.0503
2	Adarsh Sawhney	224006	1.7327	0	224006	1.7327	0	0
3	Gaurav Sawhney	198466	1.5352	0	198466	1.5352	0	0
4	Varun Sawhney	175944	1.3610	0	175944	1.3610	0	0
	<b>TOTAL</b>	<b>6647138</b>	<b>51.4175</b>	<b>0</b>	<b>6653638</b>	<b>51.4678</b>	<b>0</b>	<b>0.0503</b>

**C) Change in Promoters' and Promoter Group Shareholding (please specify, if there is no change)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
<b>A. Promoters</b>								
	Naveen	6048722	46.7886	12.10.2018	5000	Purchase	6053722	46.8272
	Sawhney			16.11.2018	500	Purchase	6054222	46.8312
				14.12.2018	1000	Purchase	6055222	46.8389
<b>B. Promoters Group</b>								
								NIL

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
<b>1. Mukul Agrawal C/o Param Capital</b>								
	At the beginning of the year	1100000	8.5088	01.04.2018	-	-	1100000	8.5088
	Change in Shareholding			27.04.2018	(30646)	Sold	1069354	8.2718
				21.09.2018	(10000)	Sold	1059354	8.1944
				14.12.2018	(59054)	Sold	1000300	7.7376
				18.01.2019	(61762)	Sold	938538	7.2599
				01.02.2019	(500)	Sold	938038	7.2560
				22.03.2019	(1662)	Sold	936376	7.2431
	At the end of the year			31.03.2019	-	-	936376	7.2431
<b>2. Globe Capital Market Limited</b>								
	At the beginning of the year	38125	0.2949	01.04.2018	-	-	38125	0.2949
	Change in Shareholding			06.04.2018	56	Purchase	38181	0.2953
				13.04.2018	(285)	Sold	37896	0.2931
				20.04.2018	50	Purchase	37946	0.2935
				27.04.2018	1900	Purchase	39846	0.3082
				04.05.2018	(90)	Sold	39756	0.3075
				11.05.2018	1181	Purchase	40937	0.3167
				18.05.2018	(1181)	Sold	39756	0.3075
				25.05.2018	(400)	Sold	39356	0.3044
				01.06.2018	411	Purchase	39767	0.3076
				08.06.2018	(589)	Sold	39178	0.3031
				15.06.2018	(310)	Sold	38868	0.3007
				22.06.2018	100	Purchase	38968	0.3014
				06.07.2018	(2093)	Sold	36875	0.2852
				13.07.2018	(1182)	Sold	35693	0.2761
				20.07.2018	200100	Purchase	235793	1.8239
			27.07.2018	(11081)	Sold	224712	1.7382	
			03.08.2018	(2865)	Sold	221847	1.7160	
			10.08.2018	(549)	Sold	221298	1.7118	
			31.08.2018	(1)	Sold	221297	1.7118	
			07.09.2018	500	Purchase	221797	1.7157	

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				14.09.2018	(500)	Sold	221297	1.7118
				29.09.2018	(10)	Sold	221287	1.7117
				12.10.2018	500	Purchase	221787	1.7156
				19.10.2018	(2333)	Sold	219454	1.6975
				26.10.2018	100	Purchase	219554	1.6983
				02.11.2018	(100)	Sold	219454	1.6975
				07.12.2018	50	Purchase	219504	1.6979
				14.12.2018	250	Purchase	219754	1.6999
				21.12.2018	765	Purchase	220519	1.7058
				28.12.2018	(415)	Sold	220104	1.7026
				04.01.2019	(25)	Sold	220079	1.7024
				11.01.2019	150	Purchase	220229	1.7035
				18.01.2019	(350)	Sold	219879	1.7008
				25.01.2019	500	Purchase	220379	1.7047
				08.02.2019	(100)	Sold	220279	1.7039
				01.03.2019	(50)	Sold	220229	1.7035
				08.03.2019	(175)	Sold	220054	1.7022
				15.03.2019	10500	Purchase	230554	1.7834
				22.03.2019	146	Purchase	230700	1.7845
				29.03.2019	(2700)	Sold	228000	1.7636
				30.03.2019	(99)	Sold	227901	1.7629
	At the end of the year			31.03.2019	-	-	227901	1.7629
3.	<b>Globe Fincap Limited</b>							
	At the beginning of the year	173000	1.3382	01.04.2018	-	-	173000	1.3382
	Change in Shareholding				-	-	-	
	At the end of the year			31.03.2019	-	-	173000	1.3382
4.	<b>Thermopads Private Limited</b>							
	At the beginning of the year			01.04.2018	-	-		
	Change in Shareholding			17.08.2018	3000	Purchase	3000	0.0232
				24.08.2018	6000	Purchase	9000	0.0696
				07.09.2018	13658	Purchase	22658	0.1753
				14.09.2018	2249	Purchase	24907	0.1927
				21.09.2018	4000	Purchase	28907	0.2236
				29.09.2018	19867	Purchase	48774	0.3773
				05.10.2018	15000	Purchase	63774	0.4933
				16.11.2018	5000	Purchase	68774	0.5320
				30.11.2018	2500	Purchase	71274	0.5513
				14.12.2018	6000	Purchase	77274	0.5977
				31.12.2018	5000	Purchase	82274	0.6364
				04.01.2019	544	Purchase	82818	0.6406
				11.01.2019	4630	Purchase	87448	0.6764
				01.02.2019	4267	Purchase	91715	0.7094
				08.02.2019	31	Purchase	91746	0.7097
				15.02.2019	6216	Purchase	97962	0.7578
				22.03.2019	4906	Purchase	102868	0.7957
	At the end of the year			31.03.2019	-	-	102868	0.7957

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
5.	<b>Subhkam Ventures (I) Private Limited</b>							
	At the beginning of the year	22443	0.1736	01.04.2018	-	-	22443	0.1736
	Change in Shareholding			13.04.2018	41176	Purchase	63619	0.4921
				27.04.2018	30654	Purchase	94273	0.7292
				11.05.2018	5727	Purchase	100000	0.7735
	At the end of the year			31.03.2019	-	-	100000	0.7735
6.	<b>India Max Investment Fund Limited</b>							
	At the beginning of the year	75000	0.5801	01.04.2018	-	-	75000	0.5801
	Change in Shareholding			31.08.2018	5000	Purchase	80000	0.6188
				07.09.2018	5000	Purchase	85000	0.6575
				19.10.2018	5189	Purchase	90189	0.6976
	At the end of the year			31.03.2019	-	-	90189	0.6976
7.	<b>Sanjeev Narendra Mehta</b>							
	At the beginning of the year	56300	0.4355	01.04.2018	-	-	56300	0.4355
	Change in Shareholding				-	-	-	-
	At the end of the year			31.03.2019	-	-	56300	0.4355
8.	<b>INGA Capital Private Limited</b>							
	At the beginning of the year	51677	0.3997	01.04.2018	-	-	51677	0.3997
	Change in Shareholding				-	-	-	-
	At the end of the year			31.03.2019	-	-	51677	0.3997
9.	<b>Neue Allianz Corporate Services (P) Ltd.</b>							
	At the beginning of the year	48323	0.3738	01.04.2018	-	-	48323	0.3738
	Change in Shareholding				-	-	-	-
	At the end of the year			31.03.2019	-	-	48323	0.3738
10.	<b>Nand Lal Hassanand Chawla</b>							
	At the beginning of the year	43000	0.3326	01.04.2018	-	-	43000	0.3326
	Change in Shareholding				-	-	-	-
	At the end of the year			31.03.2019	-	-	43000	0.3326

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Mr. Naveen Sawhney	6048722	46.7886	01.04.2018	-	-	-	6048722	46.7886
				12.10.2018	Purchase	5000	0.0386	6053722	46.8272
				16.11.2018	Purchase	500	0.0038	6054222	46.8312
				14.12.2018	Purchase	1000	0.0077	6055222	46.8389
				31.03.2019	-	-	6055222	46.8389	
2	Mr. Sanjeev Kumar	0	0.0000	01.04.2018	-	-	-	0	0.0000
				29.06.2018	Purchase	240	0.0018	240	0.0018
				05.07.2018	Sold	(240)	0.0018	0	0.0000
				17.07.2018	Purchase	251	0.0019	251	0.0019
				23.07.2018	Sold	(251)	0.0019	0	0.0000
				31.03.2019	-	-	0	0.0000	
3	Mrs. Asha Bhandari	0	0.0000	01.04.2018	-	-	-	0	0.0000
				31.03.2019	-	-	-	0	0.0000
4	Mr. Vijay Kumar	0	0.0000	01.04.2018	-	-	-	0	0.0000
				31.03.2019	-	-	-	0	0.0000
5	Mr. Vimal Dev Monga	0	0.0000	01.04.2018	-	-	-	0	0.0000
				31.03.2019	-	-	-	0	0.0000
6	Mr. Manoj Kumar Gupta	0	0.0000	01.04.2018	-	-	-	0	0.0000
				25.05.2018	Purchase	500	0.0038	500	0.0038
				31.03.2019	-	-	-	500	0.0038
7	Ms. Garima Pant	0	0.0000	01.04.2018	-	-	-	0	0.0000
				31.03.2019	-	-	-	0	0.0000

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(Amount ₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	7861.48	-	-	7861.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	37.16	-	-	37.16
<b>Total (i+ii+iii)</b>	<b>7898.64</b>	<b>-</b>	<b>-</b>	<b>7898.64</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	896.10	-	-	896.10
* Reduction	-	-	-	-
<b>Net Change</b>	<b>896.10</b>	<b>-</b>	<b>-</b>	<b>896.10</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	8748.02	-	-	8748.02
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	46.72	-	-	46.72
<b>Total (i+ii+iii)</b>	<b>8794.74</b>	<b>-</b>	<b>-</b>	<b>8794.74</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount ₹ in Lacs)

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Naveen Sawhney (Managing Director)	Mr. Sanjeev Kumar (Whole Time Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	94.80	12.56	107.36
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.50	-	0.50
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others, specify	--	--	--
5	Others, please specify	0.15	1.22	1.37
	<b>Total (A)</b>	<b>95.45</b>	<b>13.78</b>	<b>109.23</b>
	Ceiling as per the Act	The ceiling given is as per Schedule V to the Companies Act, 2013 as there was inadequate profit during the year ended 31st March, 2017, calculated in terms of Section 198 of the Companies Act, 2013 and the Company in their 26 <sup>th</sup> AGM held on 26.09.2017 has taken approval from the shareholders for the payment of remuneration, as minimum remuneration, under Schedule V to the Companies Act, 2013.		

**B. Remuneration to other directors\$**

S. N.	Particulars of Remuneration	Name of Directors			Total Amount (₹ in Lacs)
		Mr. Vijay Kumar	Mrs. Asha Bhandari	Mr. Vimal Dev Monga	
1	Independent Directors	Mr. Vijay Kumar	Mrs. Asha Bhandari	Mr. Vimal Dev Monga	
	Fee for attending board committee meetings	0.30	0.55	0.40	1.25
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	Total (1)				
2	Other Non-Executive Directors	--	--	--	--
	Fee for attending board committee meetings	--	--	--	--
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)				
	Total Managerial Remuneration\$				
	Overall Ceiling as per the Act	Overall ceiling for Non-executive Directors is 1% of the net profit, calculated as per Section 198 of the Companies Act, 2013.			

Note: \$ The Independent Directors are not being paid any remuneration except sitting fees.

**C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Manoj Kumar (Chief Finance Officer)	Ms. Garima Pant (Company Secretary)	Total Amount (` in Lacs )
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.26	4.57	21.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	- as % of profit	--	--	--
	others, specify...	--	--	--
5	Others, please specify	--	--	--
	Total	17.26	4.57	21.83

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					

On Behalf of The Board of Directors

New Delhi  
August 13, 2019

**Naveen Sawhney**  
Managing Director  
DIN : 00893704

**Sanjeev Kumar**  
Whole Time Director  
DIN : 07178759

**Annexure 4 to the Directors' Report  
Annual Report on Corporate Social Responsibility (CSR) Activities**

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also considering the social and environmental consequences. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing food, clothes, etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intention to make a positive contribution to the society in which the Company operates. The Company has framed a CSR Policy in compliance with Section 135 of the Companies Act, 2013 and the same is available on the website of the company at <a href="http://cordscable.com/cordscable/CSR_Policy.pdf">http://cordscable.com/cordscable/CSR_Policy.pdf</a>
2	The Composition of the CSR Committee.	Mr. Naveen Sawhney (Managing Director) Mr. Vimal Dev Monga (Independent Director) Mr. Vijay Kumar (Independent Director) Mrs. Asha Bhandari (Independent Director)
3	Average net profit of the company for last three financial years.	₹ 725.50 Lacs
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above).	₹ 14.51 Lacs
5	Details of CSR spent during the financial year	
	(a) Total amount to be spent for the financial year;	₹ 2 Lacs
	(b) Amount unspent , if any;	<b>₹ 33.93 Lacs</b>
	(c) Manner in which the amount spent during the financial year.	Prime Minister National Relief Fund
6	Reason for not spending the prescribed amount.	In order to meet the requirement of funds for Working Capital and repayment of loan instalments, company could not spend the entire outstanding amount in the CSR activities during the financial year 2018-2019. However, efforts shall be made to contribute towards CSR activities during F.Y. 2019-20.
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.	Pursuant to the Companies (Corporate Social Responsibility Rules) Rules, 2014, as amended from time to time, it is confirmed that the CSR Committee has implemented and monitored the CSR initiatives in line with CSR objectives and policy of the Company.

