

Annual Report 2010-11



CORDS

Cords Cable Industries Limited



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BOARD OF DIRECTORS

Mr. Naveen Sawhney	Managing Director
Mr. D.K. Prashar	Joint Managing Director
Mr. Om Prakash Bhandari	Independent Director
Mr. Ajit Kumar Sahay	Independent Director
Mr. N.K. Balasubramanian	Independent Director

KEY MANAGEMENT PERSONNEL

Mr. V. K. Beri President (Marketing)	Mr. Dinesh Shukla President (Operations)
Mr. Varun Sawhney Vice President (Marketing, HR & IT)	Mr. Rahul Prashar Vice President
Mr. H. K. Pandita Vice President (Marketing)	Mr. Gaurav Sawhney Sr. Associate Vice President (Finance & Banking)
Mr. Amitabha De GM (Marketing)	Mr. Anil Gupta GM (Technical)
Mr. Sandeep Kumar GM (Accounts & Finance)	

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Jyoti Dixit

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
A-40, 2nd Floor, Naraina Industrial Area, Phase II,
Near Batra Banquet Hall, New Delhi-110028
Tel No- +91-011-41410592,93,94
Fax No- +91-011-41410591
Email-delhi@linkintime.co.in

STATUTORY AUDITORS

M/s Sharma Goel & Co
Chartered Accountants, New Delhi

REGISTERED OFFICE

B-1/A-26, Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi-110044.
Tel No- +91-011-40551200
Fax No- +91-011-26951196
Email ID-
- For Investor - ipo@cordscable.com
- For Others - ccil@cordscable.com
Website - www.cordscable.com

BANKERS & FINANCIAL INSTITUTIONS

Canara Bank
ICICI Bank Limited
DBS Bank Limited
Citi Bank NA
State Bank of Patiala
Rajasthan State Industrial Development &
Industrial Corporation Ltd. (RIICO Ltd.)

STOCK EXCHANGES

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

PLANT LOCATIONS

- 1) A-525, Industrial Area Chopanki, Bhiwadi,
Dist. Alwar (Raj) 301 019
- 2) SP-239,240 & 241,
Industrial Area Kahrani,
Bhiwadi Extn.,
Dist. Alwar (Raj) 301 019

REGIONAL OFFICES

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

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy is on a growing trend. It is expected to grow at 9% in 2011-12. GDP of India grew at 8.5% in 2010-2011 in real terms (source: <http://indiabudget.nic.in>). GDP rose 7.7% in the three months ended June 30 from a year earlier as per the latest data released by Central Statistical Office. The growth of cable and wire industry is linked to the growth of various sectors. Cords Cable which is engaged in the business of manufacturing and marketing cables and wires, is poised to march ahead as the economy progresses.

Since its inception Cords Cable Industries has diversified its business model and has shown significant presence in both the domestic and international markets, serviced mainly the institutional segments and has catered both the private and public sector clients.

Company continued to fine tune its production outputs to meet the country's changing demands. Financial Year 2010-2011 had several positive developments. Company met the growing demand for high-quality customized cables that included control, instrumentation, thermocouple cables & LV power. The Company commenced the commercial production from its new state-of-art manufacturing unit at Kaharani, District Alwar, Rajasthan. Subsequently the sales of the Company increased by 31.14% as compared to previous year.

INDUSTRY SCENARIO

The Indian cable industry is highly fragmented with a large number of producers. The market for cables and wires is mainly dominated by the unorganized sector controlling about 70% of the domestic demand for wires and cables. Buoyancy in Real Estate, Power, Chemical, Hydrocarbons, Refineries etc. had spurred the demand for cable & wires over the past 2-3 years. During FY11, the Indian cable industry witnessed an overall growth of about 15%. The industry was adversely affected during FY10 with demand being sluggish during the initial half of the year post the recession of FY09 and the expansion plans which were earlier put on hold due to recessionary trends were either completed or in process of execution, leading to excess capacities in the interim. Further, volatility in key input prices such as copper & aluminium also impacted the profitability margins and is likely to remain a key concern for the industry. As economic scenario improved, the significant pile-up in executable order backlog has cleared and demand is expected to improve. Going forward, considering back-ended orders from power segment to achieve 11th Plan targets, coupled with a broader pick-up in the economics activity, the cable industry is expected to post better growth-oriented numbers.

OPPORTUNITIES

The growth of cable and wire industry is dependent upon the growth of various sectors such as Power, Oil & Gas Exploration, Refineries, Metro Rail, Cement, Steel, Fertilizers, Textile, Real Estate, Airport Modernization, Industrial and Telecom.

POWER

As a result of climate change there has been an increasingly greater interest from governments of various nations towards the adoption of green technologies for power generation such as solar, wind, geothermal, nuclear etc. The West is far ahead of the rest of the world in terms of the adoption of these technologies, but Asia and Middle East-which is company's focused market, expects to see a slow catch-up and change towards greater adoption of green technologies. Cords Cable has introduced cables that will serve the global focus on green technologies for power generation.

GOVERNMENT IMPETUS IN THE POWER SECTOR

The Government of India has set the target 'Power for all by 2011-12 to meet with the energy requirements of the entire country, by adding 78,000 MW of installed generation capacity by 2012. According to the experts, the total demand for electricity will be above 950,000 MW by 2030. India has taken all the steps needed to provide energy from renewable sources such as wind and solar power. In March 2011 the capacity of wind power in India stood at around 12,000 MW.

Estimated Capex		(Rs. in billion) FY 10 - 17
Generation		8,533
T & D		5,006
Transmission	2,821.40	
Distribution	2184.70	
Total		13,539
Consequently, Expenditure on cables		
Estimated Capex		(Rs. in billion) FY 10 - 17
Generation		256
T & D		1,251
Transmission	705	
Distribution	546	
Total		1,507

The positive trend in the power sector is most important catalysts for the cable and wire industry. Cables play a crucial part in all the three aspects of the power sector- generation, transmission and distribution. So, the trend of cable and wire industry is to a great extent dependent upon the power sector.

STEEL SECTOR

The Indian steel sector has witnessed a roller coaster ride of late wherein it has witnessed a significant spurt in demand due to expanding oil and gas sector, large infrastructure spending coupled with growth in housing, consumer durables and auto sectors. India became the fourth largest producer of crude steel in the world in 2010 as against the eighth position in 2003 and is expected to become the second largest producer of crude steel in the world by 2015. As per World Steel Association (WSA), India was the fourth largest producer of crude steel during

January–September 2010 producing 50.1 m tonnes (MT) crude steel during the period. Currently, with the government's increased emphasis on infrastructure, this sector is poised for significant growth over the medium to long term. As a matter of fact, India's per capita steel consumption continues to be low at 46 kg as against the global average of 198 kg. Thus, this further strengthens the belief that the potential ahead for India to raise its steel consumption is high(*source: <http://equitymaster.com>*). The increased production and the expansion plans of the steel sector will in turn boost demand for cables as it is required for setting up new facilities.

INFRASTRUCTURE

Infrastructure is known to be the key enabler for development for an economy. To maintain India's growth, infrastructure needs to grow at a similar level. For 2011-2012, an allocation of over Rs.2,14,000 Cr has been done for this sector, which is 23.3% higher than previous year. This amounts to 48.5% of the Gross Budgetary Support to plan expenditure. Further to boost infrastructure development, tax free bonds of Rs.30,000 Cr are proposed to be issued by government undertakings (*source: <http://indiabudget.nic.in>*). The infrastructure sector is to a great extent linked with cable sector. This augurs well for the suppliers of control and instrumentation cables, special cables, power cables and other cables.

Growth in India is contingent on infrastructure investment. India has doubled its target for infrastructure spending to USD 1 million in the five years starting 2012 to narrow the gap with China - the world's fastest growing major economy. According to the experts, India spent 6.5% of its gross domestic product in 2009 on Infrastructure.

It is expected that the total infrastructure spending is estimated to be Rs. 62 trillion over the next decade, of which nearly 70% will be in the power, transportation (railways, roads), water supply & sanitation sectors. It is also expected that investments in the power sector will increase from Rs. 6.5 trillion to Rs. 13 trillion. Growth in the power sector is beneficial to the cables and wires industry.

OTHER INDUSTRIES

The industrial cables sector has numerous niche markets, dominated by local players or specialists like Cords Cable with specific know-how or historical presence, and some of the other key industries keys serviced by the Wires & Cables industry include :

- Aeronautics
- Automobiles
- Mining
- Nuclear
- Railways
- Building
- Offshore wind, wind turbines, solar energy etc.

Conclusion :

Cables play a small but significant part in infrastructure activities. With strong investments proposed across sector such as power, reality, industrial and telecom, the cable industry in India is slated for a strong growth going forward. However, irrespective of the stage of the project, based on the sheer strength of order backlog in the infrastructure and power sector space, given an overall improvement in the funding scenario and with the overall economic scenario gaining accelerated momentum, robust growth over the next few years for the cable industry in India is expected.

THREATS

Business Risk

The company's products are used primarily by the power, infrastructure and industrial segment. Slowdown in these sectors can largely impact the demand for the company's products.

Raw Material Price Fluctuation:

Excessive Price Fluctuation in Company's Basic Raw Materials- Copper, Aluminum and Steel- can have severe impact on its margins. However, the company has been successfully managing this risk through hedging on the commodity exchange and back to back booking of raw materials, on receiving sale orders.

Foreign Exchange Risk:

Company is involved into both import and export. Exchange rate fluctuations may have an impact on the performance of the company. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in the future. Such fluctuations can have a serious impact on the revenues of the company.

Human Resource Risk:

In the absence of quality human resources, the company may not be able to execute its ambitious growth plans.

FINANCIAL REVIEW

Results of Operations

During the year under review, turnover of the Company grew by over 30% Y-o-Y with net sales from operations of Rs. 28961.07 Lacs, as against Rs. 22083.42 Lacs in FY'10. This growth was driven partly by expansion in production capacity, development of new products and company's entry in to newer markets & segments.

The Net Profit increased to Rs. 537.12 Lacs compared to Rs. 418.61 Lacs in FY'10, representing a growth of 28.31% compared to Previous Financial year.

(Rs. in Lacs)

Particulars	FY'11	FY'10
Net Income from Operations	28961.07	22083.42
Total Expenditure	26455.84	20165.06
(a) Consumption of Raw Material	22959.58	17217.25
(b) Manufacturing Expenses	1418.18	1290.36
(c) Staff Cost	1217.23	1006.13
(d) Administrative & Other Expenses	860.85	651.32
OPBITDA	2505.23	1918.36
Deprecation & Amortisation	434.19	366.89
OPBIT	2071.04	1551.47
Finance Charges (Net)	1409.71	1077.47
OPBT	661.33	474.00
Non Operating Income / Other Income	127.66	148.57
PBT	788.99	622.57
Current Year Tax	51.25	182.90
Deferred Tax	200.32	20.82
Wealth Tax	0.30	0.24
PAT	537.12	418.61

Segmental Overview

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

INTERNAL CONTROL SYSTEM

Cords has adequate systems in place to closely monitor and evaluate the efficacy and adequacy of internal control systems, their compliance with operating systems and accounting procedures and policies. The Internal Auditor functions independently to ensure smooth functioning of the organization.

