

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of Cords Cable Industries Limited will be held on Thursday, September 30, 2010 at 11.00 a.m at The Little Theatre Group, Copernicus Marg, New Delhi-110001 to transact the following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended on that date with the Reports of the Board of Directors and the Auditors thereon.
- 2 To declare final dividend for the Financial Year ending March 31st, 2010.
- 3 To appoint a Director in place of Mr. Naveen Sawhney, who retires by rotation and being eligible offers himself for re-appointment.
- 4 To appoint a Director in place of Mr. Om Prakash Bhandari, who retires by rotation and being eligible offers himself for re-appointment.
- 5 To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT subject to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Sharma Goel and Co., Chartered Accountants, be and are hereby, appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by Board of Directors.”

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass, with or without modification(s) the following Resolutions as Ordinary Resolution:

“RESOLVED THAT Mr. Ajit Kumar Sahay, who was appointed as an Additional Director in terms of Section 260 of Companies Act, 1956, at the meeting of the Board of Directors of the Company held on May 29, 2010 and whose term expires at this Annual General Meeting and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company whose period of office will be liable to retirement by rotation.”
7. To consider, and if thought fit, to pass, with or without modification(s) the following Resolutions as **Special Resolution:**

“RESOLVED pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and in suppression of resolution passed by shareholders by way of postal ballot on September 24, 2009 that the consent of the Company be and is hereby accorded for payment of managerial remuneration to Mr. Naveen Sawhney, Managing Director of the Company w.e.f. October 01, 2009 on the terms & conditions mentioned below:

Salary:	Consolidated Salary at the rate of Rs.3,75,000/- (Rupees Three Lacs Seventy Five Thousand only) per month.
Commission:	Commission not exceeding 1% of the net profits of the Company, subject to the approval by the Board of Directors of the Company or any Committee thereof constituted in this regard.
Medical Reimbursement:	Medical Expenses incurred by the appointee on self, and family will be reimbursed subject to the maximum of Rs.15,000/- in a year.
Contribution to PF etc:	Contribution to the Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company.
Leave Travel Concession:	For self and the family once a year in accordance with the rules of the Company.
Gratuity:	Gratuity payable as per the rules of the Company.
Leave Encashment:	Encashment of leave at the end of the tenure as per the rules of the Company.
Free Car:	The Managing Director will be provided with a car and a driver.
Telephone:	Free land line telephone and mobile phone facility will be provided.

Provided that total remuneration payable to all managerial person by way of salary, commission or other allowances shall not exceed five percent of net profits for one such managerial person or ten percent of net profits for all the managerial persons as described in the section I of part II of the Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure as Managing Director, the Company has no profits or its profits are inadequate, the minimum remuneration shall be paid in accordance with provisions of Section II of Part II of schedule XIII of the Companies Act, 1956.”

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

“**RESOLVED** pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and in suppression of resolution passed by shareholders by way of postal ballot on September 24, 2009 that the consent of the Company be and is hereby accorded for payment of managerial remuneration to Mr. Devender Kumar Prashar, Joint Managing Director of the Company w.e.f. October 01,2009 on the terms & conditions mentioned below:

Salary:	Consolidated Salary at the rate of Rs.3,75,000/- (Rupees Three Lacs Seventy Five Thousand only) per month.
Commission:	Commission not exceeding 1% of the net profits of the Company, subject to the approval by the Board of Directors of the Company or any Committee thereof constituted in this regard.



Medical Reimbursement:	Medical Expenses incurred by the appointee on self, and family will be reimbursed subject to the maximum of Rs.15,000/- in a year.
Contribution to P F etc:	Contribution to the Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company.
Leave Travel Concession:	For self and the family once a year in accordance with the rules of the Company.
Gratuity:	Gratuity payable as per the rules of the Company.
Leave Encashment:	Encashment of leave at the end of the tenure as per the rules of the Company.
Free Car:	The Joint Managing Director will be provided with a car and a driver.
Telephone:	Free land line telephone and mobile phone facility will be provided.

Provided that total remuneration payable to all managerial person by way of salary, commission or other allowances shall not exceed five percent of net profits for one such managerial person or ten percent of net profits for all the managerial persons as described in the section I of part II of the Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure as Joint Managing Director, the Company has no profits or its profits are inadequate, the minimum remuneration shall be paid in accordance with provisions of Section II of Part II of schedule XIII of the Companies Act, 1956.”

By Order of the Board of Directors

**Sd/-
(Jyoti Dixit)
Company Secretary**

New Delhi
August 13, 2010

Registered Office :
B-1/A-26,
Mohan Cooperative Industrial Estate
Mathura Road,
New Delhi - 110044

NOTES:

- 1 **A member entitled to attend and vote at Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not to be the member of the Company. The instrument appointing the proxy should however, be deposited at the Registered Office of the Company not less than forty – eight (48) hours before the commencement of the Meeting.**
- 2 Corporate Members intending to send their authorised representative to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3 An Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. As required by Clause 49 of the Listing Agreement entered with Stock Exchanges the relevant details of Mr Naveen Sawhney & Mr. Om Prakash Bhandari, Directors retiring by rotation and seeking re- appointment in accordance with applicable provisions of the Article of Association of the Company are also annexed.
- 5 The Register of Members and Transfer Books of the Company will be closed from Saturday, September 25, 2010 to Thursday, September 30, 2010, both days inclusive. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after October 11, 2010 as under:
 - a) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as of close of business hours on September 24, 2010;
 - b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on September 24, 2010.
6. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
7. Members who hold shares in dematerialized form are requested to write their DP ID & Client ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
9. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent- Link Intime India Private Limited. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.

Explanatory Statement under Section 173(2) of the Companies Act, 1956,**Item No. 6**

In terms of Section 260 of the Companies Act, 1956 & Article No. 45 of Article of Association, Mr. Ajit Kumar Sahay, was appointed as an Additional Director of the Company by the Board of Directors with effect from May 29, 2010 and holds office till the conclusion of ensuing Annual General Meeting. Company has received a notice in terms of 257 of Companies Act, 1956 from a member proposing his candidature for the office of Director. The Board considers it desirable that he shall continue his services.

Mr. Sahay has extensive managerial experience of above four decades in both Public & Private Sectors, including about ten years as Director/CMD at Board Level. He retired as Chairman & Managing Director of NEYVELI LIGNITE CORPORATION LTD. He is Graduate in Mining Engineering with Honors from Indian School of Mines. Also holds the Professional Competency Certificate for First Class Mine Managers in which he stood First in India.

None of Director except Mr. Ajit Kumar Sahay is concerned or interested in the said resolution.

Your Board recommends the resolution for your approval.

Item No.7

Mr. Naveen Sawhney is on the Board of the Company since April 01, 1995 and based on the recommendation of the Board of Directors, the Members of the Company at their meeting held on July 31, 2006 confirmed his appointment as the Managing Director of the Company w.e.f July 01, 2006

Mr. Naveen Sawhney is a Mechanical Engineer (AMIME) and holds a Post Graduate Diploma In Marketing Management. He has an experience of 35 years in the Cable Industry. Presently he is heading the Marketing, Strategic Planning and Sourcing division.

With the growth in the business & the expansion in the activities of the company, the work pressure of the Executive Directors is enhanced. Keeping in view, the additional work pressure, remuneration packages among the industry & the inflationary conditions, it was proposed to reinstate the salary payable to the Executive Directors. The matter was taken up by the Remuneration Committee; Members whereof in majority are Independent Directors. The Remuneration Committee recommended to the Board to revise the remuneration of Managing Director as proposed in subject resolution.

Statement pursuant to section II (B) of Part II of Schedule XIII of Companies Act, 1956

I. GENERAL INFORMATION:

1.	Nature of Industry	Cable Industry		
2.	Date or Expected Date of Commencement of Commercial Production.	Company is an existing company.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.		
4.	Financial performance based on given indicators (Rs .in Lacs)	Particulars	2009-10	2008-09
		Total Income	22231.99	22279.78
		Profit Before Tax and Depreciation	989.46	1397.55
		Depreciation	366.89	286.20
		Profit Before Tax	622.57	1111.35
		Tax	203.96	398.65
		Profit After Tax	418.61	712.70
		Equity Capital (face value Rs. 10/-)	1142.78	1142.78
	Earning per Share (Rs.)	3.66	6.24	
5.	Export performance based on given indicators (Rs. In Lacs)	Particulars	2009-10	2008-09
		Foreign Exchange Earning	4221.89	2821.02
		Foreign Exchange Outgo	1413.38	270.27
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign investments or collaborations.		