**Mr. Naveen Sawhney**  
Managing Director & CSR Committee member  
DIN: 00893704

Place : New Delhi  
Date : August 13, 2019

**Annexure 5 to the Directors' Report****GUPTA GULSHAN & ASSOCIATES**

Company Secretaries

202, Kumar House, Central Market,  
Prashant Vihar, Delhi 110085

Email: gulshanguptacs@gmail.com

Phone: 011 47510390, 98105 10390

**SECRETARIAL AUDIT REPORT**For the financial year ended 31<sup>st</sup> March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members

**CORDS CABLE INDUSTRIES LIMITED**

CIN: L74999DL1991PLC046092

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CORDS CABLE INDUSTRIES LIMITED (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The following laws applicable specifically to the company:

As per resolution passed by the directors of the company in the board meeting held on 28<sup>th</sup> May, 2018 it was resolved that no law is specifically applicable to the company.

We have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above to the extent applicable to the company and compliance required to be made by the company subject to the following observations:

- 1) *The Company has not contributed at least two percent of the average net profits of the company made during immediately preceding financial years in pursuance of its Corporate Social Responsibility during the period under review.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no material activity or event took place which requires reporting hereunder.

For **Gupta Gulshan & Associates**  
Company Secretaries

**Gulshan Kumar Gupta**  
Membership No., FCS: 5576  
Certificate of Practice No. 3925

Delhi, May 29, 2019

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms and integral part of this report.



**ANNEXURE –A**  
**SECRETARIAL AUDIT REPORT**  
For the financial year ended 31<sup>st</sup> March, 2019

The Members

**CORDS CABLE INDUSTRIES LIMITED**

CIN: L74999DL1991PLC046092

Our Secretarial Audit Report of even date is to be read along with this letter:

1. Secretarial Audit is primarily audit of compliance of various provisions of Companies Act, 2013 and other laws as mentioned in the audit report. Audit is conducted for transactions taking place during financial year 2018-19 and it should not be considered audit for any previous period. The compliance of the provisions of Companies Act, 2013 and other laws as mentioned in the report is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Further, it is not about audit of financials and accounting transactions of the Company. We have not verified the correctness and appropriateness of financial records, financial statements, books of accounts, other financials, compliances of income tax and other tax laws and in this regard we relied upon the audit done by statutory auditors of the Company.

2. In terms of Secretarial Standard on Meeting of the Board of Directors issued by The Institute of Company Secretaries of India, the company is required to pass resolution at the Board meeting specifying the list of laws applicable specifically to the company.

The list of laws specifically applicable to the company as mentioned at Para (VI) of the report is based on the resolution passed by the Board on 28<sup>th</sup> May, 2018.

3. Maintenance of secretarial record and its safe custody is the responsibility of the Company Secretary and other officers of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record required to be maintained under the Companies Act, 2013. The verification was done on test basis to ensure that correct facts are reflected in such records in order to form a reasonable view and opinion.
5. In case compliances of various statutory provisions we have also obtained management representation letter especially for transactions where it is not feasible as an auditor to form view and opinion regarding compliance of various provisions.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company. Any person entering into transactions with the company should separately verify about the affairs of the company before such transaction keeping in view the nature of such transaction to be entered into with the Company.

For **Gupta Gulshan & Associates**  
Company Secretaries

**Gulshan Kumar Gupta**  
Membership No., FCS: 5576  
Certificate of Practice No. 3925

Delhi, May 29, 2019

**Annexure 5A to the Directors' Report**

**GUPTA GULSHAN & ASSOCIATES**  
Company Secretaries

202, Kumar House, Central Market,  
Prashant Vihar, Delhi 110085  
Email: gulshanguptacs@gmail.com  
Phone: 011 47510390, 98105 10390

Secretarial Compliance report of  
**Cords Cable Industries Limited**  
For the year ended **31<sup>st</sup> March, 2019**

We, Gupta Gulshan & Associates have examined:

- a) all the documents and records made available to us and explanation provided by **Cords Cable Industries Limited** ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification.

For the year ended **31<sup>st</sup> March, 2019** ("Review Period") in respect of compliance with the provisions of :

- i) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- ii) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include:

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued thereunder; and based on the above examination, I/We hereby report that, during the Review Period:
  - a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations / Circulars / Guidelines including specific clause)	Deviation	Observations / Remarks of the Practicing Company Secretary
1.	N.A.	No deviation observed	Nil

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- c) The following are the details of actions taken against the listed entity / its promoters / directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through Guidance Note on Annual Secretarial Compliance Report various circulars) under the aforesaid Acts / Regulations and circulars / guidelines issued thereunder:

Sr. No.	Action taken by	Details of Deviation	Details of action taken e.g. fines, warning, letter, debarment, etc.	Observations / Remarks of the Practicing Company Secretary, if any
1	N.A.	Nil	Nil	Nil

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial compliance report for the year ended....	Action taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not applicable as first year of the report				

For **Gupta Gulshan & Associates**  
Company Secretaries

**Gulshan Kumar Gupta**  
Membership No., FCS: 5576  
Certificate of Practice No. 3925

Delhi, 29<sup>th</sup> May, 2019

**Annexure 6 to the Directors' Report**

**MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER CERTIFICATE**

Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors  
Of Cords Cable Industries Limited**

Dear Sir/ Madam,

We, Naveen Sawhney, Managing Director & Manoj Kumar Gupta (Chief Financial Officer) of Cords Cable Industries Ltd to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and to the best of our knowledge and belief:
  - (i) these statement 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 affair and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended March 31, 2019, 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 we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we 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, if any;
  - (ii) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements and;
  - (iii) Instances of significant fraud of which we 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.

**Naveen Sawhney**  
Managing Director

**Manoj Kumar Gupta**  
Chief Financial Officer

August 13, 2019  
New Delhi

### Code of Conduct Declaration

**DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING COMPLIANCE WITH CODE OF CONDUCT**

To  
The Members  
Cords Cable Industries Limited

In accordance with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2019.

**For Cords Cable Industries Limited**

Dated : August 13, 2019  
Place : New Delhi

**Naveen Sawhney**  
**Managing Director**

**Annexure 7 to the Directors' Report  
Disclosure on Conservation of Energy & Technology Absorption**

<b>(A) Conservation of Energy:</b>		
(i)	The step taken or impact on conservation of energy.	In view of the measures already taken in the previous years, no fresh measure were required to be taken during the year under review, however power consumption is continuously being monitored and controlled.
(ii)	The step taken by the Company for utilising alternate sources of energy.	All air conditioners, lights and computers are shut after office hours (except at the time of work commitments). There is an optimum ratio of glass windows to utilize natural daylight and proper insulation and valuation to balance temperature and reduce heat. Your company supports the green initiative taken by the Ministry of Corporate Affairs and urges its shareholders to accept electronic delivery of documents as prescribed by Law and provide valuable support to the company in conserving environment by reducing the impact of printing.
(iii)	The Capital Expenditure on Energy conservation equipments.	Nil
<b>(B) Technology absorption:</b>		
(i)	The efforts made towards technology absorption;	Your 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 improvements are made on continues basis as per the requirements of domestic and international markets. The technology being used for the manufacture of cables is developed in-house and is at par with the industry norms.
(ii)	The benefits derived like product improvements, cost reduction, product development or import substitution;	Upliftment/Updation of facilities, proper resource utilization, lesserscrap/wastage generation, better preventive maintenance, lesser break-down & enhancement of productivity & morale of work force, improved Plant Housekeeping & tidiness.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
(a)	The details of technology imported	The company has not imported any technology in the last five financial years.
(b)	The year of import	Not Applicable
(c)	Whether the technology been fully absorbed	Not Applicable
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	Not Applicable
(e)	The expenditure incurred on Research and Development.	Not Applicable

**On Behalf of The Board of Directors**

New Delhi  
August 13, 2019

**Naveen Sawhney**  
Managing Director  
DIN : 00893704

**Sanjeev Kumar**  
Whole Time Director  
DIN : 07178759

## Independent Auditors' Report

**To the Members of  
Cords Cable Industries Limited**

### **Report on the Audit of Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Cords Cable Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key Audit Matters**

During our audit, we had not come across with any significant areas that require reporting under "Key Audit Matter" paragraph and hence we are not including the same in our audit report as per para (A59) of SA 701.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016.

This responsibility also includes 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 frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility for the Standalone Financial Statements**

Our responsibility is to express an opinion on these standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including



the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone financial statements.

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure I**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as

required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016.
- (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure II**" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Alok Misra & Co.**  
Chartered Accountants  
Firm's Registration No: 018734N

**CA. Alok Misra**  
Partner,  
M.No: 500138

Place of Signature: New Delhi  
Date: 29<sup>th</sup> May, 2019

**ANNEXURE I TO INDEPENDENT AUDITORS' REPORT  
(REFERRED TO IN OUR REPORT OF EVEN DATE)**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets have been physically verified by the management at the reasonable intervals, which in our opinion, is considered reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory includes finished goods, raw material and work in progress along with inventory of consumables and packing material. Physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed which were not material in nature have been properly dealt with in the books of accounts.
- iii. The Company has not granted loans (secured or unsecured) to companies covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the order is not applicable.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits, in respect of which, directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed there under, are not applicable on the company. No order had been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148 of the Act, and are of opinion that prima facie, the prescribed accounts and records have been made and maintained, however, we have not made the detailed examination of such cost records.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, duty of customs, duty of excise, cess, gst and other applicable material undisputed statutory dues have been deposited irregularly during the year with the appropriate authorities with delays in certain cases and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned i.e. 31<sup>st</sup> March, 2019, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST or other applicable material statutory dues which have not been deposited as on March 31, 2019 on account of any dispute except the followings:-

Name of the Statute	Nature of dues	Amount in INR	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duties & Services Tax			
	Service Tax Less: Already Deposit	33.75/- (-)-6.60/-	2012-2014	Case pending before the CESTAT, New Delhi

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions and debenture holders as at the Balance Sheet date.
- ix. According to the information and explanations given to us, the term loans were generally applied for the purpose for which those are raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has

- been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

**For Alok Misra & Co.**

Chartered Accountants

Firm's Registration No: 018734N

**CA. Alok Misra**

Partner,

M.No: 500138

Place of Signature: New Delhi

Date: 29<sup>th</sup> May, 2019

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## **ANNEXURE II TO INDEPENDENT AUDITORS' REPORT — 31 MARCH 2019 (REFERRED TO IN OUR REPORT OF EVEN DATE)**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Cords Cable Industries Limited as at 31st March, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely

preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting but requires more strengthening and such internal financial controls over financial reporting were operating effectively during the period ended 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company consisting the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Alok Misra & Co.**  
Chartered Accountants  
Firm's Registration No: 018734N

Place of Signature: New Delhi  
Date: 29<sup>th</sup> May, 2019

**CA. Alok Misra**  
Partner,  
M.No: 500138

**BALANCE SHEET AS AT 31ST MARCH, 2019**

(Amount INR in Lakhs)

Particulars	Notes No	As at 31st March, 2019	As at 31st March, 2018
<b>I ASSETS</b>			
<b>1 Non-Current Assets</b>			
Fixed Assets			
(a) Property, Plant and Equipment	1	9,637.44	9,227.11
(b) Financial Assets			
(i) Security Deposits	2	154.44	154.12
<b>Total Non-Current Assets</b>		<b>9,791.88</b>	<b>9,381.23</b>
<b>2 Current Assets</b>			
(a) Inventories	3	5,982.51	5,364.03
(b) Financial Assets			
(i) Investment	4	51.42	46.24
(ii) Trade Receivables	5	11,348.17	10,165.83
(iii) Cash and Cash Equivalent	6	33.55	42.50
(iv) Other Bank Balance	7	2,003.52	2,552.77
(c) Other Current assets	8	1,710.13	1,048.62
<b>Total Current Assets</b>		<b>21,129.30</b>	<b>19,219.99</b>
<b>Total Assets</b>		<b>30,921.18</b>	<b>28,601.22</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	9	1,292.78	1,292.78
(b) Other Equity	10	12,169.26	11,433.02
<b>Total Equity</b>		<b>13,462.04</b>	<b>12,725.80</b>
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11	1,728.07	1,499.87
(b) Provisions	12	114.60	105.01
(c) Deferred Tax Liability (Net)	13	833.58	795.96
(d) Other Non-Current Liabilities	14	5.85	5.85
<b>Total Non-Current Liabilities</b>		<b>2,682.10</b>	<b>2,406.69</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	6,412.67	6,067.75
(ii) Trade Payables	16	7,156.52	6,583.78
(iii) Others	17	814.00	491.01
(b) Other Current Liabilities	18	313.84	155.98
(c) Provisions	19	80.01	170.21
<b>Total Current Liabilities</b>		<b>14,777.04</b>	<b>13,468.73</b>
<b>Total Equity and Liabilities</b>		<b>30,921.18</b>	<b>28,601.22</b>