HUMAN RESOURCES

CORDS is committed to the welfare and career growth of its employees. The Company has adequate system to reward and recognize the employee contribution towards the growth of the company. The Company makes continuous endeavor to enhance the skill and competence of its human resources. Senior management keeps constant personal touch and a friendly human approach in dealing with its colleagues. During the year industrial relations continues to be cordial.

Commencement of Commercial Production of New Unit: The Company commissioned its new ultra-modern cable manufacturing facility at Kaharani, Rajasthan. This new facility is spread over an area of approximately 68,360 square meters. With the commissioning of this new facility, the approximate installed capacity of the company now stands at 65,000 cable k.m., i.e., an expansion of about 35,000 cable k.m. of installed capacity. The new site has, as such, got an immense potential for even future expansions to service the increasing demand of products from the company.

The phenomenal growth of over 30% in revenues registered by the company in Financial Year 2010-2011 over the previous Financial Year is partly due to the substantial increase in its production capacity owing to the successful commissioning of its new facility.

The Company has invested considerable amounts in modernization and increasing the automation level of its manufacturing process besides introducing strict cost-cutting and disciplinary measures throughout the organization.

Positive Developments: This year Cords Cable had several positive developments. Company recently added solar PV cables to its portfolio as well as other recently marketed products including foundation fieldbus cables, fire survival cables, low temperature cables, EPR insulated cables and specialized cables for oil and gas. In the year under review the company added over 30 new clients. It received approval from Power Grid Corporation of India for control and LV power cables that has increased its scope in the energy distribution sector in India. It received approvals and orders from Engineers India Ltd (EIL) for its foundation fieldbus cables. It successfully developed EPR insulated control and instrumentation cables as also its extreme temperature range of cables for regions with very low temperatures.

CAUTIONARY STATEMENT

Statements made in this report in describing the Company's objectives, estimates and expectations are "Forward looking Statements" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events but the Company, however, can not 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.

DIRECTORS' REPORT

To,

Dear Members,

Your Directors are pleased to present the Twentieth Annual Report together with the Audited Statement of Accounts of financial year ended March 31, 2011.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	FY 2010-11	FY 2009-10
Net Sales	28961.07	22083.42
Other Income	127.66	148.57
Total Income	29088.73	22231.99
Profit before Depreciation & Tax	1223.18	989.46
Depreciation	434.19	366.89
Profit before Tax	788.99	622.57
Provision for Tax	251.87	203.96
Profit after Tax	537.12	418.61
Profit brought forward from previous year	2734.17	2491.14
Profit available for appropriations	3271.29	2909.75
Appropriations:		
Proposed Dividend	—	114.28
Corporate Dividend Tax	—	19.42
Transferred to General Reserve	—	41.87
Profit carried forward	3271.29	2734.18

OPERATIONAL HIGHLIGHTS

This year your Company had several positive developments. The Company achieved a Turnover of Rs. 28961 Lacs as compared to Rs.22083 Lacs in the previous year. The Profit before tax during the year was Rs.788.99 Lacs showing more than 26% increase as that of previous year.

Your Company recently added Solar PV Cables to its portfolio as well as other recently marketed products including foundation fieldbus cables, fire survival cables, low temperature cables, EPR insulated cables and specialized cables for oil and gas.

This performance is attributed to your company's dedicated, firm and planned approach towards tapping market potentials both local as well as international, setting up of upgraded and modernized facility at Kaharani so as to keep pace with the requirements of the market as well as maintain a team of highly dedicated professionals and task oriented executives to execute the plans in a phased manner and in the right direction.

COMMENCEMENT OF COMMERCIAL PRODUCTION

This year your Company commissioned its new ultra-modern cable manufacturing facility at Kaharani, Rajasthan. This new facility is spread over an area of approximately 68,360 square meters. With the commissioning of this new facility, the approximate installed capacity of the company now stands at 65,000 cable k.m., i.e., an expansion of about 35,000 cable k.m. of installed capacity. The new site has, as such, got an immense potential for even future expansions to service the increasing demand of products of the company.

The phenomenal growth of over 30% in revenues registered by the company in Financial Year 2010-2011 over the previous Financial Year is partly due to the substantial increase in its production capacity owing to the successful commissioning of its new facility.

RATING BY CARE

During the year under review Credit Analysis & Research Ltd. (CARE) has re-assigned "CARE BBB+" (Triple B Plus) and "PR3+" (PR Three Plus) rating to the Long Term & Short Term Bank facilities of the Company in accordance with Basel II norms. Instruments with this rating would carry moderate credit risk. CARE has assigned this rating taking into account vast experience of CCIL's promoters in the Cable Industry, long track record of operations, established position in the Control and Instrumentation cables market, comfortable order book position and moderately favorable capital structure.

ISO 9001:2008

Your company's newly commissioned cable manufacturing facility at Kaharani has recently been accredited with ISO 9001:2008 certification.

ISO 9001 certification proves that the Company's Quality Management System has been certified in line with the best practices standard and is found compliant. It provides a framework for focus on customer and product requirements, process performance and effectiveness with emphasis on continual improvement and objective measurement. It helps the Company to achieve consistency, improve internal processes, fulfill contractual obligations and gives a competitive advantage and increases customer confidence.

AGGRESSIVE COST CUTTING INITIATIVES :

In order to protect its projected cash-flows from the on-going upward volatility in the interest rates, your company has successfully converted an amount of Rs. 20 crore from a floating interest rate of 13.75% p.a. to a fixed rate of 10.50% p.a. (fixed @ 10.50% p.a. for the entire tenure of the loan). Now a substantial portion of your company's long term financial commitments is on fixed interest terms basis. With this initiative, going forward, your company is expected to also save on to a substantial amount of interest outflow.

DIVIDEND

The Board of Directors after duly considering the requirement of funds for Working Capital and stabilization of its newly commissioned ultra modern cable expansion project at Kaharani have not recommended dividend for the year under review in view to further strengthen the financial position of your Company.

CAPITAL STRUCTURE

During the year under review there was no change in the capital structure of the Company. The Authorised Share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve Crores) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of Rs. 10/- each. The Paid Capital of the Company is Rs.11,42,77,800/- (Rupees Eleven Crores Forty Two Lacs Seventy Seven Thousand and Eight Hundred only) divided into 1,14,27,780 (One Crore Fourteen lacs Twenty Seven Thousand Seven Hundred and Eighty) Equity Shares of Rs. 10/- each.

UTILIZATION OF PUBLIC ISSUE PROCEEDS

Details of utilization of Public Issue Proceeds have been submitted in Note no.16 of Schedule No. 18(c) attached to the Annual Accounts.

CORPORATE GOVERNANCE

A separate report on Corporate Governance forms part of the Annual Report along with the Auditor's Certificate on Compliance.

DIRECTORS

During the year under review, Mr. A. K. Gangopadhyay, Non Executive Director has resigned w.e.f. August 13, 2010

Mr. Ajit Kumar Sahay has joined the Board as Non-Executive Director w.e.f. May 29, 2010. Mr. Sahay has extensive managerial experience of over four decades in both Public & Private Sectors, including about ten years as Director/CMD at Board Level.

The Board constitutes of-

Mr. Naveen Sawhney, Mr D.K. Prashar- Executive Directors, and
Mr. O.P. Bhandari, Mr. N.K. Balasubramanian, Mr. Ajit Kumar Sahay - Non Executive Independent Directors.

Pursuant to Section 256 of the Companies Act, 1956 Mr. N. K. Balasubramanian and Mr. D. K. Prashar are retiring by rotation and being eligible have offered themselves for re-appointment. The Board recommends the name of Mr. N. K. Balasubramanian and Mr. D. K. Prashar for reappointment as Directors of the Company. Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, name of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding detail as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges are provided in the Report on Corporate Governance.

None of the Directors of the Company is disqualified from being appointed as Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

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

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account for the year under review;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They have prepared the Annual Accounts for the financial year ended March 31, 2011 on a going concern basis.

AUDITORS

M/s Sharma Goel & Co., Chartered Accountants, auditors of the Company will retire at the conclusion of the ensuring AGM and are eligible for reappointment as per the certificate furnished by them under Section 224(1B) of the Companies Act, 1956

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company has given due attention towards conservation of energy. It not only reduces the cost of production but also helps in conservation of natural resources which are depleting very fast. The Company is constantly looking for savings of energy and trying to conserve energy continuously by modifications or trying alternate means and continuously upgrading technology and works production. It makes continuous efforts to update itself, technically, and qualitatively applies new techniques in the manufacturing process so as to achieve a better product quality and technical reliability.

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	Company participated in exhibitions in foreign countries for promotion of its products. Products as per requirements of foreign markets were developed.
(b)	Total Foreign Exchange used & earned: Earnings Outgo	Rs.2938.16 Lacs Rs.1677.18 Lacs

PARTICULARS OF EMPLOYEES

As per the limit prescribed in Companies (Particulars of Employees) Amendment Rules, 2011 none of our employee falls within that category.

So, no Information is required to be furnished under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

PUBLIC DEPOSITS

The Company has not accepted deposits from the public within the meaning of Section 58(A) of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion & Analysis is provided in a separate section and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record it's sincere thanks to their Bankers and Financial Institutions, all it's employees, customers, suppliers both locally as well as internationally and shareholders for their ongoing support and the trust they have put in the management of the Company and look forward for the same in future.

New Delhi
August 12, 2011

FOR & ON BEHALF OF THE BOARD

Sd /-
Naveen Sawhney
(Chairman)

ANNEXURE TO THE DIRECTORS REPORT- PARTICULARS OF EMPLOYEES AS ON MARCH 31, 2011

- A** Employed throughout the year under review and were in receipt of remuneration for the year which, in the aggregate was not less than Rs 6000000/- per annum.

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

- B** Employed for the part of year and was in receipt of remuneration which in the aggregate was not less than Rs 5,00,000/- per month :-

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

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has always been committed to the principles of good Corporate Governance. The Board of Directors are committed in their responsibility for all the constituents including investors, employees and regulatory authorities. The Company believes in adopting and adhering to best recognized Corporate Governance practices and continuously benchmarking itself to be in line with each such practices. The Compliance Report is prepared and given below in conformity with the mandatory requirements of the Listing Agreement with the Stock Exchanges.

II. BOARD OF DIRECTORS

The current strength of the Board is 5 members comprising of 2 Executives Directors and 3 Independent Directors. The Chairman of the Board is Executive and more than half of the total Board consists of Independent Directors.