II. INFORMATION ABOUT THE APPOINTEE :**1. Background Details**

MR. NAVEEN SAWHNEY, 58 Years, is a Mechanical Engineer (AMIME) and holds a Post graduate diploma in Marketing Management. He has an experience of 35 Years in the Cable Industry. He started his career with Delton Cables Limited as a Supervisor in the Quality Control Department in September, 1971, where he worked for two years and then shifted to the marketing wing and worked there about 10 years. In 1985 he left the organization and joined Cords India which was formed for marketing cables for principal Indian Communication Cable Company under our own trade name "Cords" and then shifted to Cords Cable Industries in 1987 to manufacture cables. Presently he is the Managing Director of our Company and heads Marketing, Strategic Planning and Sourcing division.

2. Past Remuneration

The remuneration which Mr. Naveen Sawhney was getting in the previous year was 2,50,000 /-per annum & Commission not exceeding 1% of the net profits of the Company excluding medical & other retiral benefits. Remuneration was again revised to Rs. 3,75,000/- by passing ordinary resolution through postal ballot.

3. Recognition or awards

Mr. Naveen Sawhney is renowned personality in Cable Industry

4. Job Profile and his suitability

Mr. Naveen Sawhney is responsible for the overall conduct and management of business and affairs of the Company. This includes broad development of Domestic & International business. He is heading Marketing, Strategic Planning and Sourcing Division. All this coupled with, his strong resources management capability makes him fully suitable for the position.

5. Remuneration proposed

The abstract containing details of remuneration proposed to be paid to the Managing Director are contained in subject resolution proposed to be passed as special resolution.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Mr. Naveen Sawhney has served on the Board of the Company since its inception. He has led the Company from its nascent stage and has propelled its growth. He has streamlined the business process operations of the Company and has been a strategic management persona. His skill set and his experience places him at par with similar positions on other major Cable Companies in India. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Naveen Sawhney is holding 22.11% Equity Shares of the Company. Apart from this, he does not have any other pecuniary transaction with the Company except by way of his employment with the Company.

He is relative of Mr. Varun Sawhney, Vice President (Marketing, HR & IT) & Mr. Gaurav Sawhney, Assistant Vice President –(Finance) of the Company.

III. OTHER INFORMATION :**1. Reasons of Loss or Inadequate Profits**

The company has been earning profits in its operations since inception. However, our pattern of sales is cost plus margin. Presently, due to sharp fluctuations in commodity prices, our margin had gone down. Further, overall worldwide economic slowdown had also adversely resulted inadequate profit during the financial year 2009-10.

2. Steps taken or proposed to be taken for improvement

The company has continuously worked upon in achieving better efficiencies, cutting cost at every stage of production, better preventive maintenance, making product mix having higher contribution and achieving higher production so that the company can achieve the scale of economy and maintain higher margin of profit. Further, the company is at an advance stage of its double-fold expansion project. As such the additional revenues and the economies of scale from it shall be generated in the coming years.

3. Expected increase in productivity and profits in measurable terms.

The Company expects increase in the profits in line with the increase in its activity and market penetration. In terms of Para B, Section II, Part II of Schedule XIII of The Companies Act, 1956 increase of remuneration of Executive Directors requires approval of Shareholders by way of special resolution.

None of the Directors except Mr. Naveen Sawhney is concerned or interested in the said resolution.

Your Board commends the Special Resolution for your approval.

Item No. 8

Mr. D.K. Prashar is on the Board of the Company since April 01, 1995 and based on the recommendation of the Board of Directors, the Members of the Company at their meeting held on July 31, 2006 confirmed his appointment as the Joint Managing Director of the Company w.e.f July 01, 2006

Mr. D.K. Prashar holds a Diploma in Mechanical Engineering. He has an experience of 36 years in the Cable Industry. Presently he is heading the Manufacturing Operations of the Company.

With the growth in the business & the expansion in the activities of the company, the work pressure of the Executive Directors is enhanced. Keeping in view the additional work pressure, remuneration packages among the industry & the inflationary conditions, it was proposed to reinstate the salary payable to the Executive Directors. The matter was taken up by the Remuneration Committee; Members whereof in majority are Independent Directors. The Remuneration Committee recommended to the Board to revise the remuneration of Joint Managing Director as proposed in subject resolution.

Statement pursuant to section II (B) of Part II of Schedule XIII of Companies Act, 1956

I. GENERAL INFORMATION:

1.	Nature of Industry	Cable Industry		
2.	Date or Expected Date of Commencement of Commercial Production.	Company is an existing company.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.		
4.	Financial performance based on given indicators (Rs .in Lacs)	Particulars	2009-10	2008-09
		Total Income	22231.99	22279.78
		Profit Before Tax and Depreciation	989.46	1397.55
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		Profit Before Tax	622.57	1111.35
		Tax	203.96	398.65
		Profit After Tax	418.61	712.70
		Equity Capital (face value Rs. 10/-)	1142.78	1142.78
		Earning per Share (Rs.)	3.66	6.24
5.	Export performance based on given indicators (Rs. In Lacs)	Particulars	2009-10	2008-09
		Foreign Exchange Earning	4221.89	2821.02
		Foreign Exchange Outgo	1413.38	270.27
6.	Foreign Investments or Collaborators, if any.	The Company did not have any foreign investments or collaborations.		

IV. INFORMATION ABOUT THE APPOINTEE :
1. Background Details

MR. D. K. PRASHAR, 60 Years, has a diploma in Mechanical Engineering. He has over 36 years of experience in Cable Industry. He started his career with Delton Cable Limited as a Supervisor in Final Testing department. There he worked for nearly 4 years and then he shifted to Marketing wing where he worked for almost 10 years. He left Delton in 1984 & joined Cords India which was formed for marketing of cables for principal M/s Indian Communication Cable Company with its own trade name "Cords". In 1987 he joined Cords Cable Industries, a partnership firm, to enter into manufacturing of cable. Presently he is working as a Joint Managing Director of our Company. He heads the manufacturing operations at Bhiwadi.

2. Past Remuneration

The remuneration which Mr. Devender Kumar Prashar was getting in the previous year was Rs. 2,50,000/-per annum & Commission not exceeding 1% of the net profits of the Company excluding medical & other retiral benefits. Remuneration was again revised to Rs. 3,75,000/- by passing ordinary resolution through postal ballot.

3. Recognition or awards

Mr. Devender Kumar Prashar is renowned personality in Cable Industry.

4. Job Profile and his suitability

Mr. Devender Kumar Prashar has been instrumental in giving direction to the entire team of Cords & has been responsible for monitoring their performance on regular basis. Mr. Prashar is actively involved in monitoring the overall manufacturing operations at Bhiwadi plant as well as our upcoming project at Kaharani. The Board is confident that Mr. Devender Kumar Prashar's management capabilities will enable the Company progress further.

5. Remuneration proposed

The abstract containing details of remuneration proposed to be paid to the Joint Managing Director are contained in the Explanatory Statement to Resolution No. 8 of the Notice of the 19th Annual General Meeting.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Mr. D. K. Prashar has served on the Board of the Company since its inception. He has led the Company from its nascent stage and has propelled its growth. He has streamlined the business process operations of the Company and has been a strategic management persona. His skill set and his experience places him at par with similar positions on other major Cable Companies in India. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Devender Kumar Prashar is holding 22.13% Equity Shares of the Company. Apart from this, he does not have any other pecuniary transaction with the Company except by way of his employment with the Company.

He is relative of Mr. Rahul Prashar, Vice President (Operations) of the Company.

II. OTHER INFORMATION :**1. Reasons of Loss or Inadequate Profits**

The company has been earning profits in its operations since inception. However, our pattern of sales is cost plus margin. Presently, due to sharp fluctuations in commodity prices our margin had gone down. Further, overall worldwide economic slowdown had also adversely resulted inadequate profit during the financial year 2009-10.

2. Steps taken or proposed to be taken for improvement

The company has continuously worked upon in achieving better efficiencies, cutting cost at every stage of production, better preventive maintenance, making product mix having higher contribution and achieving higher production so that the company can achieve the scale of economy and maintain higher margin of profit. Further, the

company is at an advance stage of its double-fold expansion project. As such the additional revenues and the economies of scale from it shall be generated in the coming years.