 Significant Accounting Policies  
 Notes on Financial Statements

1 to 29

As per our Report of even date

**For Alok Misra & Co**  
 Chartered Accountants  
 (FRN.:018734N)

**Alok Misra**  
 Partner  
 M.No.:500138

 Place :New Delhi  
 Dated:29.05.2019

**For and on behalf of the Board of Directors**
**Naveen Sawhney**  
 Managing Director  
 DIN: 00893704

**Manoj Kumar Gupta**  
 CFO  
 M.No:094835

**Sanjeev Kumar**  
 Whole Time Director  
 DIN: 07178759

**Garima Pant**  
 Company Secretary  
 M.No:ACS 28170



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount INR in Lakhs)			
Particulars	Notes No	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Income from Operations</b>			
I Revenue from Operations	20	41,674.59	36,537.88
II Other Income	21	175.42	175.65
III <b>Total Revenue</b>		<b>41,850.01</b>	<b>36,713.53</b>
<b>EXPENSES</b>			
IV Cost of Material Consumed	22	33,720.82	29,602.48
Purchase of Stock-in-Trade		-	-
Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	(267.36)	(394.83)
Employee Benefits Expenses	24	1,862.47	1,579.18
Finance Costs	25	2,392.58	2,293.97
Depreciation and Amortization expense	1	567.35	506.04
Other Expenses	26	2,440.18	2,205.32
<b>Total Expenses (IV)</b>		<b>40,716.03</b>	<b>35,792.17</b>
V <b>Profit before exceptional and extraordinary items and tax(III-IV)</b>		1,133.98	921.36
VI Exceptional items		-	-
VII <b>Profit before Tax (V-VI)</b>		<b>1,133.98</b>	<b>921.36</b>
VIII <b>Tax Expense:</b>			
(1) Current Tax		361.34	277.74
(2) Deferred Tax Liability/(Assets)		37.22	17.43
IX <b>Profit for the period from continuing operations (VII-VIII)</b>		<b>735.42</b>	<b>626.20</b>
X Profit/(loss) from discontinuing operations		-	-
XI Tax expense of discontinuing operations		-	-
XII <b>Profit/(loss) from discontinuing operations (After Tax) (X-XI)</b>		-	-
XIII <b>Profit/(loss) for the year (IX+XII)</b>		<b>735.42</b>	<b>626.20</b>
XIV <b>Other comprehensive income</b>			
A. (i) Item that will not be reclassified to profit or loss			
Remeasurement of Gratuity Fund		1.24	(2.94)
(ii) Income tax relating to Item that will not be reclassified to profit or loss		(0.41)	0.97
Deferred tax Asset/(Liability) on above			
Net balance of Actuarial profit/(loss) transfer to Other Comprehensive Income		0.83	(1.97)
B. (i) Item that will be reclassified to profit or loss		-	-
(ii) Income tax relating to Item that will be reclassified to profit or loss		-	-
XV <b>Total Comprehensive Income for the period (XIII+XIV) comprising Profit / (Loss) and other comprehensive income for the period</b>		<b>736.25</b>	<b>624.23</b>
XVI <b>Earnings per Equity share of face value of ₹ 10/- each</b>			
a) Basic		5.70	4.83
b) Diluted		5.70	4.83
Significant Accounting Policies			
Notes on Financial Statements	1 to 29		

As per our Report of even date

**For Alok Misra & Co**  
Chartered Accountants  
(FRN.:018734N)

**For and on behalf of the Board Of Directors**

**Alok Misra**  
Partner  
M.No.:500138

**Naveen Sawhney**  
Managing Director  
DIN: 00893704

**Sanjeev Kumar**  
Whole Time Director  
DIN: 07178759

Place :New Delhi  
Dated :29.05.2019

**Manoj Kumar Gupta**  
CFO  
M.No:094835

**Garima Pant**  
Company Secretary  
M.No:ACS 28170



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	(Amount INR in Lakhs)	
	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	1,133.98	921.36
Adjustments for:		
Depreciation	567.35	506.04
Loss/Profit on sale of fixed assets (Net)	-	42.56
Interest & Finance Charges	2,392.58	2,293.97
Remeasurement of Gratuity Fund	1.24	(2.94)
Interest income	(156.17)	(171.46)
<b>Operating profit before working capital changes</b>	<b>3,938.98</b>	<b>3,589.53</b>
Adjustments for:		
Inventories	(618.49)	(619.42)
Sundry debtors/receivables	(1,182.34)	(822.55)
Loans & Advances/Other Current Assets	(648.41)	915.63
Trade/Other payables	756.12	(941.36)
<b>Cash generation from operating activities</b>	<b>2,245.86</b>	<b>2,121.83</b>
Less: Direct taxes Paid	480.88	130.58
<b>Net cash generation from operating activities</b>	<b>1,764.98</b>	<b>1,991.25</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets/capital works-in-progress	(977.68)	(805.54)
Sale proceeds of fixed assets	-	4.45
Investment in fixed deposits	549.24	(62.08)
Interests received	156.17	171.46
Investment in Mutual Fund	(5.18)	(2.30)
<b>Net cash used in investing activities</b>	<b>(277.45)</b>	<b>(694.02)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings (Net)	886.53	997.65
Interest & Finance Charges paid	(2,383.01)	(2,286.58)
<b>Net cash from/(used) in financing activities</b>	<b>(1,496.48)</b>	<b>(1,288.93)</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>(8.95)</b>	<b>8.30</b>
<b>Cash and cash equivalents at the beginning</b>	<b>42.50</b>	<b>34.20</b>
<b>Cash and cash equivalent at the close</b>	<b>33.55</b>	<b>42.50</b>

As per our Report of even date

**For Alok Misra & Co**  
Chartered Accountants  
(FRN.:018734N)

**Alok Misra**  
Partner  
M.No.:500138

New Delhi  
Dated:29.05.2019

**For and on behalf of the Board of Directors**

**Naveen Sawhney**  
Managing Director  
DIN: 00893704

**Manoj Kumar Gupta**  
CFO  
M.No:094835

**Sanjeev Kumar**  
Whole Time Director  
DIN: 07178759

**Garima Pant**  
Company Secretary  
M.No:ACS 28170

**Statement of changes in equity**

**A. Equity Share Capital**

(Amount INR in Lakhs)

Particulars	Balance as at 1 st April 2017	Changes in equity share capital during the year	Balance as at 31st March 2018
<b>Authorised Share Capital</b>			
1,35,00,000 Equity Shares of Rs 10/-each	1350.00	0	1350.00
<b>Issued Share Capital</b>			
1,29,27,780 Equity Shares of Rs 10/-each	1292.78	0	1292.78

Particulars	Balance as at 1 st April 2018	Changes in equity share capital during the year	Balance as at 31st March 2019
<b>Authorised Share Capital</b>			
1,35,00,000 Equity Shares of Rs 10/-each	1350.00	0	1350.00
<b>Issued Share Capital</b>			
1,29,27,780 Equity Shares of Rs 10/-each	1292.78	0	1292.78

**B. Other Equity**

	Reserves and Surplus					Actuarial Gain/ (Loss)	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Preference Share Capital Redemption Reserve	Retained Earnings		
Balance at 1st April 2018	0	5024.36	90.87	160.00	6166.54	(8.77)	11433.00
Changes in accounting policy or prior period errors	0	0	0	0	0	0	0
Restated balance at the beginning of the reporting period	0	5024.36	90.87	160.00	6166.54	(8.77)	11433.00
Total Comprehensive Income for the year	0	0	0	0	735.42	0.83	736.25
Balance at the 31st March 2019	0	5024.36	90.87	160.00	6901.96	(7.93)	12169.26

**CORDS CABLE INDUSTRIES LIMITED**  
**Notes on the Financial Statements**  
**For the Year ended 31st March, 2019**

**1. PROPERTY, PLANT AND EQUIPMENT** (Amount INR in Lakhs)

Description	Gross Block			Depreciation / Amortisation				Net Block		
	As at 01.04.2018	Additions	Deduction/ Adjustments	As at 31.03.2019	As at 01.04.2018	For The Period	Deduction/ Adjustments	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
<b>TANGIBLE ASSETS:</b>										
Land (Lease Hold)	2,750.08	-	-	2,750.08	-	-	-	-	2,750.08	2,750.08
Building	3,892.59	-	-	3,892.59	1,028.66	121.64	-	1,150.30	2,742.29	2,863.93
Plant & Machinery	7,024.85	813.07	-	7,837.92	3,724.40	394.68	-	4,119.08	3,718.84	3,300.45
Tools & Instrument	193.26	139.61	-	332.87	58.97	15.89	-	74.86	258.01	134.29
Generator	174.15	-	-	174.15	94.92	12.36	-	107.28	66.87	79.23
Office Equipment	67.22	3.13	-	70.35	37.31	1.63	-	38.94	31.41	29.91
Computer	207.42	20.49	-	227.91	154.30	16.96	-	171.26	56.65	53.12
Furniture & Fixture	105.09	1.38	-	106.47	89.49	3.69	-	93.18	13.29	15.60
Vehicle	135.76	-	-	135.76	135.26	0.50	-	135.76	0.00	0.50
<b>Total</b>	<b>14,549.42</b>	<b>977.68</b>	-	<b>15,527.10</b>	<b>5,323.31</b>	<b>567.35</b>	-	<b>5,890.66</b>	<b>9,637.44</b>	<b>9,227.11</b>

\*No provision for amortisation has been made on Land acquired under Perpetual Lease

**Notes on the Financial Statements  
For the Year Ended 31st March, 2019**

Particular	(Amount INR in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>2. SECURITY DEPOSIT</b> (Unsecured and considered good)		
Security Deposits*	154.44	154.12
<b>TOTAL</b>	<b>154.44</b>	<b>154.12</b>
*Security Deposits have been recognised at cost and are not accounted for present value as the period of contract is not certain		
<b>3. INVENTORIES</b>		
Raw Material (including in-Transit)	1,629.49	1,278.46
Work-in- Progress	2,165.39	2,302.39
Finished Goods	1,908.41	1,460.42
Packing Material, Store and Spares & Others	279.22	322.76
<b>TOTAL</b>	<b>5,982.51</b>	<b>5,364.03</b>
<b>4. INVESTMENTS</b>		
Investments in Mutual Funds	27.75	29.48
Investments in Units of United Life Insurance Policy Scheme	20.50	13.63
Gold Coin	3.17	3.13
<b>TOTAL</b>	<b>51.42</b>	<b>46.24</b>
<b>5. TRADE RECEIVABLES</b> (Unsecured and considered good)		
Debtors	11,348.17	10,165.83
<b>TOTAL</b>	<b>11,348.17</b>	<b>10,165.83</b>
Trade Receivables are net of factoring liability as on 31.03.2019		
During the year, company has assessed that all debtors are recoverable and there is no need for creating expected credit loss provision according to simplified approach as mentioned Ind AS 109. As per company's past history also no bad debts had been identified during the course of business.		
<b>6. CASH AND CASH EQUIVALENTS</b>		
Balance with Banks*	26.17	37.65
Cash on Hand	7.38	4.85
<b>TOTAL</b>	<b>33.55</b>	<b>42.50</b>
* Balance with Banks includes Unclaimed Dividend of ₹Nil (P.Y. ₹Nil)		
<b>7. OTHER BANK BALANCE</b>		
Fixed Deposit with Banks (includes accrued interest thereon)** (Kept as Margin Money against Non Fund Based Limits)	2,003.52	2,552.77
<b>TOTAL</b>	<b>2,003.52</b>	<b>2,552.77</b>
** Fixed deposits with Bank includes deposits of ₹100.48 Lakhs (P.Y. ₹721.50 Lakhs ) with maturity of more than 12 months		

(Amount INR in Lakhs)

Particular	As at 31st March, 2019	As at 31st March, 2018
<b>8. OTHER CURRENT ASSETS</b>		
(Unsecured and considered good)		
Advance to Suppliers & Others	324.99	392.60
Prepaid Expenses	3.40	8.16
Balance with Government Authorities	896.57	149.21
Benefits Receivable	485.17	498.65
<b>TOTAL</b>	<b>1,710.13</b>	<b>1,048.62</b>
<b>9. SHARE CAPITAL</b>		
Authorised Share Capital:		
1,35,00,000 Equity Shares of ₹ 10/-each (1,35,00,000)	1,350.00	1,350.00
3,60,000 Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/-each (3,60,000)	360.00	360.00
	1,710.00	1,710.00
<b>Issued, Subscribed and Paid up:</b>		
1,29,27,780 Equity Shares of ₹10/- each fully paid up (1,29,27,780)	1,292.78	1,292.78
<b>TOTAL</b>	<b>1,292.78</b>	<b>1,292.78</b>

#### 9.1. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a face value of ₹10/- (Rupees Ten) per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. In the event of distributing dividends by the company and winding up, the preference shareholders will be preferred over the equity shareholders. They do not have any voting rights except for in the conditions mentioned in the Companies Act, 2013.

#### 9.2. Terms/rights attached to Preference Shares

During the year 2016-17, the Company has issued and allotted 1,60,000 Non Convertible, Cumulative, Redeemable Preference Shares of face value ₹100/- each fully paid to Promoter and redeemable at par within a period not exceeding 5(five) years . The allotment was completed in 4 trances details as dated 09.11.2016 no of shares 35000 @ ₹ 100/-, dated 21.11.2016 no of shares 39000 @ ₹ 100/-, dated 31.01.2017 no of shares 6000 @ ₹ 100/-, dated 09.02.2017 no of shares 80000 @ ₹100/-. These Shares carry Dividend rate @10% (Ten Percent) Per Annum and voting rights of these shares are limited to matters which directly affect the rights of Preference Shareholders. However the company, reserve the right to recall the shares at any time within a period not exceeding 5 years from the date of allotment as per the provisions of Companies Act,2013. These shares are not listed on any stock exchange.

#### 9.3. Authorised Share Capital

During the year March 31,2012, the authorised share capital has been increased from ₹ 12,00,00,000 (Rupees Twelve Crores) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of ₹10 (Rupee Ten) each to ₹14,00,00,000 (Rupees Fourteen Crores) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of ₹10

(Rupee Ten) each and 2,00,000 (Two Lakh) Non Convertible, Cumulative, Redeemable Preference Shares of ₹ 100 (Rupees Hundred) each at the Annual General Meeting of the Company held on September 26, 2011. During the year March 31, 2013 the authorised share capital has been increased from ₹14,00,00,000 (Rupees Fourteen Crores) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of ₹10 (Rupee Ten) each and 2,00,000 (Two Lakh) Non Convertible, Cumulative, Redeemable Preference Shares of ₹ 100 (Rupees Hundred) each to ₹15,60,00,000 (Rupees Fifteen Crores Sixty Lakhs) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of ₹10 (Rupee Ten) each and 3,60,000 (Three Lakh Sixty Thousand) Non Convertible, Cumulative, Redeemable Preference Shares of ₹ 100 (Rupees Hundred) each in the Annual General Meeting of the Company held on September 26, 2012. During the year March 31, 2016, the authorised share capital has been increased from ₹ 15,60,00,000 (Rupees Fifteen Crores Sixty Lacs only) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of ₹10 (Rupee Ten) each amounting to ₹12,00,00,000 (Rupees Twelve Crores) and 3,60,000 (Three Lac Sixty Thousand) Non Convertible, Cumulative, Redeemable Preference Shares of ₹ 100 (Rupees Hundred) each amounting to ₹ 3,60,00,000 (Rupees Three Crore Sixty Lacs only) to ₹17,10,00,000 (Rupees Seventeen Crore Ten Lacs only) divided into 1,35,00,000 (One Crore Thirty Five Lacs) Equity Shares of ₹10 (Rupee Ten) each amounting to ₹ 13,50,00,000 (Rupees Thirteen Crore Fifty Lacs only) and 3,60,000 (Three Lacs Sixty Thousand) Non Convertible, Cumulative, Redeemable Preference Shares of ₹ 100 (Rupees Hundred) each amounting to ₹3,60,00,000 (Rupees Three Crore Sixty Lacs only) in the Extra Ordinary General Meeting of the Company held on January 29, 2016.