The composition and category of Directors alongwith other Directorships and Memberships in Board Committees as on March 31, 2011:

Name & Designation	Independent/Non-Independent Director	No. of Directorship (Other than Cords Cable)	No. of Chairmanships/ Memberships in Board Committees of other Companies
Mr. Naveen Sawhney Managing Director	Non -Independent Director	1	-
Mr. Devender Kumar Prashar Joint Managing Director	Non -Independent Director	1	-
Mr. O.P. Bhandari Non-Executive Director	Independent Director	3	-
Mr.N.K. Balasubramanian Non-Executive Director	Independent Director	2	-
Mr. Ajit Kumar Sahay Non-Executive Director	Independent Director	4	4

DIRECTORS' ATTENDANCE RECORD

During the financial year ended March 31, 2011, Four Board Meetings were held on May 29, 2010; August 13, 2010; November 10, 2010; February 05, 2011.

The attendance of each Director at the Board Meetings and the last Annual General Meeting are as under :

Name of the Director	No. of Meetings	Attendance (% thereof)	Whether attended Last AGM
Mr. Naveen Sawhney	4	100	Yes
Mr. Devender Kumar Prashar	4	100	Yes
Mr. O.P. Bhandari	3	75	No
Mr. N.K. Balasubramanian	2	50	No
Mr. Ajit Kumar Sahay (Appointed w.e.f. May 29, 2010)	4	100	No
Mr. A.K. Gangopadhyay (Resigned w.e.f. August 13, 2010)	1	100	No

REMUNERATION/SITTING FEES PAID TO DIRECTORS: (Amount p.a in Rs.)

S. No.	Name of Director	Salary	Perquisites & Allowances	Commission	Sitting Fees	Total
1.	Mr. Naveen Sawhney	Salary: 45,00,000 Arrears: 10,42,500	57,000	—	—	55,99,500
2.	Mr. Devender Kumar Prashar	Salary: 45,00,000 Arrears: 10,42,500	57,000	—	—	55,99,500
3.	Mr. O.P. Bhandari	—	—	—	30,000	30,000
4.	Mr. N.K. Balasubramanian	—	—	—	20,000	20,000
5.	Mr. A.K. Gangopadhyay	—	—	—	10,000	10,000
6.	Mr. Ajit Kumar Sahay	—	—	—	40,000	40,000

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 above.

III. AUDIT COMMITTEE

The Audit Committee of the Board has been constituted in accordance with the requirements prescribed under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

During the financial year ended March 31, 2011 four Audit Committee meetings were held on May 29, 2010; August 13, 2010; November 10, 2010; February 05, 2011.

The Composition of Audit Committee and Attendance of Directors at the above meetings are as follows:

Name	Position in the Committee	No. of Meetings attended
Mr. O.P. Bhandari	Chairman, Independent, Non- Executive	3
Mr. A. K. Gangopadhyay (Resigned w.e.f. August 13, 2010)	Member, Independent, Non- Executive	1
Mr. N.K. Balasubramanian	Member, Independent, Non- Executive	2
Mr. Naveen Sawhney	Member, Managing Director, Executive	3
Mr. Ajit Kumar Sahay (Appointed as member of committee w.e.f. August 13, 2010)	Member, Independent, Non- Executive	3

The Chairman of the Committee is a Non-Executive Independent Director.

The Audit Committee Meetings are usually attended by the Independent Directors, Joint Managing Director, Senior Associate Vice President (Finance & Banking) & GM (Accounts & Finance) of the Company. The Company Secretary acts as Secretary to the Audit Committee.

The Terms of reference of the Audit Committee includes the matters stated in Clause 49 (II)(D)

IV. REMUNERATION COMMITTEE

The Remuneration Committee comprises of 3 Directors, all Non-Executive and Independent Directors. The terms of reference of Remuneration Committee includes determining the company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment. The decisions of Remuneration Committee are placed for information in the subsequent Board Meeting.

The Committee accordingly meets only as per needs. It met once during the financial year 2010-11 on August 13, 2010.

The composition of Remuneration Committee and attendance of the Directors of the meeting is as follows:

Name	Position in the Committee	No. of Meetings attended
Mr. N.K. Balasubramanian	Chairman, Independent, Non- Executive	NIL
Mr. Ajit Kumar Sahay	Member, Independent, Non- Executive	1
Mr. O.P. Bhandari	Member, Independent, Non- Executive	1

V. INVESTORS GRIEVANCE COMMITTEE

The Investors Grievance Committee of the Board has been constituted in accordance with Clause 49 to supervise and to look into the redressal of investors requests/complaints pertaining to transfer/transmission/demat/remat/split of shares/non-receipt of annual report/non receipt of declared dividend etc.

The Investor Grievance Committee comprises of three members with two Non-Executive Independent Directors.

During the financial year ended March 31, 2011 four Investor Grievance Committee meetings were held on May 29, 2010; August 13, 2010; November 10, 2010; February 05, 2011.

The composition of the Committee and attendance of the Directors at the above meetings is as follows:-

Name	Position in the Committee	No. of Meetings attended
Mr. A. K. Gangopadhyay (Resigned w.e.f. August 13, 2010)	Chairman, Independent, Non- Executive	1
Mr. Ajit Kumar Sahay (Appointed as member of committee w.e.f. August 13, 2010)	Chairman, Independent, Non- Executive	3
Mr. O.P. Bhandari	Member, Independent, Non- Executive	3
Mr. Naveen Sawhney	Member, Managing Director, Executive	4

Ms. Jyoti Dixit, Company Secretary is the Compliance Officer of the Company

During the year the Company received 21 complaints, out of which no complaint is pending as on March 31, 2011.

VI. 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	Location	Special Resolution passed
2010	September 30, 2010 11:00 a.m.	The Little Theatre Group, Copernicus Marg , New Delhi-110001	Appointment of Mr. A.K. Sahay as Director of the Company u/s 257 of Companies Act, 1956 who was appointed as Additional Director on May 29, 2010. Restoration of remuneration of Mr. Naveen Sawhney, Managing Director and Mr. D.K. Prashar, Joint Managing Director of the Company.
2009	July 24, 2009 10:00 a.m.	The Little Theatre Group, Copernicus Marg , New Delhi-110001	Appointment of Ms. Suchita Malhotra as Manager Finance u/s 314 (1) of Companies Act, 1956. Approval for extension of time for attainment of objects of the proceeds of IPO by a further period of one year w.e.f. April 2009 to April 2010 and cost overrun, if any.
2008	September 30, 2008 3:30 p.m.	The Little Theatre Group, Copernicus Marg , New Delhi-110001	Revision in Remuneration & Designation of Mr. Varun Sawhney and Mr. Rahul Prashar - as Vice President and Mr. Gaurav Sawhney as Assistant General Manager

During the year under review, a postal ballot was conducted pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the resolution through Postal Ballot) Rules, 2001 for obtaining the consent of Shareholders for

- Alteration in object clause of Memorandum of Association of the Company.
- Approve the Commencement of New Business u/s 149(2A) of the Companies Act, 1956
- Extension of Time for Attainment of objects of the proceeds of the Initial Public Offer (IPO)

Mr. Gulshan Kumar Gupta, C.S. in Practice, was appointed as Scrutinizer by the Board. The Scrutinizer submitted his report on January 14, 2011 and the result were declared by the company on January, 15, 2011.

Particulars		Total	Assent	Dissent	Invalid	Result
Special Resolution Altering the objects clause of Memorandum of Association of the Company.	No. of Postal ballot forms received	160	142	8	10	Passed by the requisite majority
	No. of Shares	6261311	6244810	14081	2420	
	% of Votes received	100%	99.74	0.22	0.04	
Special Resolution approving the Commencement of new business u/s 149 (2a) of the Companies Act, 1956.	No. of Postal ballot forms received	160	137	13	10	Passed by the requisite majority
	No. of Shares	6261311	6241413	17478	2420	
	% of Votes received	100%	99.68	0.28	0.04	

Special Resolution Extending the time for attainment of objects of the proceeds of the Initial Public Offer (IPO).	No. of Postal ballot forms received	160	134	16	10	Passed by the requisite majority
	No. of Shares	6261311	6251115	7776	2420	
	% of Votes received	100%	99.84	0.12	0.04	

The Chairman after receiving the Scrutinizers' Report announced that the resolution were duly passed by requisite majority.

VII. DISCLOSURES

- (a) Disclosures regarding materially significant related party transactions:
The Company follows the following policy in disclosing the related party transactions to the Audit Committee-

- (i) A statement in summary form of transactions with related parties in the ordinary course of business is placed before the Audit Committee
- (ii) Details of material individual transactions with related parties which are not in the normal course of business is placed before the Audit Committee
- (iii) Details of material individual transactions with related parties or others, which are not on an arm's length basis is placed before the Audit Committee, together with management's justification for the same

For details refer Note No. 12 of Schedule 18[C] attached to the Annual Accounts.

- (b) There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.
- (c) The Company has complied with the mandatory requirements of Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. It has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49-
 - ❖ The Company has set up a Remuneration Committee details of which have been given earlier in this Report.
 - ❖ The statutory financial statements of the Company are unqualified.
 - ❖ The Company has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.
- (d) Managing Director / GM (Accounts & Finance) certification - As required by Clause 49 of Listing Agreement, the certificate issued by the Managing Director is forming part of this Report.
- (e) Compliance Certificate on Corporate Governance- As required by Clause 49 of Listing Agreement, the Compliance Certificate is given as an Annexure to this Report.

(f) Disclosure regarding shares lying in Demat Suspense Account :-

Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	Aggregate number of Shareholders are 06 & the outstanding shares in the suspense account lying at the beginning of the year are 903.
Number of Shareholders who approached issuer for transfer of shares from suspense account during the year.	NIL
Number of Shareholders to whom shares were transferred from suspense.	NIL
Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the end of the year.	Aggregate number of Shareholders are 06, and the outstanding shares in the suspense account lying at the end of the year are 903.
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.

VIII. MEANS OF COMMUNICATION

- The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors.
- Financial Results are published in leading newspapers, namely, Financial Express in English and Jansatta in Hindi.
- The financial results are also put up on Company's website www.cordscable.com.
- Management Discussion & Analysis is separately annexed and forming part of the Annual Report.

IX. GENERAL SHAREHOLDER INFORMATION

(I) **20th Annual General Meeting**

The next Annual General Meeting of the Company is scheduled to be held on Monday, September 26, 2011 at 4.00 p.m at Shah Auditorium, Shree Delhi Gujarat Samaj Marg, Civil Lines, Delhi-110054.

(II) **Financial Calendar (Tentative)**

Results for quarter ending June 30, 2011
Results for quarter ending September 30, 2011
Results for quarter ending December 31, 2011
Results for quarter ending March 31, 2012

On or before 14.08.2011
On or before 14.11.2011
On or before 14.02.2012
On or before 15.05.2012

(iii) Date of Book Closure for Annual General Meeting

September 21, 2011 to September 26, 2011 (both days inclusive)

(iv) & (v) Listing on Stock Exchanges and Stock Code

Bombay Stock Exchange and National Stock Exchange.