3. **Expected increase in productivity and profits in measurable terms.**

The Company expects increase in the profits in line with the increase in its activity and market penetration.

In terms of Para B, Section II, Part II of Schedule XIII of The Companies Act, 1956 increase of remuneration of Executive Directors requires approval of Shareholders by way of special resolution.

None of the Directors except Mr. D. K. Prashar is concerned or interested in the said resolution.


Your Board commends the Special Resolution for your approval.

By Order of the Board of Directors

Sd/-
(Jyoti Dixit)
Company Secretary

New Delhi
August 13, 2010

Registered Office
B-1/A-26,
Mohan Cooperative Industrial Estate
Mathura Road,
New Delhi-110044





Cords Cable Industries Limited

Regd. Office : B1/A-26, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044

ATTENDANCE SLIP

(To be surrendered at the time of entry to the Venue)

Date : September 30, 2010

Time : 11:00 A.M.

Venue : The Little Theatre Group, Copernicus Marg, New Delhi 110001

Regd. Folio No
(If shares are not dematerialized)

Dp ID
Client ID
(If shares are dematerialized)

Name of the shareholder

Name of the Proxy

Number of shares

I hereby record my presence at the 19th Annual General Meeting of the Company to be held on September 30, 2010 at 11.00 a.m. at The Little Theatre Group, Copernicus Marg, New Delhi-110001

Member's/Proxy Signature

.....



Cords Cable Industries Limited

Regd. Office : B1/A-26, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044

PROXY FORM

Regd. Folio No
(If shares are not dematerialized)

Dp ID
Client ID
(If shares are dematerialized)

I/We..... R/o

being member/s of the Company, do hereby appoint Shri/Smt

R/o..... or failing him/her, Shri/Smt

..... R/o

as my/our proxy to vote for me/us on my/our behalf at the 19th Annual General Meeting of Cords Cable Industries Limited, to be held on September 30, 2010 at 11.00 a.m. at The Little Theatre Group, Copernicus Marg, New Delhi-110001 and at any adjournment there of.

Signed this _____ day of _____ 2010

Signature

Please affix
Rs 1/-
Revenue
Stamp

Note : The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time of the aforesaid meeting.

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BOARD OF DIRECTORS

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

KEY MANAGEMENT PERSONNEL

Mr. V. K. Beri President (Marketing)	Mr. R. C. Lal President (Operations)
Mr. Varun Sawhney Vice President (Marketing, HR & IT)	Mr. Rahul Prashar Vice President (Operations)
Mr. S. K. Bagga Vice President (Technical)	Mr. Gaurav Sawhney Asst. Vice President (Finance)
Mr. Amitabha De GM (Marketing)	Mr. Anil Gupta GM (Technical)
Mr. Sandeep Kumar DGM (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

Canara Bank
ICICI Bank Limited
DBS Bank Limited
Citi Bank NA
State Bank of Patiala
IDBI Bank Limited

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

MANAGEMENT DISCUSSION AND ANALYSIS

Ministry of Commerce & Industry has awarded the status of Export House to Cords Cable Industries Ltd for a period of 5 Years

The year 2009-10 proved to be a very challenging year for Indian Industry. Cable industry was no exception to this domestic and global meltdown.

Despite all the global and domestic challenges and sharp fluctuations in commodities like Copper & Steel, which constitute almost 80% of the raw materials for cables, Cords Cable Industries Ltd (CCIL) was able to maintain its sales as compared to previous year.

In an effort to make its business model more sustainable, CCIL focused aggressively on export markets and as a result the company increased its export sales by 54% as compared to previous year.

OPPORTUNITIES

At global level, India's growth story is so far impressive; Infrastructure needs to grow at a similar level for sustaining this growth. The infrastructure sector is intrinsically dependent upon the cable sector. This augurs well for the suppliers of control and instrumentation cables, special cables, power cables and other cables.

Cables play a significant part in infrastructure activities. With strong investments proposed across sectors such as Power, Oil & Gas Exploration, Refineries, Metro Rail, Airport Modernization, Industrial and Telecom, the cable industry in India is slated for a strong growth going forward. Cable contributes nearly 5% of total project cost for different sectors.

CCIL has a well placed plan and is geared to take advantage of the growth likely to be achieved by various industries. Opportunities across these segments are-

POWER

Power is one of the prime movers of economic development. It is one of the most vital inputs for socio-economic development of a country. The growth of the economy and its global competitiveness hinges on the availability of reliable and quality power at competitive rates. The demand of power in India is enormous and is growing steadily.

With the government recognising the power sector to be the backbone of sustained industrial growth, robust investments have been proposed towards building up capacities.

Cables play a crucial part in all the three aspects of the power sector – generation, transmission and distribution. It is estimated that nearly 3% to 3.5% of investment per MW goes towards cables and power sector will generate huge demand for cables in near future.

INDUSTRIAL

Investments in the industrial sector, comprising of buildings, factories, and industrial units across various sectors such as steel, power, fertilisers, oil & refinery, aluminum, cement, mining, among others, also generate demand for cables (both low and high tension cables). It is estimated that nearly 5% of the total capex plans goes towards cables.

REAL ESTATE SECTOR

Rising housing demand is one of the main drivers for the growth in real estate sector. As such, this sector is scheduled to create strong demand for commodities (including cables) going forward. Growth across segments such as residential, commercial and retail will be a major factor for this segment going forward.

STEEL SECTOR

Today, India is one of the large steel producing countries in the world. Due to the increasing consumption demand, the Indian steel industry is on a massive expansion plan further facilitated by the relatively unexploited iron ore raw material base. Demand for steel remains robust and supply is growing faster. This is prompting steel companies to increase production and to draw up expansion plans, which in turn will boost demand for cables as it is required for setting up new facilities.

THREATSRaw Material Price Fluctuation:

Basic Raw Materials used in the manufacture of Cables are copper, aluminum and steel which constitute almost 60% to 80% of our overall cost depending upon the type of cable. In the recent past, there have been wide fluctuations in the price of these raw materials both at domestic as well as at international markets which affected our margins adversely. 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.

Entry of New Players:

Attracted by India's infrastructural spending and to capture growing size of Cable industry in India, many new players may enter in to this business. With the entry of new players in domestic cable industry, CCIL may face more competition from these players. To mitigate this risk the company is already focusing more on export market. However, there is always an entry barrier of 4-5 years for a new player to establish in the market.

Foreign Exchange Risk:

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

(Rs. in Lacs)

Results of Operations

During the year, the Company achieved a Turnover of Rs. 22083.42 Lacs. There is a decline in profit before tax (PBT) during the year as compared to previous year as the operating margin remain under pressure due to increase in interest cost, cost of raw-materials and other inputs.

CCIL is making efforts to focus on continuous cost reduction, improvement in productivity and performance by continuous Research & Development process. Moreover, CCIL's focus was also on specialized cables which contributed significantly to the total revenue of the company.

Particulars	FY'10	FY'09
Net Income from Operations	22083.42	22170.77
Total Expenditure	20165.06	20043.17
(a) Consumption of Raw Material	17217.25	17545.20
(b) Manufacturing Expenses	1290.36	1072.13
(c) Staff Cost	1006.13	738.12
(d) Administrative & Other Expenses	651.32	687.72
OPBITDA	1918.36	2127.60
Deprecation & Amortisation	366.89	286.20
OPBIT	1551.47	1841.40
Finance Charges (Net)	1077.47	839.07
OPBT	474.00	1002.33
Non Operating Income / Other Income	148.57	109.02
PBT	622.57	1111.35
Current Year Tax	182.90	305.80
Deferred Tax	20.82	92.62
Wealth Tax	0.24	0.23
PAT	418.61	712.70

The net profit decreased to Rs. 418.61 Lacs compared to Rs. 712.70 Lacs in FY'09. Net profit margins also decreased to 1.90 % compared to 3.21 % during FY'09 largely due to lower operating margins and increase in Finance and Depreciation charges. Finance charges constitute 4.88 % of sales during FY'10 as against 3.78 % in FY'09. Depreciation charges also increased to 1.66 % (as a percentage of sales) in FY'10 compared to 1.30% in FY'09 due to capex done by the company during the year.

Segmental Overview

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

INTERNAL CONTROL SYSTEM

The system of Internal Control provides for maintenance of proper accounting records, reliability of financial information and assures safeguarding of assets against unauthorized use or disruption.