**9.4. The Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year :**

<b>Equity Shares</b>		<b>(Amount INR in Lakhs)</b>		
<b>Equity Shares</b>	<b>As at 31st March, 2019</b>		<b>As at 31st March, 2018</b>	
<b>Particulars</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
Equity Shares at the beginning of the year	1,29,27,780	1,292.78	1,29,27,780	1,292.78
Add: Equity Shares issued during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>1,29,27,780</b>	<b>1,292.78</b>	<b>1,29,27,780</b>	<b>1,292.78</b>

<b>Preference Shares</b>		<b>As at 31st March, 2019</b>		<b>As at 31st March, 2018</b>	
<b>Particulars</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>	
Preference Shares at the beginning of the year	1,60,000	160.00	1,60,000	160.00	
Less: Preference Shares redeemed during the year	-	-	-	-	
	1,60,000	160.00	1,60,000	160.00	
Add: Preference Shares issued during the year	-	-	-	-	
Preference Shares at the end of the year	1,60,000	160.00	1,60,000	160.00	

**9.5. The Details of shareholders holding more than 5% shares :**

<b>Equity Shares</b>		<b>As at 31st March, 2019</b>		<b>As at 31st March, 2018</b>	
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% Held</b>	<b>No. of Shares</b>	<b>% Held</b>	
Naveen Sawhney	60,55,222	46.84	60,48,722	46.79	
Param Capital	9,36,376	7.24	11,00,000	8.51	

<b>Preference Shares</b>		<b>As at 31st March, 2019</b>		<b>As at 31st March, 2018</b>	
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% Held</b>	<b>No. of Shares</b>	<b>% Held</b>	
Naveen Sawhney	1,60,000	100	1,60,000	100	



(Amount INR in Lakhs)

Particular	As at		As at	
	31st March, 2019		31st March, 2018	
<b>10. OTHER EQUITY</b>				
Securities Premium Reserve		5,024.36		5,024.36
General Reserve		90.87		90.87
Preference Share Capital Redemption Reserve		160.00		160.00
<b>Surplus</b>				
As per last Balance Sheet	6,166.54		5,540.36	
Add: Profit for the year	735.42	6,901.96	626.20	6,166.56
<b>Other Comprehensive income</b>				
Opening balance	(8.77)		(6.80)	
Remeasurement of Gratuity Fund	0.83	(7.93)	(1.97)	(8.77)
<b>TOTAL</b>		<b>12,169.26</b>		<b>11,433.02</b>
<b>11. LONG TERM BORROWINGS</b>				
<b>Secured</b>				
In Rupee Term loans				
from Others	2,335.35		1,792.67	
Vehicle loans				
from Banks	0.00		1.06	
	2,335.35		1,793.73	
Less : Current Maturities of long term borrowings	767.28	1,568.07	453.86	1,339.87
Preference Share Capital		160.00		160.00
1,60,000 Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/-each fully paid (1,60,000)				
<b>TOTAL</b>		<b>1,728.07</b>		<b>1,499.87</b>
<b>11.1.</b> Term Loans from Banks and others referred above are secured by way of first charge on entire movabale fixed assets and equitable mortgage Factory land and Building and Plant & Machinery and other fixed assets .				
<b>11.2.</b> Vehicle loans are secured by way of hypothecation of vehicles.				
<b>12. LONG TERM PROVISIONS</b>				
Provision for Employee Benefits (Refer note -29)		114.60		105.01
<b>TOTAL</b>		<b>114.60</b>		<b>105.01</b>
<b>12.1.</b> Provision for Employees Benefits include Provision for Gratuity & Provision for Leave Encashment.				

Particular	(Amount INR in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>13. DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liability</b>		
Temporary difference on Fixed Assets as per books and Tax base	887.01	847.18
Temporary difference on provision of Employee Benefits	(53.43)	(51.22)
<b>TOTAL</b>	<b>833.58</b>	<b>795.96</b>
<b>14. OTHER LONG-TERM LIABILITIES</b>		
Security Deposit*	5.85	5.85
<b>TOTAL</b>	<b>5.85</b>	<b>5.85</b>
*Amount kept as Security against Cars given to employees to be adjusted from the value of car at the option of employees.		
<b>15. SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital loans		
From Banks/NBFCs		
In Rupee loans	6,412.67	6,067.75
<b>TOTAL</b>	<b>6,412.67</b>	<b>6,067.75</b>
<b>15.1.</b> Working Capital loans along with non-fund based facilities from banks/NBFCs are secured by way of hypothecation of present and future stock of raw materials, work-in-process, finished goods, book debts as first charge which ranks Pari-passu amongst Bankers and by way of First and Second charge on the immovable and movable assets of the company by respective banks/NBFCs and pledge of FDR ₹ Nil (F.Y ₹ 444.24 Lakhs)		
<b>16. TRADE PAYABLES</b>		
Due to Micro, Small and Medium Enterprise	119.74	223.59
Others	7,036.78	6,360.19
<b>TOTAL</b>	<b>7,156.52</b>	<b>6,583.78</b>
<b>17. OTHER FINANCIAL LIABILITIES</b>		
Current maturities of long term debts (Refer note -11)	767.28	453.85
Interest accrued but not due on borrowings	46.72	37.16
<b>TOTAL</b>	<b>814.00</b>	<b>491.01</b>
<b>18. OTHER CURRENT LIABILITIES</b>		
Advance from customers	72.42	22.54
Other Payables*	241.42	133.44
<b>TOTAL</b>	<b>313.84</b>	<b>155.98</b>
* Includes Statutory dues payables, Salary and wages payable and other expenses payable		

(Amount INR in Lakhs)

Particular	As at 31st March, 2019	As at 31st March, 2018
<b>19. SHORT-TERM PROVISIONS</b>		
Provisions for Employee Benefits (Refer note -29)	10.62	13.51
Provision for Taxation (net of advance tax)	50.57	156.70
Provision for Corporate Social Responsibility	18.82	0.00
<b>TOTAL</b>	<b>80.01</b>	<b>170.21</b>
19.1. Provision for Employees Benefits include provision for Gratuity & Provision for Leave Encashment.		
<b>20. REVENUE FROM OPERATIONS</b>	<b>Year ended 31st March, 2019</b>	<b>Year ended 31st March, 2018</b>
Sales (Gross)	48,949.71	42,843.93
Less: Excise duty, Eess and SHEC,GST	7,275.12	6,306.05
<b>TOTAL</b>	<b>41,674.59</b>	<b>36,537.88</b>
<b>21. OTHER INCOME</b>		
Interest Income	156.17	171.46
Other Non-Operating revenues	3.39	2.05
Remeasurement of Investment	2.54	2.14
Net Gain on Foreign Currency transaction or trans- lation	13.32	-
<b>TOTAL</b>	<b>175.42</b>	<b>175.65</b>
<b>22. COST OF MATERIAL CONSUMED</b>		
Opening Raw Material	1,278.46	1,037.94
Add: Purchases	34,071.85	29,843.00
Less: Closing Raw Material	1,629.49	1,278.46
<b>TOTAL</b>	<b>33,720.82</b>	<b>29,602.48</b>
<b>23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN PROCESS AND STOCK-IN-TRADE</b>		
<b>Opening</b>		
Finished Goods	1,460.42	1,215.12
Work In Process	2,302.39	2,196.48
Scrap	43.62	-
	3,806.43	3,411.60
<b>Less: Closing</b>		
Finished Goods	1,908.41	1,460.42
Work In Process	2,165.39	2,302.39
Scrap	-	43.62
	4,073.80	3,806.43
(Increase)/Decrease In Stock	(267.36)	(394.83)
<b>TOTAL</b>	<b>(267.36)</b>	<b>(394.83)</b>

Particular	(Amount INR in Lakhs)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>24. EMPLOYEE BENEFITS</b>		
Salaries, Wages & Allowances	1,635.33	1,355.48
Director Remuneration	108.58	106.73
Contribution to ESI & PF	42.86	42.68
Leave Encashment	9.05	1.36
Gratuity	19.50	18.85
Staff Welfare & Other Benefits	47.15	54.08
<b>TOTAL</b>	<b>1,862.47</b>	<b>1,579.18</b>
<b>25. FINANCE COSTS</b>		
Interest To Bank		
On Term Loan	0.05	0.27
On Other Borrowings	1,347.88	1,152.84
Interest to Others	579.66	489.28
Preference Dividend	19.29	16.86
Others	445.70	634.72
<b>TOTAL</b>	<b>2,392.58</b>	<b>2,293.97</b>
<b>26. OTHER EXPENSES</b>		
Consumable Expenses	140.15	91.21
Electricity Expenses	438.42	390.72
Power & Fuel	77.16	58.24
Job Work	87.03	34.02
Packing Material Consumed	849.28	546.54
Freight & Cartage Inward	20.42	11.80
Repair & Maintenance (Machine)	14.16	61.96
Testing , Inspection & Calibration Expenses	18.24	10.09
Auditor's Remuneration	6.00	6.00
Legal & Professional charges	91.85	57.96
Printing & Stationery	10.60	10.75
Rent	71.29	63.39
Electricity / Fuel Expenses	12.32	10.70
Advertisement, Publicity & Exhibition Expenses	12.34	10.29
Freight & Cartage Outward	343.58	483.11
Commission	9.46	32.85
Travelling & Conveyance	48.12	37.33
Repair & Maintenance		
- Building	2.73	0.75
- Others	32.27	82.57
Communicatoin Expenses	14.57	21.09
Insurance	17.84	11.61
Vehicle Running & Maintenance	20.47	17.12
Loss on Sale of Fixed Assets	0.00	42.56
Loss on Foreign Exchange fluctuation (Net)	0.00	2.16
Sitting Fees	1.25	1.10
Corporate Social Responsibility Expenses	33.33	7.23
Other Expenses	67.30	102.17
<b>TOTAL</b>	<b>2,440.18</b>	<b>2,205.32</b>

**Note 27: Significant accounting policies:**

This note provides a list of the significant accounting policies adopted in preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements were approved for issue by Board of Directors on 29th May, 2019.

**a) Basis of preparation:****i. Compliance with IND AS :**

These financial statements for the year ending 31<sup>st</sup> March, 2019 comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the act.

**ii. Historical cost convention:**

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities and contingent consideration that are measured at fair value.
- Defined benefit obligations which are measured at fair value based on actuarial valuation.

**b) Foreign currency transactions:****i. Functional and presentation currencies:**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in INR which is the functional and presentation currency for Cords Cable Industries Limited.

**ii. Transactions and Balances:**

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the "Statement of Profit and Loss".

**c) Revenue recognition:**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue is net of GST and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The company recognizes revenue when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

**i. Sale of goods:**

**Timing of recognition:** Sale of goods is recognized when substantial risks and rewards of ownership are passed to the customers, depending on individual terms, and are stated net of trade discounts, rebates, incentives, subsidy and GST.

**Measurement of revenue:** Accumulated experience is used to estimate and provide for discounts, rebates, incentives and subsidies. No element of financing is deemed present as the sales are made with credit terms, which is consistent with market practice.

**d) Income recognition:**

- i. Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the

financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- ii. Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.
- iii. Revenue from royalty income is recognized on accrual basis.

**e) Government Grants:**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and reduce from corresponding cost.

Income from export incentives such as premium on sale of import licenses, duty drawback etc. are recognized on accrual basis to the extent the ultimate realization is reasonably certain.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

**f) Income Tax:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions which appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset will be realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income Tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.



**g) Property, plant and equipment:**

Leasehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation/amortization and impairments, if any. Historical cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on Property, Plant and Equipment is charged on straight line method on the basis of rates arrived at with reference to the useful life of the assets prescribed under Part C of Schedule II of the Companies Act, 2013.

The estimated useful lives are as mentioned below:

Type of Asset	Useful Lives (in years)
Factory Buildings	30
Furniture & Fittings	10
Plant & Machinery	15
Office Equipment	5
Tools and Instruments	15
Generator	15
Computer	3
Computer-Server	6
Vehicle (Car)	8
Vehicle (Bike)	10

**h) Depreciation and amortization**

Depreciation is calculated using the Straight Line Method. Depreciation is calculated using the useful life given in Schedule II to the Companies Act, 2013.

Depreciation on additions / deletions during the year is provided from the day in which the asset is capitalized up to the day in which the asset is disposed off.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**i) Intangible Assets:**

**i. Intangible assets with finite useful life:**

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/amortization and impairment loss, if any. Cost includes taxes, duties and other incidental expenses related to acquisition and other incidental expenses.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of respective intangible assets.

**ii. Research and Development:**

Capital expenditure on research and development is capitalized and depreciated as per accounting policy mentioned in para h and i above. Revenue expenditure is charged off in the year in which it is incurred.