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange	532941
National Stock Exchange	CORDSCABLE

ISIN No. INE792I01017**(vi) & (vii) Market Price Data(for the period April 01, 2010 to March 31, 2011)**

Share Price Performance in comparison with NSE Index:

Month	Cords		Nifty Index	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April' 10	50.20	41.10	5399.65	5160.90
May' 10	45.50	38.05	5278.70	4786.45
June' 10	47.50	38.50	5366.75	4961.05
July' 10	47.25	39.50	5477.50	5225.60
Aug' 10	54.70	39.25	5549.80	5348.90
Sep' 10	49.30	43.50	6073.50	5403.05
Oct' 10	46.90	40.00	6284.10	5937.10
Nov' 10	44.40	35.50	6338.50	5690.35
Dec' 10	42.50	32.25	6147.30	5721.15
Jan' 11	38.50	32.25	6181.05	5416.65
Feb' 11	38.00	27.20	5599.25	5177.70
Mar' 11	36.45	25.00	5872.00	5348.20

Share Price Performance in comparison with BSE Sensex:

Month	Cords		BSE Index	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April' 10	50.20	41.35	18,047.86	17,276.80
May' 10	45.90	38.00	17,536.86	15,960.15
June' 10	47.00	38.50	17,919.62	16,318.39
July' 10	45.90	39.55	18,237.56	17,395.58
Aug' 10	54.60	39.55	18,475.27	17,819.99
Sep' 10	49.55	43.65	20,267.98	18,027.12
Oct' 10	47.00	40.20	20,854.55	19,768.96
Nov' 10	44.20	35.30	21,108.64	18954.82
Dec' 10	39.70	32.60	20,552.03	19,074.57
Jan' 11	38.80	32.50	20,664.80	18,038.48
Feb' 11	38.00	27.00	18,690.97	17,295.62
Mar' 11	35.00	28.10	19,575.16	17,792.17

(viii) 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.
A-40, 2nd Floor, Naraina Industrial Area, Phase- II,
Near Batra Banquet Hall, New Delhi 110028
Tel No. +91-011- 41410592,93,94
Fax No. +91-011- 41410591
E-mail delhi@linkintime.co.in
Website www.linkintime.co.in

(ix) Share Transfer System

The shares of the Company are traded in dematerialized form. Transfer request received in physical form are transferred within a period of 30 days from the date of lodgement subject to documents being valid and complete in all respects. In order to expedite the process of share transfer in line with Corporate Governance requirements, the Company has delegated the power of share transfer to R&T Agent 'Link Intime India Pvt. Ltd.'

(x) Distribution of Shareholding

S.No	Category of Shareholders	Total no of Shares	Shares held as a percentage of total number of shares
(A)	Shareholding of Promoter and Promoter Group (Indian)		
	Individuals	6243241	54.63
	Any others (Relatives and friends of Promoters)		
	Sub Total (A)	6243241	54.63
(B)	Public Shareholding		
	Mutual Funds/UTI	323665	2.83
	Financial Institutional Banks	12695	0.11
	Bodies Corporate	811619	7.10
	Individuals		
	(a) Holding less than 1 Lakh	2347898	20.55
	(b) Holding in excess of 1 Lakh	1339233	11.72
	Others		
	(a) NRIs	107887	0.95
	(b) Clearing Members	9915	0.08
	(c) HUF	231627	2.02
	Sub Total (B)	5184539	45.36
	GRAND TOTAL (A)+(B)	11427780	100.00

Statement showing Shareholding of Persons belonging to the category “Promoter and Promoter Group” as on March 31, 2011.

S.No	Name of the Shareholder	Number of Shares	Shares held as a percentage of total no of shares
1	Promoter's		
	Naveen Sawhney	2557438	22.37
	D.K Prashar	2562758	22.42
	Total (1)	5120196	44.79
2	Promoter Group		
1	Gaurav Sawhney	197966	1.73
2	Varun Sawhney	174444	1.52
3	Adarsh Sawhney	224006	1.95
4	Amit Prashar	192540	1.68
5	Rahul Prashar	173747	1.52
6	Adesh Prashar	160342	1.40
	Total(2)	1123045	9.8
	GRAND TOTAL(1)+(2)	6243241	54.59

Statement Showing Shareholding of Persons belonging to the Category “Public” and holding more than 1% of the total number of shares as on March 31, 2011

S.No	Name of the Shareholder	Number of Shares	Shares as a Percentage of total number of shares
1	ICICI Prudential Tax Plan	323665	2.83
2	Jagdish N Master	150000	1.31
3	Yogesh Shashi Kumar Savadekar	250000	2.19
	Total	723665	6.33

(xi) Dematerialization of shares and liquidity

The shares of the Company are traded in dematerialized form. 1850849 equity shares of the Company stands in CDSL A/c, 9456269 equity shares stands in NSDL A/c & Balance 120662 are in physical form as on March 31, 2011.

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

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

The Company has not issued any GDRs/ADRs/Warrants etc.

(xii) Plant Locations

- ★ A-525, Industrial Area, Chopanki, Bhiwadi, Distt. Alwar - 301019 (Rajasthan)
- ★ SP-239,240 & 241, Industrial Area Kahrani, Bhiwadi Extn., Dist Alwar, (Rajasthan)

(xiii) Address for Correspondence

Company Secretary,
Cords Cable Industries Ltd.
B-1/A-26, Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi 110044
Tel No.011- 40551200
Fax No. 011- 26951196
Email ID: ipo@cordscable.com

Managing Director (MD) and GM (Accounts & Finance) Certification

We, Naveen Sawhney, Managing Director & Sandeep Kumar, GM (Accounts & Finance) 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, 2011 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 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

Sd/-
(Naveen Sawhney)
Managing Director

Sd/-
(Sandeep Kumar)
GM - Accounts & Finance

August 12, 2011
New Delhi

Managing Director (MD) declaration on compliance of Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management and the same is available on the corporate website www.cordscable.com

I confirm that the Company has in respect of financial year ended March 31, 2011 received from the members of the Board and Senior Management team of the company a declaration of the compliance with the Code of Conduct as applicable to them.

Dated: August 12, 2011
Place: New Delhi

Sd/-
(Naveen Sawhney)
Managing Director



CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of Cords Cable Industries Limited

We have examined the compliance of conditions of Corporate Governance by **Cords Cable Industries Limited** for the year ended on March 31, 2011 as stipulated in the Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that as per the records maintained by the company no investor grievances are pending for a period exceeding one month against the company.

We further state that such compliance is neither an assurance as to 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

Sd /-
Gulshan Kumar Gupta
Prop.
M. No. 5576
CP No. 3925

New Delhi
August 12, 2011

Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting

Particulars	Mr. N. K. Balasubramanian	Mr. D.K. Prashar
Date of Birth	July 15, 1939	April 2, 1950
Date of Appointment	January 12, 2007	April 1, 1995
Qualification	Bachelors Degree in Mechanical Engineering	Diploma in Mechanical Engineering
Expertise in specific functional area	Wide experience in Power Projects	Wide experience in Manufacturing Operations of Cable Industry
Directorships held in other Public Companies (excluding foreign companies)	1) IST Steel and Power Limited 2)PDM Management Services Pvt. Ltd.	Cords India Private Limited
Membership/Chairmanship of committees of other public companies (includes only Audit Committee and Investor's Grievances Committee)	NIL	NIL
Number of shares held in the Company	NIL	2562758 (as on March 31 st 2011)



Auditor's Report

Auditor's Report to the Members of **M/S. CORDS CABLE INDUSTRIES LTD.**

We have audited the attached Balance Sheet of **CORDS CABLE INDUSTRIES LIMITED**, as at March 31, 2011, and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, as further amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable; and
- v) On the basis of written representation received from the Directors of the Company as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified from being appointed as Director of the Company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Companies Act, 1956, in a manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Balance sheet, of the state of affairs of the Company as at March 31, 2011;
 - b. in the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - c. in the case of the cash flow statement, of the cash flows for the year ended on that date.

For **SHARMA GOEL & CO.**
Chartered Accountants
(Firm's Registration No.000643N)

Place : New Delhi
Date : May 28, 2011

(CA.Amar Mittal)
Partner
Membership No.: 17755

Annexure to Auditor's Report.

With reference to the Annexure referred to in the Auditor's report, to the members of the company on the financial statements for the period ended March 31, 2011, we report that:

1. In respect of its fixed assets:
 - a) The company has maintained proper records of fixed assets showing full particulars, including quantitative details and situation of fixed assets.
 - b) All the assets have been physically verified by the Management during the year according to a regular program of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies have been observed on such verification.
 - c) During the year, the company has not disposed off substantial part of fixed assets.
2. In respect of its inventories:
 - a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and the book records.
3. As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(iii) of the Companies (Auditor's Report) order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 is not applicable to the company for the current year.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any instance of major weaknesses in internal controls.
5. In respect of the contracts or arrangements referred to in Section 301 of the companies Act, 1956:
 - a) To the best of our knowledge and belief and according to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.

7. The Company has an internal audit system, which in our opinion is commensurate with the size and nature of its business.
8. We are of the opinion that prima facie, the cost record and accounts prescribed by the Central Government under Section 209 (I) (d) of the Companies Act, 1956 have been made and maintained. We have not, however, carried out a detailed examination of the records with a view to determining whether they are accurate or complete.
9. In respect of statutory dues:
 - a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income Tax and other material statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty. There were no dues on account of Cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues, as at March 31, 2011 for a period of more than six months from the date they became payable.
 - b) According to information and explanations given to us, details of dues of Excise Duty and Sales Tax which have not been deposited on account of a dispute 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 Penalty	359716/- 75000/-	2005-06	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	330225/-	2004-05	CESTAT, New Delhi
	Excise Duties Penalty	162054/- 162054/-	2005-06	CESTAT, New Delhi
	Excise Duties Penalty	176867/- 50000/-	2005-06	Commissioner of Central Excise & Custom, Jaipur
	Excise Duties Penalty	161169/- 161169/-	2006-07	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	3159709/-	2006-07	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	5783018/-	2006-07	CESTAT, New Delhi
	Excise Duties Penalty	260222/- 50000/-	2006-07	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	81681/-	2006-07	Asst. Commissioner Central Excise, Bhiwadi

	Excise Duties	746412/-	2004-05	CESTAT, New Delhi
	Excise Duties	6024771/-	2007-08	CESTAT, New Delhi
	Excise Duties	67441/-	2007-08	CESTAT, New Delhi
	Excise Duties	612151/-	2007-08	Commissioner Central Excise & Custom, Jaipur
	Excise Duties	2281042/-	2007-08	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	5437100/-	2008-09	CESTAT, New Delhi
	Excise Duties	1309877/-	2008-09	Joint Commissioner, Central Excise, Jaipur
	Excise Duties	15271114/-	2009-10	CESTAT, New Delhi
	Excise Duties	15337611/-	2009-10	CESTAT, New Delhi
	Excise Duties	1105939/-	2009-10	Joint Commissioner, Central Excise, Jaipur
	Excise Duties	337944/-	2010-11	Asst Commissioner, Central Excise, Bhiwadi
	Excise Duties	406601/-	2010-11	Asst Commissioner, Central Excise, Bhiwadi
	Excise Duties	18237626/-	2010-11	Commissioner of Central Excise, Jaipur-I
Sales Tax Act	Sales Tax	7232954/-	2008-09	Addl. Commissioner & Special Joint Commissioner
	Penalty	1954386/-	2008-09	
	Interest	565697/-	2008-09	

10. The company does not have accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank and financial institution. The company has not borrowed any sums by way of debentures.
12. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of paragraph 4(xiv) of the Order are not applicable.