HUMAN RESOURCES

The Company has adequate system to reward and recognize the employee contribution towards the growth of the company. The Company has continuous endeavor to enhance the skill and competence of its human resources. Company is also stressing on building an environment of accountability combined with teamwork through performance based incentives and training seminars.

Project Update: In view of the past recessionary market conditions, the management decided to hold on to the project implementation for a while. However, since the turn around in the economy is already taking shape, the project implementation has been revived by the Company. In view of the above, after having achieved the financial closure, the Company has subsequently expedited the project implementation and has already achieved the advance stage in civil construction at its project site at Kahrani.

Consequently, the project is now expected to be commissioned in the second half of Financial Year 2010-2011.

Domestic Market: The company is already supplying to big players like BHEL, TATA Power, Reliance Power, IOC, HPCL, Essar, NTPC, Siemens, Tata Steel, L&T etc. With further boost on infrastructure spending by the government, the company is expected to gain through the demand generated by various user sectors in domestic market.

Export Market: CCIL is focusing aggressively on export markets and its export turnover has gone up by 54% to Rs 4150.25Lacs in FY'2010 from Rs 2693.41Lacs in FY'2009. As on date, almost 50% of the order book of the company comprises of export orders where margins are better compared to domestic market.

During the year, CCIL has got approval from various global players which will help us in significantly increasing our global presence. The new export clients added during the financial year are Modern Petrotech LLC, International Cable Management, Yokogaa Middle East BSC, Israel Electric Corp. Ltd, Faist Aniagenbav Gmbh and Metito (Overseas) Ltd. Countries to which we majorly export are Oman, Kazakhstan, Egypt, UAE.

Going forward, with increased manufacturing capacity and focus on exports, CCIL is poised to wire a new growth story in the cable sector.

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 Nineteenth Annual Report together with the Audited Statement of Accounts of financial year ended March 31st, 2010.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	FY 2009-10	FY 2008-09
Net Sales	22083.42	22170.77
Other Income	148.57	109.02
Total Income	22231.99	22279.79
Profit before Depreciation & Tax	989.46	1397.55
Depreciation	366.89	286.20
Profit before Tax	622.57	1111.35
Provision for Tax	203.96	398.65
Profit after Tax	418.61	712.70
Profit brought forward from previous year	2491.14	1983.44
Profit available for appropriations	2909.75	2696.14
Appropriations:		
Proposed Dividend	114.28	114.28
Corporate Dividend Tax	19.42	19.42
Transferred to General Reserve	41.87	71.30
Profit carried forward	2734.18	2491.14

OPERATIONAL HIGHLIGHTS

The financial year 2009-10 was extremely challenging year for the entire cable industry. However, inspite of all challenges, our Company achieved a Turnover of Rs. 22083 Lacs. Though, owing to the external pressure on margins, there was a decline in profit before tax (PBT) during the year as compared to previous year as the operating margin were remain under pressure due to increase in interest cost and other inputs.

A detailed analysis and insight into the financial performance and operations of your Company for the year under review and future outlook, is appearing in the Management Discussion & Analysis which forms part of the Annual Report.

PROJECT UPDATES

In view of the past recessionary market conditions, the management decided to hold on to the project implementation for a while. However, since the turn around in the economy is already taking shape, the project implementation has been revived by the Company. In view of the above, after having achieved the financial closure, the Company has subsequently expedited the project implementation and has already achieved the advance stage in civil construction at its project site at Kahrani.

Consequently, the project is now expected to be commissioned in the second half of Financial Year 2010-2011.

RATING BY CARE

During the year under review, Credit Analysis & Research Ltd. (CARE) has 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. Instrument with this rating is considered to 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.

DIVIDEND

Your Directors are pleased to recommend Dividend at the rate of Re.1 per share for financial year 2009-10.

The Dividend, if approved, at the Annual General Meeting would involve an outflow of Rs.114.28 Lacs towards dividend and Rs.19.42 Lacs towards corporate dividend tax, resulting in a total outflow of Rs. 133.70 Lacs. The total outflow on dividend on Equity Shares of the Company for the year 2009-2010 would translate to 31.94% of the profits of the 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.15 & 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

DIRECTORS

During the year under review, Mr. Rakesh Malhotra, Joint Managing Director has resigned from his Directorship w.e.f. September 19, 2009, Mr. A. K. Gangopadhyay, Non Executive Director has resigned w.e.f. August 13, 2010

Mr. Ajit Kumar Sahay has joined the Board w.e.f. May 29, 2010. Mr. Sahay has extensive managerial experience of over four decades in both Public as well as 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. Naveen Sawhney and Mr. O.P. Bhandari are retiring by rotation and being eligible have offered themselves for re-appointment. The Board recommends the name of Mr. Naveen Sawhney and Mr. O.P. Bhandari 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, 2010 on a going concern basis.

AUDITORS

Members will be requested at the Annual General Meeting to appoint auditors for the Current year and pass resolutions as per Item No. 5 of the Notice.

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

		(Rs. in Lacs)
	FY 2009-10	FY 2008-09
Foreign Exchange Earnings	: Rs. 4221.89	Rs.2821.02
Foreign Exchange Outgo	: Rs.1413.38	Rs.270.27

PARTICULARS OF EMPLOYEES

Information required to be furnished under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 is attached to the report.

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.

AWARDS & RECOGNITION

Ministry of Commerce & Industry has awarded the status of Export House to your Company for a period of 5 years.

ACKNOWLEDGEMENT

Your Directors wish to record their warm appreciation for the valuable co-operation and support received from all the customers and suppliers, various Financial Institutions, Banks, Central and State Government Bodies, Auditors and Legal Advisors for their continuous support. We would also like to express thanks to our Shareholders for their confidence and understanding.

Last but not the least, we wish to place on record our appreciation for the sincere services rendered by the employees and our officials at all levels.

New Delhi
August 13,2010

FOR & ON BEHALF OF THE BOARD

Sd /-
Naveen Sawhney
(Chairman)

ANNEXURE TO THE DIRECTORS REPORT- PARTICULARS OF EMPLOYEES AS ON MARCH 31, 2010

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 2400000/- per annum.

S.No.	Name	Age (Years)	Designation/ Nature of Duties	Remuneration	Qualification/ Experience (in years)	Shareholding in the Company in Number & Percentage
1.	Mr Naveen Sawhney	58	Chairman	28,27,000/-	Mechanical Engineer, PGDM	2521876 22.07 %
2.	Mr D. K. Prashar	60	Jt. Managing Director	28,27,000/-	Diploma in Mechanical Engineering	2521144 22.06 %

B Employed for the part of year and was in receipt of remuneration which in the aggregate was not less than Rs 2,00,000/- per month :-

S.No.	Name	Age (Years)	Designation/ Nature of Duties	Remuneration	Qualification/ Experience (in years)	Shareholding in the Company in Number & Percentage
1.	Mr Rakesh Malhotra	53	Jt. Managing Director	11,67,012	Mechanical Engineer, PGDM	NIL

Note : Mr. Rakesh Malhotra has resigned w.e.f. September 19, 2009, his Shareholding (in number) at the time of resignation was 1798504 (15.74 % in total)

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes that any meaningful policy on the Corporate Governance must provide empowerment to the Executive Management of the Company and simultaneously create a mechanism of checks & balance which ensures that, the decision making power vested in executive management are used with care & responsibilities, to meet the Shareholders aspirations. The Company recognizes the importance of Corporate Governance for the efficient conduct of business and committed to attain the Corporate Governance of the high standards and maximize the long term Shareholders value in a legal and ethical manner, ensuring fairness, courtesy and dignity in all transactions of the Company.

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, 2010:

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. A.K. Gangopadhyay Non-Executive Director	Independent Director	1	-

DIRECTORS' ATTENDANCE RECORD

During the financial year ended March 31, 2010, Six Board Meetings were held on May 25, 2009; June 24, 2009; July 30, 2009; September 21, 2009; October 31, 2009; January 29, 2010.