**j) Investment property:**

Property (land or a building-or part of a building-or both) that is held for long term rental yields or for capital appreciation or both, rather than for:

- i. use in the production or supply of goods or services or for administrative purposes; or
- ii. Sale in the ordinary course of business.

is recognized as Investment Property in the books. Investment property is measured initially at its cost, including related transaction costs and, where applicable, borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Depreciation is provided on all Investment Property on straight line basis, based on useful life of the assets determined in accordance with para "h" above.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**k) Lease:****As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary increase. Lease hold property includes land taken for perpetuity on payment of one time lumpsum amount which is shown at historical cost and not written down.

**l) Investment and Other financial assets:****i. Classification:**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.
- Classification of debt assets will be driven by the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has

made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## ii. Measurement:

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

## Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset.

- **Amortized Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

## Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the company's right to receive the dividend is established.

## iii. Impairment of financial assets:

The Company assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions, wherever required.

## iv. De-recognition of financial assets:

A financial asset is de-recognized only when

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients or
- The contractual right to receive the cash flows of the financial assets expires.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**m) Derivatives and hedging activities:**

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges).
- The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

**Cash flow hedge reserve**

The effective part of the changes in fair value of hedge instruments is recognized in other comprehensive income, while any ineffective part is recognized immediately in the statement of profit and loss.

**n) Inventories:**

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value.

Work-in-progress, finished goods and stock-in-trade (traded goods) are valued at lower of cost and net realizable value.

By-products and unserviceable / damaged finished goods are valued at estimated net realizable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost is assigned on the basis of First In First Out. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**o) Trade Receivables:**

Trade receivables are recognized initially at fair value and subsequently measured at cost less provision for impairment.

**p) Trade and other payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**q) Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down

occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

**r) Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**s) Employee Benefits:**

**i. Short term obligations:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Provident fund:**

Provident fund contributions are made by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year.

**iii. Gratuity:**

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Fund. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

**iv. Leave encashment / Compensated absences:**

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave for future encashment/utilization. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in the 'Statement of Profit and Loss'.

**t) Provisions and Contingent Liabilities:**

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

**u) Cash and Cash Equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank Overdraft and cash credits are not included in the cash & cash equivalent according to Ind AS 7 as there is no arrangement for positive and negative balance fluctuation in those accounts, they are basically the integral part of loans and credit management.

**v) Impairment of assets:**

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**w) Earnings Per Share**

i. Basic earnings per share: Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**x) Contributed Equity:**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**y) Foreign Currency**

The functional currency of the company is Indian Rupee. These financial statements are presented in Indian Rupees.

The foreign currency transactions are recorded on initial recognition in the functional currency by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those which they were translated on initial recognition during the period or in previous financial statements are recognized in statement of profit and loss in the period in which they arise.

**z) Dividend:**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



**aa) Rounding off:**

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Lacs, unless otherwise stated

**Note 28: Critical Estimates and Judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. These estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions the Company may take in future.

Information about critical estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are included in the following notes:

- (a) Estimation of defined benefit obligations
- (b) Estimation of current tax expenses and payable
- (c) Estimation of provisions and contingencies

**(a) Impairment of financial assets (including trade receivable)**

In accordance with IND AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. Trade receivables are recognised initially at fair value and subsequently measured at cost less provision for impairment. As a practical expedient the Company has adopted 'Simplified Approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses. Company has a policy to recognize expected credit loss only if there is reasonable certainty of default from trade receivable. To be prudent in booking of expected credit loss, company recognize the expected credit loss when legal right to recover the debt expires which is normally after 3 years of raising sales invoice and that to on the basis of management expectation of recoverability.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized under the head 'Other Expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

**i. Financial assets measured as at amortized cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

ii. **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

iii. **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the OCI. The Company does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

**(b) Estimation of defined benefit obligations**

The liabilities of the Company arising from employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions. Refer note 29 for significant assumptions used.

**(c) Estimation of current tax expenses and payable**

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the company operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

**(d) Estimation of provisions and contingencies**

Provisions are liabilities of uncertain amount or timing recognized where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgment is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision. Warranty provisions are determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

**(e) FAIR VALUE MEASUREMENT**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1-** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2-** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3-** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Other Fair Value related disclosures are given in the relevant notes.

**Note 29: Notes on Accounts**

**A. Contingent Liability**

**a) CLAIMS AGAINST COMPANY NOT ACKNOWLEDGED AS DEBTS:**

Details of various show cause notices & cases against which the Company / Department is in appeal and against which no demand is deposited are given below:

Name of the Statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duties & Services Tax			
	Service Tax Less: Already Deposit	33.75/- (-) 6.60/-	2012-2014	Case pending before the CESTAT, New Delhi

**b) Other Contingent Liabilities**

(Amount in Lakhs)

Particulars	2018-19	2017-18
Guarantees issued by Bankers	7832.56	8142.80
In respect of Bill/LC negotiated factored from banks/Factoring agency	2396.75	2093.60
Proposed Preference Dividend(including Tax thereon)	19.29	16.86

**c) Capital & Other Commitments**

Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of Advances) Nil (P.Y. ₹ Nil).

**B. Employee benefits**

Defined benefit plan

The following table sets out the details of the defined benefits retirement plans and the amounts recognition in the financial statement:

**I. Defined Contribution Plans**

- a. Provident Fund
- b. Employers' contribution to Employees' State Insurance

During the year, the Company has recognized the following amounts in the Profit and Loss Account:

Particulars	(Amount in Lakhs)	
	2018-19	2017-18
- Employers' Contribution to Provident Fund and Pension Scheme	33.10	32.50
- Employers' Contribution to Employees' State Insurance	9.77	10.18

**II. Defined Benefits Plans**

Contribution to Gratuity Fund and Leave Encashment (Unfunded Scheme) in accordance with Ind AS 19, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

(Amount in Lakhs)

Financial Assumptions Used to Determine the Profit & Loss charge		Gratuity		Leave Encashment	
		2018-19	2017-18	2018-19	2017-18
a)	Discounting Rate	7.75%	7.85%	7.75%	7.85%
b)	Salary Escalation Rate	4.00%	4.00%	4.00%	4.00%
c)	Expected Rate of Return of Assets	0.00%	0.00%	0.00%	0.00%
Average Remaining Working Life(Years)		18.42	19.24	18.42	19.24
<b>1.</b>	<b>Change in Defined Benefit Obligation</b>				
a)	Defined Benefit obligation, beginning of period	94.34	85.50	24.18	30.17
b)	Interest Cost on DBO	7.31	6.71	1.87	2.36
c)	Net Current Service Cost	12.19	12.14	3.99	4.18
d)	Actual Plan Participant's Contributions	-	-	-	-
e)	Benefits Paid	-9.47	-12.95	-11.14	-7.34
f)	Past Service Cost	-	-	-	-
g)	Changes in Foreign Currency Exchanges Rates	-	-	-	-
h)	Acquisition / Business Combination /Divestiture	-	-	-	-
i)	Losses / (Gain)/ Loss on obligation	-	-	-	-
j)	Actuarial (Gain)/Loss on obligation	-1.24	2.94	3.19	-5.19
k)	<b>Defined Benefit obligation, End of period</b>	<b>103.13</b>	<b>94.34</b>	<b>22.09</b>	<b>24.18</b>
<b>2.</b>	<b>Change in Fair Value of Plan Assets</b>				
a)	Fair value of plant assets at the beginning	-	-	-	-
b)	Expected return on plan assets	-	-	-	-
c)	Employer contribution	-	-	-	-
d)	Actual Plan Participants Contributions	-	-	-	-
e)	Actual Taxes Paid	-	-	-	-
f)	Actual Administration Expenses Paid	-	-	-	-
g)	Changes in Foreign currency exchanges rates	-	-	-	-
h)	Benefits paid	-	-	-	-
i)	Acquisition / Business combination / Divestiture	-	-	-	-
j)	Assets Extinguished on Curtailments / Settlements	-	-	-	-
k)	Actuarial (Gain)/Loss on Asset	-	-	-	-
l)	<b>Fair value of plant assets at the End.</b>	-	-	-	-
<b>3.</b>	<b>Net Defined Benefit Cost/(Income) included in Statement of Profit &amp; Loss at Period-End</b>				
a)	Service Cost	12.19	12.13	3.99	4.18
b)	Net Interest Cost	7.31	6.71	1.87	2.37
c)	Past Service Cost	-	-	-	-
d)	Remeasurements	-	-	3.19	-5.19
e)	Administration Expenses	-	-	-	-
f)	(Gain)/Loss due to settlements/ Curtailments / Terminations / Divestitures	-	-	-	-

(Amount in Lakhs)

Financial Assumptions Used to Determine the Profit & Loss charge		Gratuity		Leave Encashment	
		2018-19	2017-18	2018-19	2017-18
g)	Total Defined Benefit Cost/(Income) included in Profit & Loss	19.50	18.84	9,05	1,36
	Total Defined Benefit Cost/(Income) included in OCI	-1,24	2,94	-	-
4.	<b>Analysis of amount recognized in other comprehensive (Income)/Loss at Period - end</b>				
a)	Amount recognized in OCI, (Gain)/Loss Beginning of Period	14.48	10.16	-	-
b)	<b>Remeasurements Due to :</b>				
	1. Effect of Change in Financial Assumptions	0.99	-4.56	0.22	-1.15
	2. Effect of Change in Demographic assumptions	-	-		
	3. Effect of Experience Adjustments	-2.22	7.50	2.96	-4.04
	4. (Gain)/ Loss Curtailments / Settlements	-	-	-	-
	5. Return on plan Assets (Excluding Interest)	-	-	-	-
	6. Changes in Asset Ceiling	-	-	-	-
c)	<b>Total Remeasurements Recognized in OCI (Gain)/ Loss</b>	-1.24	2,94	-	-
d)	<b>Amount Recognized in OCI (Gain)/Loss, End of Period</b>	<b>13.25</b>	<b>14.48</b>	-	-
e)	<b>Total Remeasurements Recognized in Profit &amp; loss (Gain)/Loss</b>	-	-	<b>3.19</b>	<b>-5.19</b>
5.	<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss and Other Comprehensive Income)</b>				
a)	Amount recognized in P&L, End of Period	19.50	18.84	-	-
b)	Amount recognized in OCI, End of Period	-1.24	2.94	-	-
c)	<b>Total Net Defined Benefit Cost/(Income) Recognized at Period- End</b>	<b>18.26</b>	<b>21.78</b>	-	-
6.	<b>Reconciliation of Balance Sheet Amount</b>				
a)	Balance sheet ( Asset)/Liability, Beginning of Period	94.34	85.50	24.18	30.17
b)	True-up	-	-	-	-
c)	Total Charge/(Credit) Recognized in Profit and Loss	19.50	18.84	9.05	1.36
d)	Total Remeasurements Recognized in OC (Income)/ Loss	-1.24	2.94	-	-
e)	Acquisition / Business Combination / Divestiture	-	-	-	-
f)	Employer Contribution	-	-	-	-
g)	Benefits Paid	-9.47	-12.95	-11.14	-7.35
h)	Other Events	-	-	-	-
i)	<b>Balance sheet ( Asset)/Liability, End of Period</b>	<b>103.13</b>	<b>94.33</b>	<b>22.08</b>	<b>24.18</b>
7.	<b>Actual Return on Plan Assets</b>				
a)	Expected return on Plan Assets	-	-	-	-
b)	Remeasurement on Plan Assets	-	-	-	-
c)	<b>Actual Return on Plan Assets</b>	-	-	-	-

(Amount in Lakhs)

Financial Assumptions Used to Determine the Profit & Loss charge		Gratuity		Leave Encashment	
		2018-19	2017-18	2018-19	2017-18
<b>8.</b>	<b>Change in the Unrecognized Asset due to the Asset Ceiling During the Period</b>				
a)	Unrecognized Asset, Beginning of Period	-	-	-	-
b)	Interest on Unrecognized Asset Recognized in P&L	-	-	-	-
c)	Other changes in Unrecognized Asset due to the Asset Ceiling	-	-	-	-
d)	<b>Unrecognized Asset, End of Period</b>	-	-	-	-
<b>9.</b>	<b>The Major Categories of Plan Assets</b>				
a)	Government of India Securities (Central and State)	-	-	-	-
b)	High Quality corporate Bonds (Including Public Sector Bonds)	-	-	-	-
c)	Equity Shares of listed Companies	-	-	-	-
d)	Cash (Including Bank Balance, Special Deposit Scheme)	-	-	-	-
e)	Funds Managed by Insurer	-	-	-	-
f)	Others	-	-	-	-
	<b>Total</b>				
<b>10.</b>	<b>Current/Non-Current Bifurcation</b>				
a)	Current Liability	8.02	10.34	2.60	3.16
b)	Non-Current Liability	95.11	83.99	19.49	21.02
c)	<b>Net Liability</b>	<b>103.13</b>	<b>94.33</b>	<b>22.09</b>	<b>24.18</b>

**C. Financial Instruments by category**
**The Carrying value and fair value of financial Instruments by categories as at 31st March 2019**

Particulars	FVTPL	FVTOCI	Amortized Cost
<b>Assets</b>			
Fixed Deposit being Margin Money with Bank	-	-	2003.52
Security Deposits	-	-	154.44
Trade Receivables	-	-	11348.17
Cash and Cash Equivalent	-	-	33.55
Investments	51.42	-	-
<b>Liabilities:</b>	-	-	-
Non-Current Borrowing	-	-	1728.07
Current Borrowing	-	-	7226.67
Trade Payables			7156.52



**D. Related party disclosure**

(Amount in Lakhs)

Transactions	Key Management Personnel		Relatives of Key Management Personnel		Total	
	(2018-19)	(2017-18)	(2018-19)	(2017-18)	(2018-19)	(2017-18)
-Remuneration	129.19	105.23	30.94	30.94	160.13	136.17
-Other Benefits	2.88	2.00	3.28	3.28	6.16	5.28
-Rent	-	-	2.05	1.83	2.05	1.83
Cords Digital Technologies Pvt Ltd	-	-	3.54	-	3.54	-
-Preference Dividend paid	16.00	9.01	-	-	16.00	9.01

Disclosure in respect of Related Parties as per Ind AS-24 'Related Parties Disclosures' as notified by Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016.