15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans taken by the company were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, we are of opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. According to information and explanation given to us, the company has not made preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures. Accordingly, paragraph 4(xix) of the Order is not applicable.
20. The management has disclosed the end use of money raised by public issue in note 16 of Schedule 18(C) and the same has been verified by us.
21. During the course of our examination of the books and records of the Company, and according to the information and explanations given to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

Place : New Delhi
Date : May 28, 2011

For **SHARMA GOEL & CO.**
Chartered Accountants
(Firm's Registration No.000643N)

(CA.Amar Mittal)
Partner
Membership No.: 17755

BALANCE SHEET AS AT 31st MARCH, 2011

<u>SOURCES OF FUNDS</u>	SCHEDULE NO	(Amount in Rs.)	
		As at 31.03.2011	As at 31.03.2010
<u>Shareholders' Funds</u>			
Share Capital	1	11,42,77,800	11,42,77,800
Reserves & Surplus	2	80,51,52,425	75,14,40,519
<u>Loan Funds</u>			
Secured Loans	3	92,55,67,839	57,40,51,498
Unsecured Loans	4	—	19,73,085
Other Long Term Liabilities	5	1,60,00,000	60,00,000
Deferred Tax Liabilities (Net)		4,82,16,284	2,81,84,037
TOTAL		1,90,92,14,348	1,47,59,26,939
 <u>APPLICATION OF FUNDS</u>			
<u>Fixed Assets</u>			
Gross Block	6	1,27,17,90,715	69,93,40,871
Less: Depreciation		12,75,02,257	8,41,69,447
Net Block (A)		1,14,42,88,458	61,51,71,424
Capital Work-in-Progress (B) (Including capital advances)		64,98,533	15,52,32,373
Total (A) + (B)		1,15,07,86,991	77,04,03,797
<u>Current Assets, Loans & Advances</u>			
Inventories	7	46,15,31,373	39,43,16,339
Sundry Debtors	8	78,20,64,942	56,79,93,509
Cash & Bank Balances	9	9,55,54,500	16,30,41,445
Loans & Advances	10	30,87,24,050	25,01,97,788
		1,64,78,74,865	1,37,55,49,081
Less: Current Liabilities & Provisions	11	88,94,47,508	67,00,25,938
Net Current Assets		75,84,27,357	70,55,23,143
TOTAL		1,90,92,14,348	1,47,59,26,939

Significant Accounting Policies & Notes to Accounts 18
Schedules referred to above form an integral part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.
Chartered Accountants
Firm's Registration No.000643N

CA. AMAR MITTAL
(Partner)
Membership No.:17755

Place : New Delhi
Dated: May 28, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF CORDS CABLE INDUSTRIES LTD.

NAVEEN SAWHNEY
Managing Director

D. K. PRASHAR
Joint Managing Director

JYOTI DIXIT
Company Secretary
M.No.: 6229

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011
(Amount in Rs.)

	SCHEDULE NO	Year Ended 31.03.2011	Year Ended 31.03.2010
<u>INCOME</u>			
Sales (Gross)		3,11,17,50,137	2,32,31,98,013
Less: Excise Duty, Cess, H&S		21,56,43,354	11,48,56,431
Net Sales		2,89,61,06,783	2,20,83,41,582
Other Income	12	1,27,65,623	1,48,57,335
		<u>2,90,88,72,406</u>	<u>2,22,31,98,917</u>
<u>EXPENDITURE</u>			
Cost of Materials / Products	13	2,29,59,58,088	1,72,17,24,629
Manufacturing Expenses	14	14,18,18,335	12,90,36,815
Personnel Expenses	15	12,17,23,215	10,06,12,666
Administrative & Other Expenses	16	8,60,84,941	6,51,31,582
Interest & Finance Charges	17	14,09,70,880	10,77,47,382
Depreciation	6	4,34,18,608	3,66,89,175
		<u>2,82,99,74,067</u>	<u>2,16,09,42,248</u>
Profit Before Tax		7,88,98,339	6,22,56,669
Provision For Tax			
Current Year Tax		1,57,24,834	1,82,90,000
Less: MAT Credit Entitlement		(1,03,31,873)	—
		53,92,961	1,82,90,000
Earlier Year Tax		(2,68,774)	—
Deferred Tax		2,00,32,247	20,82,164
Wealth Tax		30,000	24,000
Profit After Tax		<u>5,37,11,905</u>	<u>4,18,60,505</u>
Surplus brought forward from previous year		27,34,17,517	24,91,13,943
Balance available for Appropriation		<u>32,71,29,422</u>	<u>29,09,74,448</u>
Appropriation :			
Proposed Dividend (including Tax thereon)		—	1,33,69,931
Transferred to General Reserve		—	41,87,000
Balance Carried to Balance Sheet(Schedule 2)		<u>32,71,29,422</u>	<u>27,34,17,517</u>
Earnings per Equity Share	18(c)(13)		
Basic (of Rs 10/- each)		4.70	3.66
Diluted (of Rs 10/- each)		4.70	3.66

Significant Accounting Policies & Notes to Accounts

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Schedules referred to above form an integral part of the Profit & Loss Account

AS PER OUR REPORT OF EVEN DATE
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF CORDS CABLE INDUSTRIES LTD.**
FOR SHARMA GOEL & CO.

Chartered Accountants

Firm's Registration No.000643N

NAVEEN SAWHNEY

Managing Director

D. K. PRASHAR

Joint Managing Director

CA. AMAR MITTAL

(Partner) Membership No.:17755

JYOTI DIXIT

Company Secretary

M.No.: 6229

Place : New Delhi

Dated: May 28, 2011



(Amount in Rs.)

CASH FLOW STATEMENT FOR THE YEAR ENDED

	Year Ended 31.03.2011	Year Ended 31.03.2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	7,88,98,339	6,22,56,669
Adjustments for:		
Depreciation	4,34,18,608	3,66,89,175
Loss/Profit on sale of fixed assets (Net)	1,26,314	18,21,892
Interest & Finance Charges	14,09,70,880	10,77,47,382
Interest income	(93,84,598)	(1,25,04,736)
Loss/Profit on Foreign Exchange Fluctuation	53,59,072	53,59,135
Provision for employee benefits (Net of Payments)	12,83,613	6,06,086
Operating profit before working capital changes	26,06,72,228	20,19,75,602
Adjustments for:		
Inventories	(6,72,15,034)	(17,05,93,253)
Sundry debtors/receivables	(21,40,71,434)	(14,05,21,250)
Loans & Advances	(5,85,26,262)	(9,18,24,220)
Trade/Other payables	22,83,15,813	27,37,51,598
Cash generation from operating activities	14,91,75,312	7,27,88,478
Less: Direct taxes Paid	1,30,94,670	1,78,11,039
Net cash generation from operating activities	13,60,80,642	5,49,77,439
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets/capital works-in-progress	(41,96,16,295)	(8,08,28,471)
Sale proceeds of fixed assets	60,000	12,89,595
Interest received	98,04,622	1,25,04,736
Net cash used in investing activities	(40,97,51,673)	(6,70,34,139)
C CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (Net)	34,70,12,830	10,13,71,209
Unsecured loans-Received/(Paid)	(19,73,085)	(16,52,478)
Interest & Finance Charges paid	(12,55,47,098)	(10,77,47,382)
Dividend paid(Including tax thereon)	(1,33,08,560)	(1,33,69,931)
Net cash from/(used) in financing activities	20,61,84,086	(2,13,98,581)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT(A+B+C)	(6,74,86,945)	(3,34,55,281)
Cash and cash equivalents at the beginning	16,30,41,445	19,64,96,726
Cash and cash equivalent at the close	9,55,54,500	16,30,41,445

Note:

1. The Cash Flow Statement has been prepared under Indirect method as set out in Accounting Standard -3 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

AS PER OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.
Chartered Accountants
Firm's Registration No.000643N

CA. AMAR MITTAL
(Partner) Membership No.:17755

Place : New Delhi
Dated: May 28, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF CORDS CABLE INDUSTRIES LTD.

NAVEEN SAWHNEY
Managing Director

D.K.PRASHAR
Joint Managing Director

JYOTI DIXIT
Company Secretary
M.NO.:6229

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	(Amount in Rs.)	
SCHEDULES	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 1		
<u>SHARE CAPITAL</u>		
<u>Authorised Capital</u>		
12000000 Equity Shares of Rs 10/-each	12,00,00,000	12,00,00,000
<u>Issued & Paid Up Capital</u>		
11427780 Equity Shares (P.Y. 11427780 Equity Shares)	11,42,77,800	11,42,77,800
of Rs.10/- each Fully Paid Up.		
(of the above 4026980 Equity Shares(P.Y. 4026980 Equity Shares)		
of Rs 10/- each were allotted in earlier years as fully Paidup by way		
of Bonus Shares by Capitalisation of Share Premium & Reserves & Surplus)	11,42,77,800	11,42,77,800
SCHEDULE - 2		
<u>RESERVES & SURPLUS</u>		
Share Premium Account	(A) 45,29,36,003	45,29,36,003
<u>General Reserve</u>		
As per last Balance Sheet	2,50,87,000	2,09,00,000
Add: Trf. from Credit Balance of P&L A/C	—	41,87,000
	(B) 2,50,87,000	2,50,87,000
<u>Profit & Loss A/C</u>		
Carried from P&L A/C	32,71,29,422	27,34,17,517
	(c) 32,71,29,422	27,34,17,517
TOTAL(A+B+C)	80,51,52,425	75,14,40,519

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	(Amount in Rs.)	
	As at 31.03.2011	As at 31.03.2010
SCHEDULES		
SCHEDULE - 3		
<u>SECURED LOANS</u>		
From Banks		
<u>Working Capital Loans</u>		
i) In Rupee Loans	37,18,08,381	32,15,57,479
ii) Foreign Currency Loan	3,80,74,818	6,61,13,000
(Cash Credits along with Non-Fund Based Facilities from Banks are secured by way of Hypothecation of Stock-In-Trade, Book Debts as First charge which Ranks Pari-Passu amongst Bankers and by way of Second charge on the immovable and movable assets of the company by respective banks and pledge of FDR for Rs.28,00,000/-)		
<u>Term Loans</u>		
i) External Commercial Borrowings	10,71,60,000	13,20,59,000
(Secured against First charge on entire movable fixed Assets and Equitable Mortgage on Factory Land & Building and Plant & Machinery at Kahrani)		
ii) In Rupee Term loans	40,30,99,175	4,98,29,143
(Secured against Equitable Mortgage of Chopanki & Kaharani Land & Building and Hypothecation of Plant & Machinery & Other Fixed Assets)		
iii) Interest accrued & due on rupee term loan	22,49,942	—
In Vehicle Loan	28,26,925	37,77,669
(Against Hypothecation of Vehicles)		
From Others		
In Vehicle Loan	3,48,598	7,15,208
(Against Hypothecation of Vehicles)		
	<u>92,55,67,839</u>	<u>57,40,51,498</u>
SCHEDULE - 4		
<u>UNSECURED LOANS</u>		
from Bank	—	19,73,085
	—	19,73,085
SCHEDULE - 5		
<u>OTHER LONG TERM LIABILITIES</u>		
Retention Money	1,60,00,000	60,00,000
	<u>1,60,00,000</u>	<u>60,00,000</u>

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE ACCOUNTS AS AT 31st MARCH, 2011

SCHEDULE - 6 FIXED ASSETS

(Amount in Rs.)