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	5	83.33	Yes
Mr. Rakesh Malhotra (Resigned w.e.f. September 19, 2009)	3	100	Yes
Mr. Devender Kumar Prashar	6	100	Yes
Mr. O.P. Bhandari	6	100	Yes
Mr. N.K. Balasubramanian	4	66.66	No
Mr. A.K. Gangopadhyay	5	83.33	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	27,70,000	57,000	--	--	28,27,000
2.	Mr. Rakesh Malhotra	11,37,500	29,512	--	--	11,67,012
3.	Mr. Devender Kumar Prashar	27,70,000	57,000	--	--	28,27,000
4.	Mr. O.P. Bhandari	--	--	--	60,000	60,000
5.	Mr. N.K. Balasubramanian	--	--	--	40,000	40,000
6.	Mr. A.K. Gangopadhyay	--	--	--	50,000	50,000

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, 2010 five Audit Committee meetings were held on May 25, 2009; June 24, 2009; July 30, 2009; October 31, 2009 and January 29, 2010.

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	5
Mr. A. K. Gangopadhyay	Member, Independent, Non- Executive	4
Mr. N.K. Balasubramanian	Member, Independent, Non- Executive	3
Mr. Rakesh Malhotra (Resigned w.e.f. September 19, 2009)	Member Joint Managing Director, 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 & Assistant Vice President (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 2009-10 on July 30, 2009.

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. A. K. Gangopadhyay	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, 2010 four Investor Grievance Committee meetings were held on June 24, 2009; July 30, 2009; October 31, 2009; and January 29, 2010.

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	Chairman, Independent, Non- Executive	3
Mr. O.P. Bhandari	Member, Independent, Non- Executive	4
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 10 complaints, out of which no complaint is pending as on March 31, 2010.

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
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
2007	July 30, 2007 10.00 a.m.	B-1/A-26, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044	Increasing the Remuneration of Managing Director and Joint Managing Director

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 Shifting the Registered Office of the Company from "National Capital Territory of Delhi" to "State of Rajasthan" & for increasing the remuneration of Executive Directors of the Company. The decision of shifting of Registered Office now been withdrawn by the management.

Mr. Gulshan Kumar Gupta, C.S. in Practice, was appointed as Scrutinizer by the Board. The Scrutinizer submitted his report on September 19, 2009 and the result were declared by the company on September,24,2009.

Particulars		Total	Assent	Dissent	Invalid	Result
Special Resolution for Shifting of Registered office of the Company from 'National Capital Territory of Delhi' to 'State of Rajasthan'	No. of Postal ballot forms received	75	50	10	15	Passed by the requisite majority
	No. of Shares	6554865	6552667	1330	868	
	% of Votes received	100%	99.966	0.020	0.014	
Ordinary Resolution for Increasing the remuneration of Mr.Naveen Sawhney, Managing Director and Mr. D.K. Prashar, Mr. Rakesh Malhotra, Joint Managing Director's of the Company	No. of Postal ballot forms received	75	48	12	15	Passed by the requisite majority
	No. of Shares	6554865	6552164	1833	868	
	% of Votes received	100%	99.9958	0.028	0.014	

The Chairman after receiving the Scrutinizers' Report announced that both 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 / DGM (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) Auditor's Certificate on Corporate Governance- As required by Clause 49 of Listing Agreement, the Auditor's 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 6, 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) **19th Annual General Meeting**
 The next Annual General Meeting of the Company is scheduled to be held on Thursday, September 30, 2010 at 11:00 a.m. at The Little Theatre Group, Copernicus Marg, New Delhi-110001
- (ii) **Financial Calendar (Tentative)**
- | | |
|---|-------------------------|
| Results for quarter ending June 30, 2010 | On or before 14.08.2010 |
| Results for quarter ending September 30, 2010 | On or before 14.11.2010 |
| Results for quarter ending December 31, 2010 | On or before 14.02.2011 |
| Results for quarter ending March 31, 2011 | On or before 15.05.2011 |

(iii) Date of Book Closure for Dividend

September 25, 2010 to September 30, 2010 (both days inclusive)

(iv) Dividend Payment date

The Dividend, subject to the approval of the shareholders, shall be paid on or after October 11, 2010.

(v) & (vi) 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

(vii) & (viii) Market Price Data (for the period April 01, 2009 to March 31, 2010)

Share Price Performance in comparison with NSE Index:

Month	Cords		Nifty Index	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April' 09	47.80	28.00	3517.25	2965.70
May' 09	58.00	34.05	4509.40	3478.70
June' 09	61.70	40.10	4693.20	4143.25
July' 09	47.40	31.20	4669.75	3918.75
Aug' 09	49.00	37.00	4743.75	4353.45
Sep' 09	51.90	42.00	5087.60	4576.60
Oct' 09	47.60	41.55	5181.95	4687.50
Nov' 09	46.00	37.15	5138.00	4538.50
Dec' 09	46.50	38.05	5221.85	4942.25
Jan' 10	56.95	40.75	5310.85	4766.00
Feb' 10	49.95	39.05	4992.00	4675.40
Mar' 10	48.05	40.00	5329.55	4935.35

Share Price Performance in comparison with BSE Sensex:

Month	Cords		BSE Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April' 09	43.90	31.55	11492.10	9546.29
May' 09	58.00	34.10	14930.54	11621.30
June' 09	62.30	39.50	15600.30	14016.95
July' 09	47.50	31.00	15732.81	13219.99
Aug' 09	49.25	37.55	16002.46	14684.45
Sep' 09	51.90	42.00	17142.52	15356.72
Oct' 09	47.50	42.00	17493.17	15805.20
Nov' 09	45.00	37.50	17290.48	15330.56
Dec' 09	46.70	37.75	17530.94	16577.78
Jan' 10	56.95	38.00	17790.33	15982.08
Feb' 10	46.90	40.50	16669.25	15651.99
Mar' 10	47.90	39.60	17793.01	16438.45

(ix) Registrar and Share Transfer Agent

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

Name & Address of R & T Agent : Link Intime India Pvt. Ltd.
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

(x) 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.'

(xi) 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	6163015	53.93
	Any others (Relatives and friends of Promoters)		
	Sub Total (A)	6163015	53.93
(B)	Public Shareholding		
	Mutual Funds/UTI	540200	4.73
	Financial Institutional Banks	12695	0.11
	Bodies Corporate	1051789	9.20
	Individuals		
	(a) Holding less than 1 Lakh	1854972	16.23
	(b) Holding in excess of 1 Lakh	1548353	13.55
	Others		
	(a) Trusts	10500	0.09
	(b) NRIs	97757	0.86
	(c) Clearing Members	47896	0.42
	(d) HUF	100603	0.88
	Sub Total (B)	5264765	46.07
	GRAND TOTAL (A)+(B)	11427780	100.00

Statement showing Shareholding of Persons belonging to the category “Promoter and Promoter Group” as on March 31st, 2010.

S.No	Name of the Shareholder	Number of Shares	Shares held as a percentage of total no of shares
1	Promoter's		
	Naveen Sawhney	2521876	22.07
	D.K Prashar	2521114	22.06
	Total (1)	5043020	44.13
2	Promoter Group		
1	Gaurav Sawhney	197916	1.73
2	Varun Sawhney	171944	1.50
3	Adarsh Sawhney	224006	1.96
4	Amit Prashar	192540	1.68
5	Rahul Prashar	173247	1.52
6	Adesh Prashar	160342	1.40
	Total(2)	1119995	9.79
	GRAND TOTAL(1)+(2)	6163015	53.92

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, 2010

S.No	Name of the Shareholder	Number of Shares	Shares as a Percentage of total number of shares
1	ICICI Prudential Tax Plan	540200	4.73
2	Lashit Sanghvi	151096	1.32
3	Jagdish N Master	150000	1.31
4	Yogesh Shashi Kumar Savadekar	250000	2.19
	Total	1091296	9.55

(xii) Dematerialization of shares and liquidity

The shares of the Company are traded in dematerialized form. 1480462 equity shares of the Company stands in CDSL A/c, 9438876 equity shares stands in NSDL A/c & Balance 508442 are in physical form as on March 31, 2010. 2285556 Equity Shares aggregating to 20% of post-issue capital is under lock-in upto February 11, 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)

(xiv) 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 DGM (Accounts & Finance) Certification

We, Naveen Sawhney, Managing Director & Sandeep Kumar, DGM (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, 2010 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)
DGM (Accounts & Finance)

August 13, 2010
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, 2010 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 13, 2010
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, 2010 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 13, 2010