**a) Name and Nature with related parties :**

**i) Key Management Personnel**

**Nature of Relationship**

Naveen Sawhney

Managing Director

Sanjeev Kumar

Whole Time Director

Manoj Kumar Gupta

CFO

Garima Pant

Company Secretary

**ii) RELATIVES of Key Management Personnel**

**Nature of Relationship**

Varun Sawhney

Son of Mr. Naveen Sawhney

Gaurav Sawhney

Son of Mr. Naveen Sawhney

Adarsh Sawhney

Wife of Mr. Naveen Sawhney

Cords Digital Technologies Pvt Ltd

Varun Sawhney holding position as KMP

**E. FOREIGN EXCHANGE EARNINGS & OUTGO:**

(Amount in Lakhs)

Particulars	2018-19	2017-18
a) Earning in Foreign Currency	507.52	621.75
b) Expenditure in foreign Currency		
-Machine and equipments (spare parts) & Others expenses	28.41	12.37
c) Value of Imports calculated on C.I.F. basis		
- Raw Material	513.79	174.62

**AUDITORS REMUNERATION\*:**

(Amount in Lakhs)

Particulars	2018-19	2017-18
Statutory Audit Fees	5.00	5.00
Tax Audit Fees	1.00	1.00
<b>Total</b>	<b>6.00</b>	<b>6.00</b>

\* Excluding Taxes

**G. Quantitative details of stocks:**

(Amount in Lakhs)

S.No.	Raw Material	Opening Stock as on 01.04.2018		Closing Stock as on 31.03.2019	
		Qty (Kg)	Amount	Qty (Kg)	Amount
A	Copper	98,130.950	474.56	1,35,170.730	653.34
B	Pvc Compound	3,38,552.800	194.27	4,68,718.000	313.01
C	G.I.Wire	2,72,226.900	198.79	3,42,946.420	238.50
D	Alu./poly/cu/other Tapes	67,166.607	158.33	1,20,279.273	255.46
E	Aluminum Wire	91,665.250	144.56	9,153.850	14.55
F	Wires Of Nickle Alloys	3,745.295	47.65	4,858.410	67.97
G	Master Batch/ LDME/ HDPE/XLPE Resin/ Chemicals/Others	43,316.605	60.30	77,273.555	86.66
	<b>TOTAL</b>	<b>9,14,804.407</b>	<b>1278.46</b>	<b>11,58,400.238</b>	<b>1629.49</b>

(Amount in Lakhs)

Finished Goods	Opening Stock as on 01.04.2018		Closing Stock as on 31.03.2019	
	(Qty) Km	Value	(Qty) km	Value
Electric Wire & Cables and core	1166.260	1460.42	1343.213	1908.41

H. (a) In respect of amounts as mentioned under 205C of the Companies Act, 2013 there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2019.

(b) Other Liabilities includes CSR liability of ₹33.93 Lakhs

**I. BASIC AND DILUTED EARNINGS PER SHARE:**

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, Convertible Preference Shares, Share Warrants and the potential dilutive effect of Employee Stock Option Plan as appropriate.

Basic & Diluted Earnings per share of the company is as under:

Particulars	2018-19	2017-18
Profit for the year	736.25	624.23
Profit after Tax attributable to equity shareholders (A) ₹	736.25	624.23
Weighted Average No. of Share-Basic (B)	12927780	12927780
Add: Diluted Potential Equity Shares	-	-
Weighted Avg. No. of Equity Shares -Diluted (C)	12927780	12927780
Nominal Value per Share (₹)	10	10
Earnings per Share-Basic(Rs) (A / B)	5.70	4.83
Earnings per Share-Diluted(Rs) (A / C)	5.70	4.83

**J. DEFERRED TAX:**

The deferred tax liability (Net) as at **31<sup>st</sup> March 2019** comprises of the following:

(Amount in Lakhs)

Particulars	Deferred Tax Asset/ (Liability) as at 01-04-2018	Credit/ (Charge)/ Reversed during 2018-19	Deferred Tax asset/ (Liability) as at 31-03-2019
Temporary difference on Fixed Assets as per books and Tax base	(847.18)	(39.83)	(887.01)
Temporary difference on provision of Employee Benefits	51.22	2.21	53.43
<b>Total</b>	<b>(795.96)</b>	<b>(37.62)</b>	<b>(833.58)</b>

**K. Fair Value Hierarchy:**

This Section explains the judgements and estimates made in determining fair values of financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of inputs used in determining fair value, group has classified its financial instruments into three levels prescribed under accounting standard. An explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31st March, 2019	Note Reference	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments at FVTPL	4				
- Mutual Fund		27.75	-	-	27.75
- ULIP		20.50	-	-	20.50

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31st March, 2018	Note Reference	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments at FVTPL	4				
- Mutual Fund		29.47	-	-	29.47
- ULIP		13.63	-	-	13.63
- Others		3.13	-	-	3.13

Fair value of financial instruments as referred to in note above has been classified into three categories depending on inputs used in valuation technique. Hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements).

The categories used are as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Company's policy is to recognize transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

As per our Report of even date

**For Alok Misra & Co.**  
Chartered Accountants  
Firm's Registration No: 018734N

**C.A. Alok Misra**  
Partner, M.No: 500138

Place of Signature: New Delhi  
Dated: 29<sup>th</sup> May, 2019

**For and on behalf of Board of Directors**

**Naveen Sawhney**  
Managing Director  
DIN: 00893704

**Manoj Kumar Gupta**  
CFO  
M.No.: 094835

**Sanjeev Kumar**  
Whole Time Director  
DIN: 07178759

**Garima Pant**  
Company Secretary  
M.No.: ACS 28170





**Cords Cable Industries Limited**

Registered Office : 94, 1st Floor, Shambhu Dayal Bagh Marg,  
Near Okhla Industrial Area, Phase-III, Old Ishwar Nagar, New Delhi-110020





## Cords Cable Industries Limited

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Tel : +91-11-40551200; Fax: +91-11-40551280/81

Website : www.cordscable.com, E- Mail: ccil@cordscable.com

### NOTICE

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of Cords Cable Industries Limited will be held on **Friday, September 27, 2019 at 03:00 p.m.** at International Society for Krishna Consciousness (ISKON), Hare Krishna Hills, Sant Nagar Main Road, East of Kailash, New Delhi 110065 to transact the following business:

#### ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon and in this regard, pass the following resolutions as an Ordinary Resolutions:  

“**RESOLVED THAT** the audited financial statement of the company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby considered and adopted.”
- To declare dividend on No(s) 1,60,000 Cumulative Redemable Non-Convertible Preference Shares @10% p.a. for the F.Y. ended on March 31, 2019 and in this regard, pass the following resolutions as an Ordinary Resolutions:  

“**RESOLVED THAT** pursuant to the recommendation made by the Board of Directors, dividend @10% on No(s) 1,60,000 Cumulative Redeemable Non-Convertible Preference Shares @10% p.a. be and are hereby declared for the F. Y. ended on March 31, 2019 and be paid to the preference shareholders.”
- To appoint a Director in place of Mr. Naveen Sawhney (DIN 00893704), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, pass the following resolutions as an Ordinary Resolutions:  

“**RESOLVED THAT** Mr. Naveen Sawhney (DIN 00893704), who retires by rotation at this 28<sup>th</sup> Annual General Meeting, be and is hereby re- appointed as a Director of the Company.”

#### SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 the remuneration payable to M/s S. Chander & Associates, Cost Accountant (Firm Registration No 100105), appointed by the Board of Directors as Cost Auditors to conduct the audit of cost accounting records of the Company maintained under Companies (Cost Records and Audit) Rules, 2014 and (Cost Records and Audit) Amendment Rules, 2014, for the Financial Year 2019-20 at a remuneration of ₹ 1,07,000/- (Rupees One Lac Seven Thousand only) and out of pocket expenses incurred in connection with the aforesaid audit and other applicable taxes, be and is hereby ratified and confirmed.”
- To enter into Related Party transactions under Section 188 of the Companies Act, 2013 read with Companies (Meeting of the Board and its Powers) Rules, 2014. To pass the following Resolution, with or without modification, as an **Ordinary Resolution**:  

“**RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 read with Companies (Meeting of the Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors, to enter into the following related party transactions with Stem Factory Solutions Private Limited through its Director Mr. Varun Sawhney a ‘Related Party’ as defined under Section 2 (76) of the Companies Act, 2013, as indicated in the table below on mutually acceptable terms and conditions between the Company and Stem Factory Solutions Private Limited for the maximum amounts per annum, as mentioned herein below:

Name of related party	Name of Director interested and DIN	Nature of transaction	Maximum value of transactions in each Financial Year	
Stem Factory Solutions Private Limited	Mr. Naveen Sawhney, Managing Director Cords Cable Industries Limited	00893704	Sale, purchase or supply of any goods or materials, directly or through appointment of agents and Availing or rendering of any services, directly or through appointment of agents.	₹ 50 Crore

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

6. To authorize board of directors to borrow and in this regard 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 Sections 196, 197, 203 and other applicable provisions – if any, of the Companies Act, 2013 ('the Act'), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V to the Act, consent of the Company be and is hereby accorded for re-appointment of Mr. Naveen Sawhney (DIN : 00893704) as Managing Director of the Company, for a period of three (3) years with effect from July 01, 2019, at a remuneration mentioned herein below, with liberty to the Board of Directors of the Company to increase, alter and vary, without further reference to the Members, the terms and conditions of the said appointment including the remuneration, in such manner, as may be agreed to between the Board of Directors and Mr. Naveen Sawhney.

Salary	Consolidated Salary at the rate of ₹ 8,96,000/- (Rupees Eight Lac Ninety Six Thousand only) per month.
Commission	Commission not exceeding 1% of the net profits of the Company, subject to the approval by the Board of Directors of the Company or any Committee thereof constituted in this regard.
Contribution to Provident and other Fund	Contribution to the Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company.
Leave Travel Concession	For self and the family once a year in accordance with the rules of the Company.
Gratuity	Gratuity payable as per the rules of the Company.
Leave Encashment	Encashment of leave at the end of the tenure as per the rules of the Company.
Car	The Managing Director will be provided with a car and a driver.
Telephone	Free land line telephone and mobile phone facility will be provided.

**RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Naveen Sawhney the minimum remuneration shall be paid in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of the company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

7. 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 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, the consent of the members of the company be and are hereby accorded to increase the remuneration (Cost to company) of Mr. Sanjeev Kumar (DIN 07178759), Whole Time Director of the Company from ₹1,20,000/- p.m. to ₹ 1,50,000/- p.m. w.e.f. June 01, 2019 for the remaining period of his tenure as Whole Time Director i.e. till May 29, 2020 as under:

Salary	Gross Salary at the rate of ₹ 1,38,200/- (Rupees One Lac Thirty Eight Thousand Two Hundred Only) per month.
Contribution to Provident	Contribution to the Provident Fund as per the Rules of the Company, presently ₹1800/- p.m.
Helper Reimbursement	Helper salary paid by the appointee will be reimbursed subject to the maximum of ₹ 10,000 p.m.
Gratuity	Gratuity payable as per the rules of the Company.
Leave Encashment	Encashment of leave as per the rules of the Company.
Telephone	Free land line telephone and mobile phone facility will be provided.

**RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Sanjeev Kumar (DIN 07178759), the minimum remuneration shall be paid in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of the company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board of Directors  
**For Cords Cable Industries Limited**

Sd/-  
**(Garima Pant)**  
Company Secretary  
A-28170

New Delhi  
August 13, 2019

Registered Office  
94, 1<sup>st</sup> Floor, Shambhu Dayal Bagh Marg,  
Near Okhla Industrial Area Phase-III,  
Old Ishwar Nagar, New Delhi – 110020  
Tel : +91-11-40551200; Fax +91-11-40551280/81  
Website : [www.cordscable.com](http://www.cordscable.com), E- Mail: ccil@cordscable.com  
CIN : L74999DL1991PLC046092

**NOTES:**

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours (48) before the commencement of the Meeting.**  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.**
3. Attendance slip, proxy form and the route map showing the directions to reach the venue of the Meeting are annexed hereto.
4. Corporate members intending to send their authorised representative(s)/ proxies to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive).
6. In terms of the provisions of Section 152 of the Act, Shri Naveen Sawhney, is liable to retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.
7. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of M/s Alok Misra & Co. Chartered Accountants, Statutory Auditors, who were appointed in the 25<sup>th</sup> Annual General Meeting, held on September 30, 2016.
8. Details of Directors retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice. Requisite declarations have been received from the Directors for seeking appointment / reappointment.
9. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
10. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.
11. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) between 02:30 p.m.

to 04:30 p.m. up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.

12. The Final Dividend on Preference Shares for the financial year ended March 31, 2019, as recommended by the Board, if approved at the AGM, will be paid on or after Monday, September 30, 2019 to those Members whose name appears in the Register of Members of the Company as on the book closure dates. No dividend proposed on Equity Shares.
13. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company / Company's Registrar and Transfer Agents, i.e. Link Intime India Private Limited
14. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the website of the Company and the same can be accessed through the link: <http://cordscable.com/cordscable/corporate.php>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
15. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares and unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with applicable requisite fee. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.
16. Members holding shares in physical form are requested to consider converting their share certificates into dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar and Share Transfer Agent for any assistance in this regard.
17. Members holding shares in physical mode:
  - (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Link Intime India Pvt. Ltd., if not registered with the Company as mandated by SEBI.
  - (b) are advised to register the nomination in Nomination Form (SH-13) with the company's Registrar and Transfer Agent i.e. Link Intime India Pvt. Ltd., in respect of their shareholding in the Company.
  - (c) **are requested to register / update their e-mail address with the Company / Link Intime India Pvt. Ltd. for receiving all communications from the Company electronically.**
18. Members holding shares in electronic mode:
  - (a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
  - (b) are advised to contact their respective DPs for registering the nomination.
  - (c) **are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.**
19. **Non-Resident Indian members** are requested to inform company's Registrar and Transfer Agent i.e. Link Intime India Pvt. Ltd., / respective DPs, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
20. Members seeking any information with regard to the Accounts are requested to write to the Company at least 7 days prior to the date of meeting to the Company Secretary at the Registered Office of the Company, so as to enable the Management to keep the information ready at the Meeting.
21. The Notice of the Annual General Meeting along with the Annual Report 2018-19 and Attendance Slip are being sent by electronic mode to those Members whose e-mail addresses are registered with the Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their e-mail

addresses, physical copies are being sent by the permitted mode. Members may also note that the aforesaid documents are also available on the Company’s website [www.cordscable.com](http://www.cordscable.com) for download. Members who have received the Notice of AGM, Annual Report & Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled attendance slip at the Registration counter at the AGM.