FIXED ASSETS		GROSS BLOCK				DEPRECIATION			NET BLOCK	
DESCRIPTIONS	COST AS AT 01.04.2010	ADDITION DURING THE YEAR	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2011	AS AT 01.04.2010	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
LAND(LEASE HOLD)	26,35,03,516	1,06,97,000	2,76,18,000	24,65,82,516	—	—	—	—	24,65,82,516	26,35,03,516
BUILDING	9,07,01,296	26,45,69,184	—	35,52,70,480	1,10,72,743	50,83,624	—	1,61,56,367	33,91,14,113	7,96,28,553
PLANT & MACHINERY	29,65,43,988	30,92,99,092	2,72,113	60,55,70,967	6,10,07,134	3,40,17,403	85,798	9,49,38,739	51,06,32,228	23,55,36,854
TOOLS & INSTRUMENT	62,44,131	4,06,104	—	66,50,235	16,02,551	3,01,697	—	19,04,248	47,45,987	46,41,580
GENERATOR	98,37,280	75,77,662	—	1,74,14,942	15,12,706	5,54,051	—	20,66,757	1,53,48,185	83,24,574
OFFICE EQUIPMENT	39,17,871	8,14,960	—	47,32,831	5,63,785	1,99,996	—	7,63,781	39,69,050	33,54,086
COMPUTER	55,84,264	67,22,449	—	1,23,06,713	34,15,741	13,30,912	—	47,46,653	75,60,060	21,68,523
FURNITURE & FIXTURE	81,41,157	2,12,288	—	83,53,445	16,06,431	5,18,257	—	21,24,688	62,28,757	65,34,726
VEHICLE	1,48,67,369	41,218	—	1,49,08,587	33,88,356	14,12,668	—	48,01,024	1,01,07,563	1,14,79,013
TOTAL	69,93,40,871	60,03,39,957	2,78,90,113	1,27,17,90,715	8,41,69,447	4,34,18,608	85,798	12,75,02,257	1,14,42,88,458	61,51,71,424
CAPITAL WORK IN PROGRESS	—	—	—	—	—	—	—	—	64,98,533	15,52,32,373
GRAND TOTAL	69,93,40,871	60,03,39,957	2,78,90,113	1,27,17,90,715	8,41,69,447	4,34,18,608		12,75,02,257	1,15,07,86,991	77,04,03,797
PREVIOUS YEAR	68,15,17,838	2,22,13,010	43,89,977	69,93,40,871	4,87,58,762	3,66,89,175	12,78,490	8,41,69,447	61,51,71,424	63,27,59,076
CAPITAL WORK IN PROGRESS									15,52,32,373	9,66,16,913
GRAND TOTAL (Previous Year)	68,15,17,838	2,22,13,010	43,89,977	69,93,40,871	4,87,58,762	3,66,89,175	12,78,490	8,41,69,447	77,04,03,797	72,93,75,989

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	(Amount in Rs.)	
SCHEDULES	As at	As at
SCHEDULE - 7	31.03.2011	31.03.2010
<u>INVENTORIES</u>		
(As taken, valued & certified by the management)		
Raw Material (including in-Transit)	20,27,68,089	16,60,73,722
Work-in- Progress	17,19,12,742	16,01,74,183
Finished Goods	8,08,62,571	6,40,96,161
Packing Material & Consumables	59,87,971	39,72,273
	<u>46,15,31,373</u>	<u>39,43,16,339</u>
SCHEDULE - 8		
<u>SUNDRY DEBTORS</u>		
(Unsecured but Considered Good)		
Debts Outstanding over six months	7,38,72,246	6,40,38,502
Other Debts	70,81,92,696	50,39,55,007
	<u>78,20,64,942</u>	<u>56,79,93,509</u>
SCHEDULE - 9		
<u>CASH & BANK BALANCES</u>		
Cash in hand	1,78,735	2,46,806
<u>Balance with Scheduled Banks</u>		
- in Current Accounts		
- in current Bank accounts	96,98,143	74,19,128
-in share money refund account*	58,725	58,725
-in dividend accounts*	1,49,278	88,855
-in fixed deposit accounts (including accrued interest)	8,54,69,619	15,52,27,930
(of the above Rs.8,07,50,713/-, is kept as margin money towards BG's & LC's and Rs.28,00,000/- is pledged towards cash credit limits.)		
	<u>9,55,54,500</u>	<u>16,30,41,445</u>

*Not available for use by the Company

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	(Amount in Rs.)	
SCHEDULES	As at 31.03.2011	As at 31.03.2010
SCHEDULE -10		
<u>LOANS & ADVANCES</u>		
<u>(Unsecured but Considered Good)</u>		
Advances Recoverable in Cash or in kind or for value to be received	14,27,15,318	7,49,03,839
Security Deposit	98,46,428	66,68,601
Advance to Employees	6,84,415	5,47,827
Advance to Suppliers	4,82,53,417	7,14,98,992
Advance to Contractors	70,00,000	3,55,47,768
Balance with Excise Authorities	10,02,24,472	6,10,30,760
	<u>30,87,24,050</u>	<u>25,01,97,788</u>
SCHEDULE - 11		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>Current Liabilities</u>		
Sundry Creditors	79,97,92,622	59,34,48,446
Other Liabilities	4,90,00,232	3,14,84,046
Expenses Payable	1,88,10,098	69,98,735
Advance from Customers	48,44,118	1,45,16,256
Unpaid Share Application Money due for refund**	58,725	58,725
Unclaimed Dividend**	1,49,278	88,855
Interest accrued but not due	52,68,933	30,13,130
	<u>(A) 87,79,24,006</u>	<u>64,96,08,193</u>
<u>PROVISIONS</u>		
Taxation (Including Wealth Tax) (Net of Advance)	46,63,918	14,71,843
Proposed Dividend (including Tax thereon)	—	1,33,69,931
Provision For Employees Benefits	68,59,584	55,75,971
	<u>(B) 1,15,23,502</u>	<u>2,04,17,745</u>
	<u>(A) + (B) 88,94,47,508</u>	<u>67,00,25,938</u>
**Will be credited to Investor education and protection Fund as and when due.		
SCHEDULE - 12		
<u>OTHER INCOME</u>	Year Ended 31.03.2011	Year Ended 31.03.2010
Interest(Gross)(TDS Rs 10,12,659/-(PY Rs 21,66,904/-))	93,84,598	1,25,04,736
Misc. Income	33,81,025	23,52,599
	<u>1,27,65,623</u>	<u>1,48,57,335</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011

	(Amount in Rs.)	
SCHEDULES	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE -13		
<u>COST OF MATERIALS / PRODUCTS</u>		
Raw Materials Consumed		
Raw Material (Opening)	16,60,73,722	9,47,22,221
Add: Purchases	2,35,98,08,521	1,88,87,87,487
Add / (Less) : Hedging Cost / (Gain)	(2,16,772)	(1,88,063)
Less: Raw Material (Closing)	20,27,68,089	16,60,73,722
	<u>(A) 2,32,28,97,382</u>	<u>1,81,72,47,923</u>
<u>ADJUSTMENT FOR STOCK</u>		
Finished Goods (Opening)	6,40,96,161	3,98,54,008
Goods In Process (Opening)	16,01,74,183	8,59,41,605
	<u>22,42,70,344</u>	<u>12,57,95,613</u>
Less: Finished Goods (Closing)	8,08,62,571	6,40,96,161
Goods In Process (Closing)	17,19,12,742	16,01,74,183
	<u>25,27,75,313</u>	<u>22,42,70,344</u>
(Increase) \ Decrease In Stock	(B) (2,85,04,969)	(9,84,74,731)
Total(A+B)	2,29,43,92,413	1,71,87,73,192
Increase/(Decrease) in excise duty on finished goods	15,65,675	29,51,437
	<u>2,29,59,58,088</u>	<u>1,72,17,24,629</u>

SCHEDULE -14
MANUFACTURING EXPENSES

Consumable Expenses	99,88,542	76,61,899
Electricity Expenses	2,68,01,829	2,28,00,513
Power & Fuel	65,67,400	72,53,820
Job Work	55,22,382	86,39,296
Excise Duty	4,64,242	12,41,273
Packing Material Consumed	6,70,82,980	6,20,81,384
Freight & Cartage Inward	99,93,732	72,76,613
Repair & Maintenance(Machine)	1,26,88,992	1,01,04,625
Testing , Inspection & Calibration Expenses	27,08,236	19,77,393
	<u>14,18,18,335</u>	<u>12,90,36,815</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2011
(Amount in Rs.)

SCHEDULES	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE - 15		
<u>PERSONNEL EXPENSES</u>		
Salaries, Wages & Allowances	11,15,89,893	9,29,31,494
Contribution to ESI & PF	34,68,700	27,02,641
Leave Encashment	6,19,852	4,14,629
Gratuity	8,39,529	14,59,830
Staff Welfare	52,05,241	31,04,072
	12,17,23,215	10,06,12,666

SCHEDULE -16
ADMINISTRATIVE & OTHER EXPENSES

Auditor's Remuneration	7,00,000	7,00,000
Legal & Professional charges	31,58,278	33,28,711
Printing & Stationery	19,10,602	16,64,194
Rent	1,14,24,662	97,80,624
Electricity / Fuel Expenses	12,69,087	9,71,852
Advertisement, Publicity & Exhibition Expenses	24,90,262	2,88,013
Freight & Cartage Outward	2,40,60,434	1,20,05,176
Commission	1,48,53,864	83,38,363
Travelling & Conveyance	50,56,107	42,81,776
Repair & Maintenance		
- Building	35,321	23,913
- Others	55,56,968	39,36,896
Communicatoin Expenses	28,87,258	33,67,356
Insurance	9,56,157	22,02,114
Vehicle Running & Maintenance	26,26,852	24,91,344
Loss on Sale of Fixed Assets	1,26,314	18,21,892
Loss on Foreign Exchange fluctuation(Net)	53,59,072	53,59,135
Sitting Fees	1,00,000	1,70,000
Other Expenses	35,13,703	44,00,223
	8,60,84,941	6,51,31,582

SCHEDULE -17
INTEREST AND FINANCE CHARGES

<u>Interest To Bank</u>		
-On Term Loan	1,44,97,276	32,15,596
-On Other Borrowings	8,51,87,050	6,72,89,963
Interest to Others	1,14,31,457	2,24,99,639
Bank Charges	2,98,55,097	1,47,42,184
	14,09,70,880	10,77,47,382

SCHEDULES FORMING PART OF THE ACCOUNTS**SCHEDULE 18 (Significant Accounting Policies, Contingent Liabilities and Notes on Accounts)****A. SIGNIFICANT ACCOUNTING POLICIES****I. Basis of preparation**

The accounts are prepared under the historical cost convention and are in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.

II. Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period.

1. Fixed Assets

- a) Fixed Assets are stated at their original cost. Cost includes acquisition price, attributable expenses and pre-operational expenses including finance charges, wherever applicable.
- b) Expenditure (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on project till date of commencement of commercial production are capitalized.
- c) Pre-Operative Expenses and Allocation thereon

All pre-operative expenditure & trial run expenditure are accumulated as Capital Work-in-Progress and is allocated to the relevant fixed assets on a pro-rata / reasonable basis depending on the prime cost of assets.

2. Depreciation

- a) Depreciation on Fixed Assets is provided on Straight Line method in accordance with the rates as specified in Schedule XIV to the Companies Act, 1956.
- b) Depreciation is not recorded on capital work-in-progress until commencement of commercial production.
- c) Lease hold lands are not depreciated.

3. Inventories

- a) Inventories (other than scrap) are valued at lower of cost or net realisable value. The cost of inventories is computed on a FIFO basis. The cost of Finished Goods and work-in-progress include cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Excise duty & Cess is included in finished goods valuation.
- b) Scrap is valued at net realisable value.

4. Revenue Recognition

- a) Sale of goods is recognized at the point of dispatch of finished goods to customers.
- b) Gross turnover is net of sales tax and inclusive of excise duty & Cess.
- c) All other income are accounted for on accrual basis.

5. Expenses

All expenses are accounted for on accrual basis.

6. Employee Benefits

The Company's contribution to Provident Fund and Employee State Insurance Schemes is charged to the Profit and Loss account. The Company has unfunded defined benefit plans namely leave encashment and gratuity for its employees, the liability for which is determined on the basis of actuarial valuation, conducted annually, by an independent actuary, in accordance with Accounting Standard 15 (Revised 2005) – “Employee Benefits”, notified under the Companies (Accounting Standards) Rules, 2006, as amended. Actuarial gains and losses are recognized in Profit and Loss account as income or expenses. Employee benefits of short term nature are recognized as expenses as and when it accrues.

7. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

8. Government Grants

An appropriate amount in respect of subsidy benefits earned estimated on prudent basis is credited to income for the period even though the actual amount of such benefits finally settled and received after the end of relevant accounting period. Government grant relating to fixed assets is adjusted with related asset.

9. Foreign Currency Transactions

- a) Transactions in Foreign Currency are initially recorded at the exchange rate at which the transaction is carried out.
- b) Monetary Assets and Liabilities related to foreign currency transactions remaining outstanding at the year end and translated at the year end rate. The effect of Exchange Rate fluctuations in respect of Monetary Assets is taken to Profit & Loss Account.
- c) Exchange differences on conversion of year-end foreign currency balances pertaining to long term loans (ECB) for acquiring fixed assets including capital work in progress are adjusted in the carrying cost of these assets.
- d) Non monetary foreign currency items are carried at cost.

10. Taxes on Income

- a) Tax expense comprises of current tax, deferred tax and wealth tax.
- b) The Provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provision of the Income Tax Act 1961. Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c) Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the profit and loss account and shown as MAT credit entitlement.

B. CONTINGENT LIABILITIES
1. 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 Penalty	359716/- 75000/-	2005-06	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	330225/-	2004-05	CESTAT, New Delhi
	Excise Duties Penalty	162054/- 162054/-	2005-06	CESTAT, New Delhi
	Excise Duties Penalty	176867/- 50000/-	2005-06	Commissioner of Central Excise & Custom, Jaipur
	Excise Duties Penalty	161169/- 161169/-	2006-07	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	3159709/-	2006-07	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	5783018/-	2006-07	CESTAT, New Delhi
	Excise Duties Penalty	260222/- 50000/-	2006-07	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	81681/-	2006-07	Asst. Commissioner Central Excise, Bhiwadi
	Excise Duties	746412/-	2004-05	CESTAT, New Delhi
	Excise Duties	6024771/-	2007-08	CESTAT, New Delhi
	Excise Duties	67441/-	2007-08	CESTAT, New Delhi
	Excise Duties	612151/-	2007-08	Commissioner Central Excise & Custom, Jaipur
	Excise Duties	2281042/-	2007-08	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	5437100/-	2008-09	CESTAT, New Delhi
	Excise Duties	1309877/-	2008-09	Joint Commissioner, Central Excise, Jaipur
	Excise Duties	15271114/-	2009-10	CESTAT, New Delhi

	Excise Duties	15337611/-	2009-10	CESTAT, New Delhi
	Excise Duties	1105939/-	2009-10	Joint Commissioner, Central Excise, Jaipur
	Excise Duties	337944/-	2010-11	Asst Commissioner, Central Excise, Bhiwadi
	Excise Duties	406601/-	2010-11	Asst Commissioner, Central Excise, Bhiwadi
	Excise Duties	18237626/-	2010-11	Commissioner of Central Excise, Jaipur-I
Sales Tax Act	Sales Tax	7232954/-	2008-09	Addl. Commissioner & Special Joint Commissioner
	Penalty	1954386/-	2008-09	
	Interest	565697/-	2008-09	

2) Other Contingent Liabilities

Amount (Rs. in Lacs)

Particulars	(2010-11)	(2009-10)
Guarantees issued by Bankers*	7524.95	6592.13
Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of Advances)	243.28	1935.21
L/C's negotiated by bank	46.68	0.00
In respect of Bill factored from banks/Factoring agency	2496.09	2117.00

*Bank Guaranties includes BG's amounting to Rs 3240.60 Lacs (PY 3360.60 Lacs) extended to Raw Materials suppliers for credit period extended to company and the same is accounted for in sundry creditors.

C. NOTES ON ACCOUNTS

1) Previous year figures have been regrouped/ rearranged wherever necessary.

2) Auditors Remuneration*

	2010-11	Amount (Rs.) 2009-10
Statutory Audit Fees	5,00,000	5,00,000
Tax Audit Fees	1,00,000	1,00,000
Taxation Matters	1,00,000	1,00,000
Management Matters	—	—
Total	7,00,000	7,00,000

* Excluding Service Tax

3) The company was allotted industrial land bearing industrial plot No. E-520, Industrial Area, Chopanki, Bhiwadi, Rajasthan measuring 5400 sq. mt. @ Rs. 600/- per sq. mt. by RIICO Ltd. vide allotment letter No. 7912 dated 26.02.2005 which was capitalized under Fixed Assets (Land). However, the Lease Deed was executed by RIICO for area measuring 3952 sq. mt. on 09.03.2007. The company has taken up the matter with RIICO Ltd., the final outcome of which is awaited. Pending finalization of the matter, no accounting adjustment has been done in value of land.

4) Directors Remuneration :
Amount (Rs.)

Particulars	2010-11	2009-10
Salary	1,10,85,000	66,77,500
Perquisites	1,14,000	1,43,512
Commission to whole time directors	—	—
Sitting Fees to non whole time directors	1,00,000	1,70,000
Total	1,12,99,000	69,91,012

Note:

- (i) In view of inadequate profit, minimum remuneration as approved and as per Companies Act, 1956 has been paid/ provided. Since, no commission has been paid, computation of net profit u/s 198 of the companies Act, 1956 has not been done.
- (ii) Director remuneration includes arrear of Rs. 20,85,000.00 pertaining to period 01.10.2009 to 31.03.2010 as per shareholders special Resolutions passed at AGM held on 30.09.2010.

5) Foreign Exchange Earning & Outgo :
Amount (Rs.)

Particulars	(2010-11)	(2009-10)
a) Earning in Foreign Currency	29,38,15,622	42,21,88,670
b) Expenditure in foreign Currency		
- ECB Loan Repayment (Including Interest)	4,12,55,006	4,66,62,664
-Travel Expenses	3,72,463	2,73,425
-Professional Fees	2,31,740	2,36,556
-Machine and equipments	3,00,97,318	-
-Others	1,47,07,626	1,61,77,950
	8,66,64,153	6,33,50,595
c) Value of Imports calculated on C.I.F. basis		
- Raw Material	8,10,53,758	7,79,87,546

6) Value of Imported and Indigenous Material Consumed :

Particulars	2010-11		2009-10	
	Amount (Rs.)	%	Amount (Rs.)	%
Imported	8,23,09,892	3.54	6,84,86,161	3.77
Indigenous	2,24,05,87,490	96.46	1,74,87,61,762	96.23
Total	2,32,28,97,382	100.00	1,81,72,47,923	100.00

7) Licensed Capacity, Installed Capacity and Actual Production*

Particulars	Installed Capacity (Representative)		Actual Production (in Cable KM)	
	2010-11	2009-10	2010-11	2009-10
Cables	65000**	30000	22544	21305

* The installed capacity as shown above has been certified by the management and not verified by the Auditors, being a technical matter.

** Includes 35000KM Cable capacity installed at newly established Plant at Kahrani which has commenced its initial production from 03.01.2011.

Note : As the company is producing more than 400 sizes of cable and the product mix changes depending on the order, hence plant is designed to adopt the changeability and it is difficult to determine the exact capacity for each type of cable.

8) Quantitative details of stocks

Sl.No	Raw Material	Opening Stock as on 01.04.10			Closing Stock as on 31.03.11		
		In store QTY (KG)	In transit QTY (KG)	Amount (RS)	In store QTY (KG)	In transit QTY (KG)	Amount (RS)
a	Copper	146750.220	59811.000	74068466	130210.110	53731.000	88893710
b	Pvc Compound	254018.600	700.000	15211457	442011.600	--	25644446
c	G.I.Wire	179318.000	17407.000	9355333	495405.150	5190.000	26147105
d	Alu./poly/cu/other Tapes	85250.210	-	13843555	78268.095	770.450	20052340
e	Aluminum Wire	62932.730	95643.000	20330677	155532.900	-	20624388
f	Wires of Nickle Alloys	12299.110	-	15832168	9683.275	-	14755434
g	Master Batch/ LDME /HDPE/XLPE/ Resin/ Chemicals/Others	181876.600	136000.000	17432066	98904.700	200.00	6650666
	TOTAL	922445.470	309561.000	166073722	1410015.830	59891.450	202768089
Finished Goods		Opening Stock as on 01.04.10		Manufacturing	Sales	Closing Stock as on 31.03.11	
	Description	(Qty) Km	Value(Rs)	(Qty) km	(Qty) km	(Qty) km	Value(Rs)
	Electric Wire & Cables	906.860	64096161	22543.957	22515.022	938.795	80862571

9) NEW PROJECT STATUS:

The Company has started initial commercial production from January 03, 2011 at its new cable expansion manufacturing facility at Kahrani, Bhiwadi, Dist—Alwar, Rajasthan. This new state of art facility has a potential to double-fold enhance Company's production capacity and thereby its turnover.