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

Particulars	Mr. Naveen Sawhney	Mr. Om Prakash Bhandari
Date of Birth	March 20, 1952	January 1, 1949
Date of Appointment	April 1, 1995	April 1, 2006
Qualification	Mechanical Engineering & Post Graduate Diploma in Marketing Management	Bachelor & Master's Degree in Ceramics Engineering
Expertise in specific functional area	Wide experience in Cable Industry mainly Marketing, Strategic Planning & Sourcing Division.	Wide experience in Ceramics Industry
Directorships held in other Public Companies (excluding foreign companies)	Cords India Private Limited	Keramo Klin Technology Pvt. Ltd. Madhusudan Cybernetic Pvt. Ltd. Omicron Engineers Pvt. Ltd.
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	2526789	NIL

Auditor's Report

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

We have audited the attached Balance Sheet of **M/S. CORDS CABLE INDUSTRIES LTD.** as at 31st March 2010, 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 31st March 2010 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 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 31st March 2010;
 - 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

(CA.Amar Mittal)
Partner

Membership no.17755
Firm's Registration No.000643N

Place: New Delhi
Date: 29-05-2010

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 31st March 2010, we report that:

1.
 - 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 discrepancies have been observed on such verification.
 - c) During the year, the company has not disposed off substantial part of fixed assets.
2.
 - 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 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 are 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.
 - 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 (l) (d) of the Companies Act, 1956 have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

9. 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, 2010 for a period of more than six months from the date they became payable.
- b) According to information and explanations given to us, there are no such dues of Income Tax/Sales Tax/ Wealth Tax/Service Tax/ Custom Duty/ Excise Duty/Cess which have not been deposited on account of a dispute except as stated in note 1 of Schedule 18(B).
10. The company has no 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 is 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 loan taken by the company was applied for the purpose for which the loan was obtained.
17. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on short-term basis, which 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 15 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 fraud on or by the Company has been noticed or reported during the course of our audit.

For SHARMA GOEL&CO.
Chartered Accountants

(CA.Amar Mittal)
Partner

Membership no.17755

Firm's Registration No.000643N

Place: New Delhi
Date: 29-05-2010

**BALANCE SHEET AS AT 31st MARCH, 2010**

SOURCES OF FUNDS	SCHEDULE NO	(Amount in Rs.)	
		As at 31.03.2010	As at 31.03.2009
Shareholders' Funds			
Share Capital	1	11,42,77,800	11,42,77,800
Reserves & Surplus	2	75,14,40,519	72,29,49,946
Loan Funds			
Secured Loans	3	57,40,51,498	47,26,80,289
Unsecured Loans	4	19,73,085	36,25,563
Other Long Term Liabilities	5	60,00,000	60,00,000
Deferred Tax Liabilities (Net)		2,81,84,037	2,61,01,873
TOTAL		1,47,59,26,939	1,34,56,35,471
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	6	69,93,40,871	68,15,17,838
Less: Depreciation		8,41,69,447	4,87,58,762
Net Block (A)		61,51,71,424	63,27,59,076
Capital Work-in-Progress (B) (Including capital advances)		15,52,32,373	9,66,16,912
Total (A) + (B)		77,04,03,797	72,93,75,988
Current Assets, Loans & Advances			
Inventories	7	39,43,16,339	22,37,23,086
Sundry Debtors	8	56,79,93,509	43,28,31,394
Cash & Bank Balances	9	16,30,41,445	19,64,96,726
Loans & Advances	10	25,01,97,788	15,83,73,568
		1,37,55,49,081	1,01,14,24,774
Less: Current Liabilities & Provisions	11	67,00,25,938	39,51,65,291
Net Current Assets		70,55,23,143	61,62,59,483
TOTAL		1,47,59,26,939	1,34,56,35,471

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

IN TERMS OF OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.

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

CA. AMAR MITTAL
(Partner)
M.No.:17755
Firm's Registration No.000643N

NAVEEN SAWHNEY
Managing Director

D.K.PRASHAR
Joint Managing Director

Place : New Delhi
Dated: 29-05-2010

JYOTI DIXIT
Company Secretary
M.No.:18007

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

		(Amount in Rs.)	
	SCHEDULE NO	Year Ended <u>31.03.2010</u>	Year Ended <u>31.03.2009</u>
INCOME			
Sales (Gross)		2,32,31,98,013	2,41,36,56,692
Less: Excise Duty,Cess,H&S		<u>11,48,56,431</u>	<u>19,65,79,762</u>
Net Sales		2,20,83,41,582	2,21,70,76,930
Other Income	12	<u>1,48,57,335</u>	<u>1,09,01,827</u>
		<u>2,22,31,98,917</u>	<u>2,22,79,78,757</u>
EXPENDITURE			
Cost of Materials / Products	13	1,72,17,24,629	1,75,45,19,494
Manufacturing Expenses	14	12,90,36,815	10,72,12,942
Personnel Expenses	15	10,06,12,666	7,38,11,332
Administrative & Other Expenses	16	6,51,31,582	6,87,71,744
Finance Charges	17	10,77,47,382	8,39,07,349
Depreciation	6	<u>3,66,89,175</u>	<u>2,86,20,403</u>
		<u>2,16,09,42,248</u>	<u>2,11,68,43,264</u>
Profit Before Tax		6,22,56,669	11,11,35,493
Provision For Tax			
Current Year Tax		1,82,90,000	3,05,80,000
Deferred Tax		20,82,164	92,62,310
Wealth Tax		24,000	23,000
Profit After Tax		<u>4,18,60,505</u>	<u>7,12,70,183</u>
Surplus brought forward from previous year		24,91,13,943	19,83,43,691
Balance available for Appropriation		<u>29,09,74,448</u>	<u>26,96,13,874</u>
Appropriation :			
Proposed Dividend (including Tax thereon)		1,33,69,931	1,33,69,931
Transferred to General Reserve		41,87,000	71,30,000
Balance Carried to Balance Sheet(Schedule 2)		<u>27,34,17,517</u>	<u>24,91,13,943</u>
Earnings per Equity Share	18(c)(13)		
Basic (of Rs 10/- each)		3.66	6.24
Diluted (of Rs 10/- each)		3.66	6.24

Significant Accounting Policies & Notes to Accounts 18
Schedules referred to above form an integral part of the Profit & Loss Account

IN TERMS OF OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.

CA. AMAR MITTAL
(Partner)
M.No.:17755
Firm's Registration No.000643N

Place : New Delhi
Dated: 29-05-2010

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.:18007



(Amount in Rs.)

CASH FLOW STATEMENT FOR THE YEAR ENDED

	Year Ended 31.03.2010	Year Ended 31.03.2009
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	6,22,56,669	11,11,35,493
Adjustments for:		
Depreciation	3,66,89,175	2,86,20,403
Loss/Profit on sale of fixed assets (Net)	18,21,892	31,02,569
Interest & Finance Charges	10,77,47,382	8,39,07,349
Interest income	(1,25,04,736)	(80,79,282)
Loss/Profit on Foreign Exchange Fluctuation	53,59,135	18,956
Provision for employee benefits (Net of Payments)	6,06,086	24,61,935
	<u>20,19,75,602</u>	<u>22,11,67,423</u>
Operating profit before working capital changes		
Adjustments for:		
Inventories	(17,05,93,253)	(2,48,61,316)
Sundry debtors/receivables	(14,05,21,250)	(5,63,75,755)
Loans & Advances	(9,18,24,220)	(3,17,80,445)
Trade/Other payables	27,37,51,598	13,03,085
	<u>7,27,88,478</u>	<u>10,94,52,992</u>
Cash generation from operating activities		
Less: Direct taxes Paid	1,78,11,039	3,67,84,703
Net cash generation from operating activities	<u>5,49,77,439</u>	<u>7,26,68,289</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets/capital works-in-progress	(8,08,28,471)	(22,17,70,804)
Sale proceeds of fixed assets	12,89,595	4,10,941
Interest received	1,25,04,736	80,79,282
Net cash used in investing activities	<u>(6,70,34,139)</u>	<u>(21,32,80,581)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Share capital including premium (net of share issue & pre-op. exp.)	--	--
Borrowings (Net)	10,13,71,209	15,09,02,034
Unsecured loans-Received/(Paid)	(16,52,478)	(13,74,437)
Interest & Finance Charges paid	(10,77,47,382)	(8,39,07,349)
Dividend paid(Including tax thereon)	(1,33,69,931)	(1,33,69,931)
	<u>(2,13,98,581)</u>	<u>5,22,50,317</u>
Net cash from/(used) in financing activities		
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT(A+B+C)	<u>(3,34,55,282)</u>	<u>(8,83,61,975)</u>
Cash and cash equivalents at the beginning	19,64,96,726	28,48,58,701
Cash and cash equivalent at the close	<u>16,30,41,445</u>	<u>19,64,96,726</u>

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.