22. To support the “Green Initiative”, Members who have not registered their email addresses are requested to register the same with the Company’s Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.

**23. Voting through electronic means:**

- In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by Link Intime India Private Limited, on all the resolutions set forth in this Notice convening the 28<sup>th</sup> Annual General Meeting to be held on Friday, September 27, 2019. The instructions for e-Voting are given herein below. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.
- The facility for voting through ballot paper shall also be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Annual General Meeting.
- The Company has appointed Mr. Kapoor Chand Garg, Practicing Company Secretary (FCS-7145 & COP-7829) as the Scrutinizer to scrutinize the voting at the meeting and remote e-Voting process, in a fair and transparent manner.
- The Members who have cast their vote by remote e-Voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

**E-VOTING INSTRUCTIONS:**

The way to vote electronically on Link Intime India Private Limited e-Voting system are mentioned below:

❖ **Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)**

1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on “Login” tab, available under ‘Shareholders’ section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
4. Your User ID details are given below:
  - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
  - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company.

5. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

<b>For Shareholders holding shares in Demat Form or Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (last four digits) as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> <li>• Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.



**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" i.e. 190183 of the company.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.  
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.  
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ **General Guidelines for shareholders:**

- Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: [kapoorgarg.cs@gmail.com](mailto:kapoorgarg.cs@gmail.com) / [kapoor@kcgindia.com](mailto:kapoor@kcgindia.com) with a copy marked to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in)
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.
- They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.
- Members holding Shares in either physical or de-materialized form as on the Cut-Off Date i.e., Friday, September 20, 2019, may cast their votes electronically. The e-Voting period for the Members who hold shares as on the Cut-Off Date commences from 9.30 a.m. on Tuesday, September 24, 2019 and ends at 5.00 p.m. on Thursday, September 26, 2019. The remote e-Voting module shall be disabled by Link Intime India Pvt. Ltd. for voting thereafter.
- The voting rights of the members (for voting through remote e-Voting or by Poll at the Meeting) shall be in proportion to their share of the paid-up equity share capital of the Company as on Friday, September 20, 2019



("Cut-Off Date"). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting.

- Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, September 20, 2019, may refer the instavote e-Voting instructions and generate their own password. However, if you are already registered with Link Intime India Pvt. Ltd. on e-Voting system of LIPL:<https://instavote.linkintime.co.in>, then you can use your existing user ID and password for casting your vote.
- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses who are not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website ([www.cordscable.com](http://www.cordscable.com)) and on the website of Link Intime India Pvt. Ltd., i.e. LIPL:<https://instavote.linkintime.co.in>, immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed i.e. NSE and BSE Limited.
- Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e. Friday, the September 27, 2019.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

**ITEM NO. 4**

Pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board of Directors, on the recommendation of Audit Committee at its meeting held on May 29, 2019 appointed M/s S. Chander & Associates, Cost Accountants, (Firm Registration No 100105), as the Cost Auditor for audit of the cost records of the Company for the Financial Year ending March 31, 2020, at a remuneration amounting ₹ 1,07,000 (₹ One Lac Seven Thousand only) plus taxes as applicable and out of pocket expenses, if any. In terms of the provisions of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 4 for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020 by the shareholders at the ensuing Annual General Meeting of the Company.

Copy of documents referred in the proposed resolution shall remain open for inspection by the members at the registered office of the Company during normal business hours on any working day.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out in Item No 4 of this Notice.

**ITEM NO. 5**

Cords Cable Industries Limited (CORDS) is a specialized Control & Instrumentation cable company offering wide range of cable products to multiple industries. CORDS has over 3 decades of rich experience and enjoys a strong brand image in the B2B segment. CORDS designs, develops and manufactures a varied range of Power, Control, Instrumentation, Thermocouple Extension / Compensating and Communication cables. The company's state of the art manufacturing plants are located at Alwar in Rajasthan. The Company, in the ordinary course of business, enters into transactions with Stem Factory Solutions Private Limited for sale, purchase or supply of goods or materials, leasing of property and availing or rendering of services.

Further, pursuant to Section 188 of Companies Act, 2013 and rule made thereunder, the above said transaction if entered into by the company with Stem Factory Solutions Private Limited, {who is related party within the meaning of Section 2 (76) of the Companies Act, 2013 ('the Act')} is in the ordinary course of business, not exceeding the threshold limits and on an arm length basis i.e. transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

However, keeping in view the interest of the stakeholders, the consent of the members is sought for approving the matter as set out in Item No. 5 as Ordinary Resolution at the ensuing Annual General Meeting of the Company.

In terms of Explanation (3) appended to Rule 15 (3) of the said Rules, the under-noted information is of relevance:

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Particulars	Information
Name of the Related Party	Stem Factory Solutions Private Limited (Mr. Varun Sawhney, Director)
Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Naveen Sawhney, Managing Director, Cords Cable Industries Limited.
Nature of Relationship	Mr. Varun Sawhney, is the Son of Mr. Naveen Sawhney and designated as Vice President (Marketing, IT & HR) in CORDS.
Nature, Material terms of the Contracts / arrangements / transactions	In view of sale, purchase or supply of goods or materials, leasing of property and availing or rendering of services, no other material term or particulars of contract of arrangement are applicable for disclosure.
Monetary Value (maximum amount each Financial Year)	₹ 50 crore
Whether the transactions have been approved by the Board of Directors	Yes. The Audit Committee has at its Meeting held on August 13, 2019 has granted its approval. Based on the recommendations of the Audit Committee, the Board of Directors has at its Meeting held on August 13, 2019 has recommended the Ordinary Resolution to the Members for their approval.
Any other information relevant or important for the Members to make a decision on the proposed transactions	The respective contracts or arrangements are proposed at arm's length basis and all factors relevant to the respective contracts have been considered by the Board.

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.

The Board is of the opinion that the transactions of sale, purchase or supply of goods or materials and availing or rendering of services with Stem Factory Solutions Private Limited are in the best interest of the Company.

The documents related to contracts or arrangements proposed to be entered with related parties shall remain open for inspection by the members at the registered office of the Company during normal business hours on any working day.

Save and except directors as mentioned hereinabove and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

As per second proviso to section 188 (1) of the Companies Act 2013, if any member is a related party in any contract or arrangement, then that party shall not vote in the special resolution, wherein such contract or arrangement is considered for approval.

The Board re-commends the resolution set out at Item No. 5 of the notice for the approval of members in general meeting.

#### ITEM NO. 6

Mr. Naveen Sawhney was appointed as Managing Director of the Company for a period of Three Years w.e.f. July 01, 2016 up till June 30, 2019, by the Board at their meeting held on May 30, 2016 and subsequently his appointment was approved by the Shareholders in their meeting held on September 30, 2016.

As the tenure of Mr. Naveen Sawhney was expired on June 30, 2019, Therefore, paying due regard to their vast experience and hard work, the Board of Directors, upon the recommendation of Nomination and Remuneration Committee and subject to the approval of members of the Company, in its meeting held on May 29, 2019 approved the re-appointment of Mr. Naveen Sawhney as Managing Director of the company for the period of three years w.e.f. July 01, 2019 and he shall be liable to retire by rotation.

The aggregate of the remuneration payable to Mr. Naveen Sawhney will be within the maximum limits as laid down under section 197 of the Companies Act, 2013 and other applicable provisions of the Act read with Schedule V to the Act and shall be revised as mentioned in the aforesaid resolution w.e.f. June 01, 2019.

Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, approval from shareholders is sought with respect to the appointment and payment of remuneration to Mr. Naveen Sawhney as Managing Director of the Company. Revision in remuneration shall be made w.e.f. June 01, 2019. A brief profile of Mr. Naveen Sawhney is given below:

**Mr. NAVEEN SAWHNEY**, 67 Years, is a Mechanical Engineer (AMIME) and holds a Post graduate diploma in Marketing Management. He has an experience of more than 45 Years in the Cable Industry. He started his career with Delton Cables Limited as a Supervisor in the Quality Control Department in September, 1971, where he worked for two years and then shifted to the marketing wing and worked there about 10 years. In 1985 he left the organization and joined Cords India which was formed for marketing cables for principal Indian Communication Cable Company under our own trade name "Cords" and then shifted to Cords Cable Industries Ltd. to manufacture cables. Presently, he is the Managing Director of your Company.

**Statement pursuant to Section II (B) (iv) of Part II of Schedule V of Companies Act, 2013**

**GENERAL INFORMATION:**

1.	Nature of Industry :	Cable Industry		
2.	Date or Expected Date of Commencement of Commercial Production.	Company is in existence since 1991.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.		
4.	Financial performance based on given indicators (₹ in Lacs)	<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
		Net Income from Operations	41674.59	36537.88
		Profit Before Tax and Depreciation	1701.33	1427.40
		Depreciation	567.35	506.04
		Profit Before Tax	1133.98	921.36
		Tax	398.56	295.17
		Net Comprehensive Income	0.83	(1.96)
		Profit After Tax	736.25	624.23
		Equity Capital (face value ₹ 10/-)	1292.78	1292.78
		Preference Share capital (face value ₹100/-)	160.00	160.00
5.	Export performance (₹ In Lacs) and Net Foreign Exchange Collaborations	<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
		Foreign Exchange Earning	507.52	621.75
		Foreign Exchange Outgo Foreign Exchange Collaborations	542.20	186.99
		Foreign Investments or Collaborators, if any.	The Company did not have any foreign investments or collaborations.	

**II INFORMATION ABOUT THE APPOINTEE**

**1. Background Details**

Mr. NAVEEN SAWHNEY, 67 Years, is a Mechanical Engineer (AMIME) and holds a Post graduate diploma in Marketing Management. He has an experience of more than 45 Years in the Cable Industry. He started his career with Delton Cables Limited as a Supervisor in the Quality Control Department in September, 1971, where he worked for two years and then shifted to the marketing wing and worked there about 10 years. In 1985 he left the organization and joined Cords India which was formed for marketing cables for principal Indian Communication Cable Company under our own trade name "Cords" and then shifted to Cords Cable Industries Ltd. to manufacture cables. Presently he is the Managing Director of your Company.

**2. Past Remuneration**

Mr. Naveen Sawhney was entitled for the CTC (Cost to Company) of ₹ 7,95,450/- p.m. and Commission not exceeding 1% of the net profits of the Company (subject to necessary approvals) in addition to perquisites as proposed from as per schedule V.

**3. Recognition or awards**

Mr. Naveen Sawhney is renowned personality in Cable Industry.

**4. Job Profile and his suitability**

Mr. Naveen Sawhney is responsible for the overall conduct and management of business and affairs of the Company. This includes broad development of Domestic & International business. He is heading Marketing, Strategic Planning, Financial Reporting and Sourcing Division. All this coupled with his strong resources management capability makes him fully suitable for the position.

**5. Remuneration proposed**

CTC (Cost to Company) : ₹ 8,96,000/- per month

Besides the above he shall be entitled for 1% commission on Net Profits calculated as per the provisions of the Companies Act, 2013, subject to necessary approvals. Mr. Naveen Sawhney is also entitled to perquisites and Statutory benefits as per company policy which includes Gratuity, Leave Encashment as proposed in the accompanying resolution.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

Mr. Naveen Sawhney is on the Board of the Company since past 24 years. He has led the Company from its nascent stage and has propelled its growth. He has streamlined the business process operations of the Company and has been a strategic management persona. His skill set and his experience places him at par with similar positions at other major Cable Companies in India. Considering the general industry and the specific company profile, the

proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**

Mr. Naveen Sawhney is holding 6055222 (46.84%) Equity Shares of the Company and No(s) 1,60,000 (100%) Cumulative Redemable Non Convertible Preference Shares of the Company. Apart from this, he does not have any other pecuniary transaction with the Company except by way of his employment with the Company.

**III OTHER INFORMATION:**

**1. Reasons of Loss or Inadequate Profits**

The Company has been earning profits since inception. However, in respect of the remuneration payable to the managerial person(s), profitability of the Company is adversely impacted primarily due to following reasons:

- The industry is competitive and further due to the liquidity issues & concerns with some of the financial institutions/lenders in general at macro level in the country has impacted the industries & projects across-the-board. This has resulted industries in general in witnessing longer than expected working capital cycle, which has affected your company as well. Changes in the working capital cycle also impacts the overall finance costs.
- Your Company is mainly engaged in the business of manufacturing of wires & cables to be used in industries & projects. Due to the overall broad-based adverse economic environment around the globe, the investments in new projects were put on hold by many of the players. The increase in the net sales was not at par with the expectations, marginally due to lower than expected realizations.

**2. Steps taken or proposed to be taken for improvement.**

Your Company is constantly working upon achieving better efficiencies, cutting costs at every stage of production, better preventive maintenance, making product mix having higher contribution and achieving higher production so that the company can achieve the scale of economy and maintain higher margin of profit. There was an infusion of capital in the company in February, 2016 as an endeavour taken in same direction. Also, your company has been constantly working upon improving its production capacity utilization levels which is expected to provide further improvement to its general working.