10) EMPLOYEE BENEFITS:

In accordance with Accounting Standard 15 "Employees Benefits", the Company has classified various Benefits provided to employees as under:

I Defined Contribution Plans

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

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

	Amount (Rs.)	
	2010-11	2009-10
- Employers' Contribution to Provident Fund and Pension Scheme	22,09,156/-	18,30,543/-
- Employers' Contribution to Employees' State Insurance	12,59,544/-	8,72,098/-

II Defined Benefits Plans

Contribution to Gratuity Fund and Leave Encashment (Unfunded Scheme) in accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Discount Rate (per annum)	8.00%	7.50%	8.00%	7.50%
Rate of increase in compensation levels	5.50%	5.00%	5.50%	5.00%
Rate of Return on Plan Assets (for Unfunded Scheme)	0.00%	0.00%	0.00%	0.00%
Expected Average remaining working lives of employees (years)	23.77	23.80	23.77	23.80

A. Changes in the present value of obligation (Unfunded Scheme)

Opening Present Value of Obligation	36,51,163	30,30,760	19,24,808	19,39,125
Interest cost	2,92,093	2,27,307	1,53,985	1,45,434
Current Service Cost	9,96,019	8,28,384	6,71,932	5,46,035
Past Service Cost	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Benefits Paid	(41,940)	(8,47,141)	(1,33,828)	(4,28,946)
Actuarial (gain)/loss on obligations	(4,48,583)	4,11,853	(2,06,065)	(2,76,840)
Closing Present value of obligation	44,48,752	36,51,163	24,10,832	19,24,808

		Gratuity		Leave Encashment	
		2010-11	2009-10	2010-11	2009-10
B	Changes in the Fair Value of Plan Assets (Unfunded Scheme)				
	Opening Present value of Plan Assets	-	-	-	-
	Expected Return of Plan Assets	-	-	-	-
	Actuarial Gains and (Losses)	-	-	-	-
	Contributions	-	-	-	-
	Benefit Paid	-	-	-	-
	Assets Distributed on Settlement	-	-	-	-
	Closing Fair Value of Plan Assets	-	-	-	-
C	Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets				
	Present Value of funded Obligation as at the end of the year	-	-	-	-
	Fair Value of Plan Assets as at the end of the year	-	-	-	-
	Funded Status	-	-	-	-
	Present value of unfunded obligation as at the end of the year	44,48,752	36,51,163	24,10,832	19,24,808
	Unrecognised Actuarial (gains/losses)	-	-	-	-
	Unfunded Liability/(Net Asset) recognised in Balance Sheet	44,48,752	36,51,163	24,10,832	19,24,808
D	Amount recognised in the Balance Sheet (Unfunded Scheme)				
	Present Value of Obligations as at the end of the year	44,48,752	36,51,163	24,10,832	19,24,808
	Liability/(Asset) recognised in the Balance Sheet	44,48,752	36,51,163	24,10,832	19,24,808
E	Expenses recognised in the Profit and Loss Account				
	Current Service cost	9,96,019	8,28,384	6,71,932	5,46,035
	Past Service Cost	-	-	-	-
	Interest Cost	2,92,093	2,27,307	1,53,985	1,45,434
	Expected Return on Plan Assets	-	-	-	-
	Curtailment Cost/(Credit)	-	-	-	-
	Settlement Cost/(Credit)	-	-	-	-
	Net actuarial (gain)/loss recognised in the period	(4,48,583)	4,11,853	(2,06,065)	(2,76,840)
	Total Expenses recognised in the Profit and Loss Account	8,39,529	14,67,544	6,19,852	4,14,629

11) SEGMENT REPORTING:

As the Company's business activities fall within a single primary business segment, viz., "Electric Wire & Cable", the disclosure requirement of Accounting Standard (AS) – 17 "Segment Reporting" are not applicable.

12) RELATED PARTY DISCLOSURE:

As per Accounting Standard 18, "Related Party Disclosure" issued by The Institute of Chartered Accountants on India, the disclosures of transactions with the Related Parties as defined in the Accounting Standard are given below-

Key Management Personnel

Naveen Sawhney
D.K. Prashar

RELATIVES of Key Management Personnel

Varun Sawhney
Rahul Prashar
Gaurav Sawhney
Adarsh Sawhney
Adesh Prashar
Amit Prashar

Nature of Relationship

Managing Director
Joint Managing Director

Nature of Relationship

Son of Mr. Naveen Sawhney
Son of Mr. D.K. Prashar
Son of Mr. Naveen Sawhney
Wife of Mr. Naveen Sawhney
Wife of Mr. D.K. Prashar
Son of Mr. D.K. Prashar

Transactions with related parties during the year

Transactions	Key Management Personnel		Relatives of Key Management Personnel		Total	
	(2010-11)	(2009-10)	(2010-11)	(2009-10)	(2010-11)	(2009-10)
-Remuneration	1,10,85,000	66,77,500	31,71,528	29,37,434	1,42,56,528	96,15,934
-Other Benefits	1,14,000	1,43,512	2,43,828	2,31,322	3,57,828	3,74,834
-Rent	1,09,14,912	92,19,474	-	-	1,09,14,912	92,19,474
-Dividend paid	50,55,947	54,37,931	11,19,995	12,45,102	61,75,942	66,83,033

13) Basic and Diluted Earning per Share (AS-20):

Basic & Diluted Earning per share of the company is as under:

Particulars	Amount (Rs.)	
	31.03.2011	31.03.2010
Profit or (Loss) after Taxation (A) Rs.	5,37,11,905	4,18,60,505
Weighted Average No. of Share-Basic (B)	1,14,27,780	1,14,27,780
Add: Diluted Potential Equity Shares	-	-
Weighted Avg. No. of Equity Shares -Diluted (C)	1,14,27,780	1,14,27,780
Nominal Value per Share (Rs.)	10	10
Earning per Share-Basic(Rs) (A/B)	4.70	3.66
Earning per Share-Diluted(Rs) (A/C)	4.70	3.66

14) Deferred Tax (AS-22):

The deferred tax liability (Net) as at 31st March 2011 comprises of the following :

Amount (Rs.)

Particulars	Deferred Tax Asset/(Liability) as at 01-04-2010	Credit / (Charge) during 2010-11	Deferred Tax asset / (Liability) as at 31-03-2011
Depreciation	(3,00,36,375)	(2,14,03,014)	(5,14,39,389)
Employee Benefits	18,52,338	13,70,767	32,23,105
Total	(2,81,84,037)	(2,00,32,247)	(4,82,16,284)

- 15)** During the year, Company has made provision for Minimum Alternate Tax (MAT) of Rs. 1,57,24,834/- Considering the future expected benefits, the company has recognize Rs. 1,03,31,873/- as MAT entitlement credit representing excess of MAT provision over current tax.

16) INITIAL PUBLIC OFFERING:

The Company has raised Rs. 41,64,75,000/- through Initial Public Offer (IPO) during the financial year 2007-08 by issuance of 3085000 equity shares (including Employees Reservation Portion of 70,000 equity shares) of Rs.10/- each at a premium of Rs. 125/- per share.

During the financial year the company has completed the project and also utilized the above funds. The details of the same are as under:

Particulars		(Rs. in Lacs)
Fund Raised		
IPO		4164.75
Borrowings		5209.68
Proceeds from pre-IPO placement		419.15
Internal Accruals (Balancing figure)		563.47
		10357.05
Funds Deployed	Projections as per Prospectus	Amount Utilised till 31.03.2011
<u>Setting up of Production Facilities</u>		
Land & Site Development	1737.00	2470.83
Building	875.00	2706.83
Plant & Machinery	2610.00	3758.95
Misc. Fixed Assets	120.00	531.15
IDC and Pre-operative Expenses	165.00	0.00
Contingencies	233.00	0.00
Working capital requirements	630.00	454.27
Issue Expenses	450.00	435.21
Balance	6820.00	10357.05
		—

- 17) As at March 31, 2011, the company had Rs. 58,725/- as outstanding in the refund account with ICICI bank towards unpaid application money received by the company for allotment of shares and is due for refund. This amount is not available for use by the company and will be credited to Investor Education & Protection Fund as and when due unless claimed by share holders earlier to the specified date.
- 18) **Amounts due to Micro, Small and Medium Enterprises:**
- In absence of any information submitted by vendors with regards to their registration (filling of Memorandum) under "The Micro, Small and Medium Enterprises Development Act, 2006 ", Liability can not be ascertained at the close of the year and hence no disclosures have been made in this regards.
- 19) In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at 31st March, 2011 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances.
- 20) Schedules 1 to 18 are annexed to and form an integral part of the Balance Sheet and Profit & Loss Account.

AS PER OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.
Chartered Accountants
Firm's Registration No.000643N

CA. AMAR MITTAL
(Partner) M.No.:17755

Place : New Delhi
Dated: May 28, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF CORDS CABLE INDUSTRIES LTD.

NAVEEN SAWHNEY
Managing Director

D.K.PRASHAR
Joint Managing Director

JYOTI DIXIT
Company Secretary
M.NO.:6229

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

**SCHEDULE VI PART IV
COMPANIES ACT, 1956**

Registration Details

Registration No	46092	State Code	55
Balance Sheet Date	31-03-2011	(Refer Code List)	

II Capital Raised during the year (Amount in Rs Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III Position of Mobilisation and Deployment of Funds (Amount in Thousands)

Total Liabilities	1909214	Total Assets	1909214
Sources of Funds			
Paid-up Capital	114278	Reserves & Surplus	805152
Secured Loans	925568	Unsecured d Loans	NIL
Application of Funds			
Net Fixed Assets	1150787	Investments	NIL
Net Current Assets	758427	Misc Expenditure	NIL
Accumulated Losses	NIL		

IV Performance of Company (Amount in Rs Thousands)

Turnover*	2908872	Total Expenditure	2829974
Profit /Loss Before Tax ✓ <input type="checkbox"/> + <input type="checkbox"/> -	78898	Profit/ Loss After Tax ✓ <input type="checkbox"/> + <input type="checkbox"/> -	53712

(* including other income)

Please tick Appropriate Box (+) for Profit (-) for Loss

Earning per share in Rs	4.70	Dividend	NIL
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V Generic Names of Three Principal Products/Services of Company(as per monetary terms)

Item Code (ITC Code)	8544
Product Description	ELECTRICAL WIRE AND CABLES
Item Code (ITC Code)	7408.11.90
Production Description	CONTINUOUS CAST COPPER WIRE ROD

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