IN TERMS OF OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.

CA. AMAR MITTAL
(Partner)

M.No.:17755

Firm's Registration No.000643N

Place : New Delhi

Dated: 29-05-2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF CORDS CABLE INDUSTRIES LTD.NAVEEN SAWHNEY
Managing DirectorD.K.PRASHAR
Joint Managing DirectorJYOTI DIXIT
Company Secretary
M.NO.:18007

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010

(Amount in Rs.)		
SCHEDULES	As at <u>31.03.2010</u>	As at <u>31.03.2009</u>
SCHEDULE - 1		
SHARE CAPITAL		
<u>Authorised Capital</u>		
12000000 Equity Shares of Rs 10/-each	<u>12,00,00,000</u>	<u>12,00,00,000</u>
<u>Issued & Paid Up Capital</u>		
11427780 Equity Shares (P.Y. 11427780 Equity Shares) of Rs.10/- each Fully Paid Up.	<u>11,42,77,800</u>	<u>11,42,77,800</u>
(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)	<u>11,42,77,800</u>	<u>11,42,77,800</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
Share Premium Account	(A) <u>45,29,36,003</u>	<u>45,29,36,003</u>
<u>General Reserve</u>		
As per last Balance Sheet	<u>2,09,00,000</u>	<u>1,37,70,000</u>
Add: Trf. from Credit Balance of P&L A/C	<u>41,87,000</u>	<u>71,30,000</u>
	(B) <u>2,50,87,000</u>	<u>2,09,00,000</u>
<u>Profit & Loss A/C</u>		
Carried from P&L A/C	<u>27,34,17,517</u>	<u>24,91,13,943</u>
	(C) <u>27,34,17,517</u>	<u>24,91,13,943</u>
TOTAL(A+B+C)	<u>75,14,40,519</u>	<u>72,29,49,946</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010

	(Amount in Rs.)	
	As at <u>31.03.2010</u>	As at <u>31.03.2009</u>
SCHEDULES		
SCHEDULE - 3		
SECURED LOANS		
<u>From Banks</u>		
In Cash Credit / Over Draft		
(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/-)	38,76,70,479	26,71,62,407
External Commercial Borrowings	13,20,59,000	17,05,95,000
(Secured against First charge on entire movable fixed Assets and Equitable Mortgage on Factory Land & Building and Plant & Machinery for the Proposed Expansion at Kaharani)		
In Term Loan	4,98,29,143	1,98,31,413
(Secured against Equitable Mortgage of Chopanki & Kaharani Land & Building and Hypothecation of Plant & Machinery & Other Fixed Assets)		
In Vehicle Loan	37,77,669	32,78,442
(Against Hypothecation of Vehicles)		
<u>From Others</u>		
Deferred Land Payments	-	1,07,02,054
(Secured against leasehold Land of Kaharani)		
In Vehicle Loan	7,15,208	11,10,973
(Against Hypothecation of Vehicles)		
	<u>57,40,51,498</u>	<u>47,26,80,289</u>
SCHEDULE - 4		
UNSECURED LOANS		
from Bank	19,73,085	36,25,563
SCHEDULE - 5	<u>19,73,085</u>	<u>36,25,563</u>
OTHER LONG TERM LIABILITIES		
Retention Money	60,00,000	60,00,000
	<u>60,00,000</u>	<u>60,00,000</u>

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2010

**SCHEDULE - 6
FIXED ASSETS**

(Amount in Rs.)

FIXED ASSETS DESCRIPTIONS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2009	ADDITION DURING THE YEAR	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2010	AS AT 01.04.2009	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
LAND(LEASE HOLD)	26,35,03,516	-	-	26,35,03,516	-	-	-	-	26,35,03,516	26,35,03,516
BUILDING	9,07,01,296	-	-	9,07,01,296	80,43,320	30,29,423	-	1,10,72,743	7,96,28,553	8,26,57,976
PLANT & MACHINERY	28,14,63,891	1,63,74,165	12,94,068	29,65,43,988	3,13,09,155	3,00,12,326	3,14,347	6,10,07,134	23,55,36,854	25,01,54,736
TOOLS & INSTRUMENT	59,54,746	2,89,385	-	62,44,131	13,10,859	2,91,692	-	16,02,551	46,41,580	46,43,887
GENERATOR	97,72,148	65,132	-	98,37,280	10,46,325	4,66,381	-	15,12,706	83,24,574	87,25,823
OFFICE EQUIPMENT	30,71,944	9,75,875	1,29,948	39,17,871	4,17,977	1,63,581	17,773	5,63,785	33,54,086	26,53,967
COMPUTER	51,53,246	4,31,018	-	55,84,264	25,41,470	8,74,271	-	34,15,741	21,68,523	26,11,776
FURNITURE & FIXTURE	79,90,020	1,51,137	-	81,41,157	10,99,707	5,06,724	-	16,06,431	65,34,726	68,90,313
VEHICLE	1,39,07,031	39,26,299	29,65,961	1,48,67,369	29,89,949	13,44,777	9,46,370	33,88,356	1,14,79,013	1,09,17,082
TOTAL	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	9,66,16,912	5,86,15,461	-	15,52,32,373	-	-	-	-	15,52,32,373	9,66,16,912
GRAND TOTAL	77,81,34,750	8,08,28,471	-	85,45,73,244	-	-	-	-	77,04,03,797	72,93,75,988
PREVIOUS YEAR	50,81,82,543	17,85,70,985	52,35,690	68,15,17,838	2,18,60,539	2,86,20,403	17,22,180	4,87,58,762	63,27,59,076	
CAPITAL WORK IN PROGRESS									9,66,16,912	
GRAND TOTAL(Previous Year)	50,81,82,543	17,85,70,985	52,35,690	68,15,17,838	2,18,60,539	2,86,20,403	17,22,180	4,87,58,762	72,93,75,988	

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010

	(Amount in Rs.)	
SCHEDULES	As at	As at
SCHEDULE - 7	<u>31.03.2010</u>	<u>31.03.2009</u>
<u>INVENTORIES</u>		
(As taken, valued & certified by the management)		
Raw Material (including in-Transit)	16,60,73,722	9,47,22,221
Work-in- Progress	16,01,74,183	8,59,41,605
Finished Goods	6,40,96,161	3,98,54,008
Packing Material & Consumables	39,72,273	32,05,252
	<u>39,43,16,339</u>	<u>22,37,23,086</u>
 SCHEDULE - 8		
<u>SUNDRY DEBTORS</u>		
(Unsecured but Considered Good)		
Debts Outstanding over six months	6,40,38,502	7,13,09,195
Other Debts	50,39,55,007	36,15,22,199
	<u>56,79,93,509</u>	<u>43,28,31,394</u>
 SCHEDULE - 9		
<u>CASH & BANK BALANCES</u>		
Cash in hand	2,46,806	5,66,385
<u>Balance with Scheduled Banks</u>		
- in current accounts	74,19,128	93,75,473
-in share money refund account*	58,725	85,455
-in dividend accounts*	88,855	40,940
-in fixed deposit accounts (including accrued interest)	15,52,27,930	18,64,28,473
(of the above Rs.7,29,09,684/-, is kept as margin money towards BG & LC and Rs.28,00,000/- is pledged towards cash credit limits.)		
	<u>16,30,41,445</u>	<u>19,64,96,726</u>
*Not available for use by the Company		