**3. Expected increase in productivity and profits in measurable terms.**

The Company expects increase in the profit in line with the increase in its activity and market penetration. Profitability is expected to improve with the expected improvement in the production capacity utilization levels thereby resulting in better cost absorptions & efficiencies.

Copy of documents referred in the proposed resolution shall remain open for inspection by the members at the registered office of the Company during normal business hours on any working day.

Except Mr. Naveen Sawhney, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Your directors recommend the Special Resolution set out at Item No. 6 of the Notice for your approval.

Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulation) with the Stock Exchange is set out in the annexure to the Explanatory Statement.

**ITEM NO. 7**

Mr. Sanjeev Kumar was appointed as a Whole Time Director of the Company, liable to retire by rotation, for a period of Five Years w.e.f. May 30, 2015, by the Board at their meeting held on May 30, 2015 and subsequently on the recommendation of Nomination and Remuneration Committee revision in the remuneration of Mr. Sanjeev Kumar was approved by the Board of Directors in their meeting held on May 28, 2018 which was approved by the Shareholders in their 27th Annual General Meeting held on September 28, 2018.

Keeping in view, the qualification, experience, work pressure & the inflationary conditions, the Board of Directors, upon the recommendation of Nomination and Remuneration Committee and subject to the approval of members of the Company, in its meeting held on August 13, 2019, approved increase in the CTC (Cost to Company) payable to Mr. Sanjeev Kumar, Whole Time Director of the company from ₹ 1,20,000/- p.m. to ₹ 1,50,000/- p.m. w.e.f. June 01, 2019 without any change in other terms & conditions of their perquisites.

The aggregate of the remuneration payable to Mr. Sanjeev Kumar as a Whole Time Director will be within the maximum limits as laid down under section 197 of the Companies Act, 2013 and other applicable provisions of the Act read with Schedule V to the Act.

Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, approval from shareholders is sought with respect to the regularization and increase in the remuneration payable to Mr. Sanjeev Kumar as a Whole Time Director of the Company. A brief profile of Mr. Sanjeev Kumar is given below:

Mr. Sanjeev Kumar (DIN: 07178759), 43 Years, is an aspiring member of Institute of Cost Accountant of India having membership number 26456. He has joined "CORDS" as Manager Cost Control in the year 2012. He is young, motivated,

enthusiastic, creative and dynamic personality. He possesses good entrepreneur skills of managing business activities. He has a total work experience of around 16 years including an experience of more than 6 years in cable industry. Statement pursuant to Section II (B) (iv) of Part II of Schedule V of Companies Act, 2013.

**GENERAL INFORMATION:**

1.	Nature of Industry :	Cable Industry		
2.	Date or Expected Date of Commencement of Commercial Production.	Company is in existence since 1991.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.		
4.	Financial performance based on given indicators (₹ in Lacs)	<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
		Net Income from Operations	41674.59	36537.88
		Profit Before Tax and Depreciation	1701.33	1427.40
		Depreciation	567.35	506.04
		Profit Before Tax	1133.98	921.36
		Tax	398.56	295.17
		Net Comprehensive Income	0.83	(1.96)
		Profit After Tax	736.25	624.23
		Equity Capital (face value ₹10/-)	1292.78	1292.78
		Preference Share capital (face value ₹100/-)	160.00	160.00
	Earning per Share (₹)	5.70	4.83	
5.	Export performance (₹ In Lacs) and Net Foreign Exchange Collaborations	<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
		Foreign Exchange Earning	507.52	621.75
		Foreign Exchange Outgo Foreign Exchange collaborations	542.20	186.99
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign investments or collaborations.		

**II INFORMATION ABOUT THE APPOINTEE:**

**1. Background Details**

Mr. Sanjeev Kumar (DIN : 07178759), 43 Years, is an aspiring member of Institute of Cost Accountant of India having membership number 26456. He joined "CORDS" as Manager – Cost Control in the year 2012. He is young, motivated, enthusiastic, creative and dynamic personality. He possesses good entrepreneur skills of managing business activities. He has a total work experience of around 16 years including an experience of more than 6 years in cable industry.

**2. Past Remuneration**

Mr. Sanjeev Kumar was drawing monthly CTC (Cost to Company) of ₹ 1,20,000/- w.e.f. May 30, 2018 and perquisites as proposed.

**3. Recognition or awards**

Mr. Sanjeev Kumar is recognized in the company for his professional approach and Cost efficiency in operations of the company.

**4. Job Profile and his suitability**

Mr. Sanjeev Kumar is responsible for the strategic long term cost control of the Company. He is also designated as occupier under Factories Act of the manufacturing units located at Bhiwadi and is actively involved in monitoring the overall manufacturing operations of the Company. The Board is confident that Mr. Sanjeev Kumars' management capabilities will enable the Company to progress further and he is fully suitable for this position.

**5. Remuneration proposed**

Besides the monthly CTC (Cost to Company) of ₹ 1,50,000/-, Mr. Sanjeev Kumar shall be entitled for perquisites and statutory benefits as per company policy which includes Gratuity, Leave Encashment, as proposed in the accompanying resolution.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

Mr. Sanjeev Kumar is responsible for the long term strategic cost control of the Company. He is also designated as Occupier of the manufacturing units located at Bhiwadi and is actively involved in monitoring the overall



manufacturing operations. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of the comparatively placed companies in India.

In order to commensurate remuneration with the duties and responsibilities, proposal for upward revision of remuneration of Mr. Sanjeev Kumar was considered by the management of the Company. Turnover of the Company for the financial year 2017 – 2018 was ₹36,537.88 Lacs whereas it has achieved turnover of ₹ 41,674.59 Lacs during the financial year 2018-2019. Mr. Sanjeev Kumar has significantly contributed in the growth of the Company.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**

Mr. Sanjeev Kumar, apart from this, does not have any other pecuniary transaction with the Company except by way of his employment with the Company.

**III OTHER INFORMATION:**

**1. Reasons of Loss or Inadequate Profits**

The Company has been earning profits since inception. However, in respect of the remuneration payable to the managerial person(s), profitability of the Company is adversely impacted primarily due to following reasons:

- The industry is competitive and further due to the liquidity issues & concerns with some of the financial institutions/lenders in general, at macro level in the country, has impacted the industries & projects across-the-board. This has resulted industries in general in witnessing longer than expected working capital cycle, which has affected your company as well. Changes in the working capital cycle also impacts the overall finance costs.
- Your Company is mainly engaged in the business of manufacturing of wires & cables to be used in industries & projects. Due to the overall broad-based adverse economic environment around the globe, the investments in new projects were put on hold by many of the players. The increase in the net sales was not at par with the expectations, marginally due to lower than expected realizations.

**2. Steps taken or proposed to be taken for improvement**

Your Company is constantly working upon achieving better efficiencies, cutting costs at every stage of production, better preventive maintenance, making product mix having higher contribution and achieving higher production so that the company can achieve the scale of economy and maintain higher margin of profit. There was an infusion of capital in the company in February, 2016 as an endeavour taken in same direction. Also, your company has been constantly working upon improving its production capacity utilization levels which is expected to provide further improvement to its general working.

**3. Expected increase in productivity and profits in measurable terms.**

The Company expects increase in the profit in line with the increase in its activity and market penetration. Profitability is expected to improve with the expected improvement in the production capacity, utilization levels thereby resulting in better cost absorptions & efficiencies.

Copy of documents referred in the proposed resolution shall remain open for inspection by the members at the registered office of the Company during normal business hours on any working day.

Except Mr. Sanjeev Kumar, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

Your directors recommend the Special Resolution set out at Item No. 7 of the Notice for your approval.

**By Order of the Board of Directors**

Sd/-  
**(Garima Pant)**  
Company Secretary  
A-28170

New Delhi  
August 13, 2019



**Annexure to the Notice of Annual General Meeting**

**Details of Directors retiring by rotation / appointment / re-appointment at the ensuing Annual General Meeting**

S. No.	Particulars	Re- appointment
1	<b>Name of Director</b>	Mr. Naveen Sawhney (DIN : 00893704)
2	<b>Designation</b>	Managing Director
3	<b>Date of Birth</b>	20.03.1952
4	<b>Date of First appointment on the Board</b>	01.04.1995
4	<b>Shareholding ( as on 31.03.2019)</b>	No(s) 60,55,222 Equity Shares of ₹ 10/- each. No(s) 1,60,000 Preference Shares of ₹ 100/- each.
4	<b>Qualification/ Nature of Expertise</b>	Mechanical Engineer (AMIME) and holds a Post graduate diploma in Marketing Management.
5	<b>Disclosure of relationships between directors (inter-se)</b>	Executive Director (not related with other Executive and Independent Directors)
6	<b>Brief Resume</b>	<b>Mr. Naveen Sawhney</b> (DIN 00893704), 67 Years, is a Mechanical Engineer (AMIME) and holds a Post graduate diploma in Marketing Management. He has an experience of more than 45 Years in the Cable Industry. He started his career with Delton Cables Limited as a Supervisor in the Quality Control Department in September, 1971, where he worked for two years and then shifted to the marketing wing and worked there about 10 years. In 1985 he left the organization and joined Cords India which was formed for marketing cables for principal Indian Communication Cable Company under our own trade name "Cords" and then shifted to Cords Cable Industries Ltd. to manufacture cables. Presently he is the Managing Director of our Company.
7	<b>Name of the Listed entity in which person also holds the directorship</b>	1. Cords Cable Industries Limited
8	<b>Name of the Listed entity in which person also holds the membership of committees of the Board in which he/she holds Directorship.</b>	1.Cords Cable Industries Limited - *Board *Audit Committee *Stakeholder Relationship Committee *Corporate Relationship Committee *Share Transfer Committee *Committee of Directors

**On Behalf of The Board of Directors**

New Delhi  
August 13, 2019

**Naveen Sawhney**  
**Managing Director**  
**DIN : 00893704**

**Sanjeev Kumar**  
**Whole Time Director**  
**DIN : 07178759**

## Route Map



**28<sup>th</sup> Annual General Meeting on Friday, September 27, 2019 AT 3:00 P.M.**  
at International Society for Krishna Consciousness (ISKON), Hare Krishna Hills, Sant Nagar Main Road, East of Kailash, New Delhi 110065.

<b>Regd. Folio No.</b> : _____ (If Shares are not Dematerialised) <b>Name and Address of Member(s)</b> : _____  <b>Number of Shares held</b> : _____	<b>DP ID</b> : _____  <b>Client ID</b> : _____ (If Shares are not Dematerialised)
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Name of the Shareholder	Name of the Proxy	No. of Shares
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I hereby certify that I am a member / Joint holder /proxy for the member(s) of the Company. I hereby record my presence at the 28<sup>th</sup> Annual General Meeting of the Company to be held on Friday , September 27, 2019 AT 3:00 P.M. at International Society for Krishna Consciousness (ISKON), Hare Krishna Hills, Sant Nagar Main Road, East of Kailash, New Delhi-110065.

Member's/Proxy's name in block letters \_\_\_\_\_ Signature of Member / Proxy \_\_\_\_\_

Electronic Voting Particulars		
EVENT Number	User ID	Password
<b>190183</b>		

**Notes :** 1. Only Member/Proxy holder can attend the meeting.  
2. **No Gift Coupons / Refreshment Vouchers will be distributed at the meeting venue.**

**Form No. MGT-11**  
**PROXY FORM**  
[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]  
**28<sup>th</sup> Annual General Meeting- September 27, 2019**

**Name of member(s)** : \_\_\_\_\_  
**Registered address** : \_\_\_\_\_  
**E Mail Id** : \_\_\_\_\_  
**Folio No. / DP ID - Client ID** : \_\_\_\_\_  
**No. of shares held** : \_\_\_\_\_

I / We, being the member(s) of **Cords Cable Industries Limited** holding \_\_\_\_\_ shares, hereby appoint:

1) Name: _____ E Mail: _____ Address: _____ Signature _____ <b>or failing him/her</b>	3) Name: _____ E Mail: _____ Address: _____ Signature _____ <b>or failing him/her</b>
2) Name: _____ E Mail: _____ Address: _____ Signature _____ <b>or failing him/her</b>	4) Name: _____ E Mail: _____ Address: _____ Signature _____ <b>or failing him/her</b>

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Company to be held on Friday, September 27, 2019 at 3:00 p.m. at International Society for Krishna Consciousness (ISKON), Hare Krishna Hills, Sant Nagar Main Road, East of Kailash, New Delhi-110065 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of the audited financial statement of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon. <i>(Ordinary Resolution)</i>		
2	Declaration of dividend on no(s) 1,60,000 Cumulative Redeemable Non Convertible Preference Shares @10% p.a. for the FY 2018-19. <i>(Ordinary Resolution)</i>		
3	Appointment of a Director in place of Mr. Naveen Sawhney (DIN 00893704), who retires by rotation and being eligible, offers himself for re-appointment. <i>(Ordinary Resolution)</i>		
<b>Special Business</b>			
4	Ratification of the remuneration payable to Cost Auditor of the Company. <i>(Ordinary Resolution)</i>		
5	Approval of related party transaction with Stem Factory Solutions Private Limited. <i>(Ordinary Resolution)</i>		
6	Approval of revision in remuneration and re-appointment of Mr. Naveen Sawhney (DIN 00893704) as Managing Director of the Company for the period of 3 years. <i>(Special Resolution)</i>		
7	Approval of increase in the remuneration payable to Mr. Sanjeev Kumar (DIN 07178759), Whole Time Director of the Company for the remaining period of his tenure as Whole Time Director i.e. from May 30, 2018 to May 29, 2020. <i>(Special Resolution)</i>		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Signature of the Member : \_\_\_\_\_ Signature of the Proxy Holder(s) : \_\_\_\_\_

**Note:** 1. Please put a (✓) in the box in the appropriate column against the respective resolution. If you leave the "For" or "Against" column blank against any or all the resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.  
2. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.

Affix  
Revenue  
stamp