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010

(Amount in Rs.)		
SCHEDULES	As at <u>31.03.2010</u>	As at <u>31.03.2009</u>
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	7,49,03,839	2,92,14,716
Security Deposit	66,68,601	53,03,135
Advance to Employees	5,47,827	4,45,893
Advance to Suppliers	7,14,98,992	4,85,07,135
Advance to Contractors	3,55,47,768	-
Balance with Excise Authorities	6,10,30,760	7,49,02,689
	<u>25,01,97,788</u>	<u>15,83,73,568</u>
SCHEDULE - 11		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>Current Liabilities</u>		
Sundry Creditors	59,34,48,446	31,11,70,238
Other Liabilities	3,14,84,046	4,69,27,415
Expenses Payable	1,00,11,865	98,39,253
Advance from Customers	1,45,16,256	77,93,294
Unpaid Share Application Money due for refund**	58,725	85,455
Unclaimed Dividend**	88,855	40,940
	(A) <u>64,96,08,193</u>	<u>37,58,56,595</u>
<u>PROVISIONS</u>		
Taxation (Including Wealth Tax) (Net of Advance)	14,71,843	9,68,880
Proposed Dividend (including Tax thereon)	1,33,69,931	1,33,69,931
Provision For Employees Benefits	55,75,971	49,69,885
	(B) <u>2,04,17,745</u>	<u>1,93,08,696</u>
	<u>67,00,25,938</u>	<u>39,51,65,291</u>
**Will be credited to Investor education and protection Fund as and when due.		
SCHEDULE - 12		
<u>OTHER INCOME</u>		
	Year Ended <u>31.03.2010</u>	Year Ended <u>31.03.2009</u>
Interest(Gross)(TDS Rs.21,66,904/-)	1,25,04,736	80,79,282
Misc. Income	23,52,599	28,22,545
	<u>1,48,57,335</u>	<u>1,09,01,827</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010

	(Amount in Rs.)	
SCHEDULES	Year Ended <u>31.03.2010</u>	Year Ended <u>31.03.2009</u>
SCHEDULE -13		
<u>COST OF MATERIALS / PRODUCTS</u>		
<u>Raw Materials Consumed</u>		
Raw Material (Opening)	9,47,22,221	9,54,75,669
Add: Purchases	1,88,87,87,487	1,78,63,55,014
Add / (Less) : Hedging Cost / (Gain)	(1,88,063)	(2,87,881)
Less: Raw Material (Closing)	16,60,73,722	9,47,22,221
	<u>(A) 1,81,72,47,923</u>	<u>1,78,68,20,580</u>
<u>ADJUSTMENT FOR STOCK</u>		
Finished Goods (Opening)	3,98,54,008	7,37,46,770
Goods In Process (Opening)	8,59,41,605	2,74,10,104
	<u>12,57,95,613</u>	<u>10,11,56,874</u>
Less: Finished Goods (Closing)	6,40,96,161	3,98,54,008
Goods In Process (Closing)	16,01,74,183	8,59,41,605
	<u>22,42,70,344</u>	<u>12,57,95,613</u>
(Increase) \ Decrease In Stock	(B) (9,84,74,731)	(2,46,38,739)
Total(A+B)	1,71,87,73,192	1,76,21,81,841
Increase/(Decrease) in excise duty on finished goods	29,51,437	(76,62,347)
	<u>1,72,17,24,629</u>	<u>1,75,45,19,494</u>

SCHEDULE -14
MANUFACTURING EXPENSES

Consumable Expenses	76,61,899	54,50,538
Electricity Expenses	2,28,00,513	1,98,15,836
Power & Fuel	72,53,820	49,26,384
Job Work	86,39,296	1,21,54,694
Excise Duty	12,41,273	9,14,499
Packing Material Consumed	6,20,81,384	5,00,00,736
Freight & Cartage Inward	72,76,613	31,90,630
Repair & Maintenance(Machine)	1,01,04,625	85,08,331
Testing , Inspection & Calibration Expenses	19,77,393	22,51,294
	<u>12,90,36,815</u>	<u>10,72,12,942</u>

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH, 2010

(Amount in Rs.)

SCHEDULES	Year Ended 31.03.2010	Year Ended 31.03.2009
SCHEDULE - 15		
<u>PERSONNEL EXPENSES</u>		
Salaries, Wages & Allowances	9,29,31,494	6,66,90,473
Contribution to ESI & PF	27,02,641	23,63,407
Leave Encashment	4,14,629	11,91,460
Gratuity	14,59,830	14,43,440
Staff Welfare	31,04,072	21,22,552
	<u>10,06,12,666</u>	<u>7,38,11,332</u>
SCHEDULE -16		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Auditor's Remuneration	7,00,000	7,00,000
Legal & Professional charges	33,28,711	57,19,165
Printing & Stationery	16,64,194	16,22,999
Rent	97,80,624	77,23,040
Electricity / Fuel Expenses	9,71,852	8,30,277
Advertisement, Publicity & Exhibition Expenses	2,88,013	29,74,229
Freight & Cartage Outward	1,20,05,176	59,80,677
Commission	83,38,363	1,20,18,953
Travelling & Conveyance	42,81,776	56,94,624
Repair & Maintenance		
- Building	23,913	21,544
- Others	39,36,896	26,28,506
Communicatoin Expenses	33,67,356	32,00,542
Insurance	22,02,114	20,96,472
Vehicle Running & Maintenance	24,91,344	29,44,161
Loss on Sale of Fixed Assets	18,21,892	31,02,569
Loss on Foreign Exchange fluctuation(Net)	53,59,135	18,956
Sitting Fees	1,70,000	1,50,000
Other Expenses	44,00,223	1,13,45,030
	<u>6,51,31,582</u>	<u>6,87,71,744</u>
SCHEDULE -17		
<u>FINANCE CHARGES</u>		
<u>Interest To Bank</u>		
-On Term Loan	32,15,596	64,43,301
-On Other Borrowings	6,72,89,963	3,84,77,013
Interest to Others	2,24,99,639	1,30,09,957
Bank Charges	1,47,42,184	2,59,77,078
	<u>10,77,47,382</u>	<u>8,39,07,349</u>

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

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. The significant accounting policies followed by the Company are stated below:

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) 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.
- c) Expenditure during construction period :

Expenditure (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are capitalized.
- d) Lease hold lands are not depreciated.

2) 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.

3) 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.

4) Expenses

All expenses are accounted for on accrual basis.

5) 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.

6) 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.

7) 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.

8) 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 except ECB Borrowings. The effect of Exchange Rate fluctuations in respect of Monetary Assets is taken to Profit & Loss Account. In view of National Advisory Committee on Accounting Standard's decision on postponing of implementation of AS-11 to 2011, the Management has deferred the provisioning of mark to market on ECB (secured loan from bank).

9) 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.

B. CONTINGENT LIABILITIES

1) Claims against the 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	Asst. Commissioner, Central Excise, Bhiwadi
	Excise Duties	162054/-	2005-06	Appeal Pending in CEGAT, Jaipur
	Excise Duties Penalty	176867/- 50000/-	2005-06	Commissioner of Central Excise & Custom, Jaipur
	Excise Duties Penalty	161169/- 161169/-	2006-07	Commissioner (Appeal), Central Excise, Jaipur
	Excise Duties	3159709/-	2006-07	Addl. Commissioner Central Excise, Jaipur
	Excise Duties	5783018/-	2006-07	Addl. Commissioner Central Excise, Jaipur
	Excise Duties Penalty	260222/- 50000/-	2006-07	Addl. Commissioner Central Excise, Jaipur
	Excise Duties	81681/-	2006-07	Superintendent, of Central Excise, Bhiwadi
	Excise Duties	746412/-	2004-05	Joint Commissioner of Central Excise, Jaipur
	Excise Duties	6024771/-	2007-08	Commissioner (Appeals), Central Excise & Custom, Jaipur
	Excise Duties	67441/-	2007-08	Asst. Commissioner, Central Excise, Bhiwadi
	Excise Duties	612151/-	2007-08	Commissioner Central Excise & Custom, Jaipur
	Excise Duties	2281042/-	2007-08	Joint Commissioner, Central Excise, Jaipur
Excise Duties	5437100/-	2008-09	Joint Commissioner, Central Excise, Jaipur	

Excise Duties	1309877/-	2008-09	Joint Commissioner, Central Excise, Jaipur
Excise Duties	15271114/-	2009-10	Commissioner, Central Excise, Jaipur
Excise Duties	15337611/-	2009-10	Commissioner, Central Excise, Jaipur
Service Tax	1397962/-	2006-07	Directorate General of Central Excise Intelligence, Delhi
Sales Tax	7232954/-	2008-09	Addl. Commissioner & Special
Penalty	1954386/-	2008-09	Joint Commissioner
Interest	565697/-	2008-09	

2) Other Contingent Liabilities

Amount (Rs. in Lacs)

Particulars	(2009-10)	(2008-09)
Guarantees issued by Bankers*	6592.13	5663.45
Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of Advances)	1935.21	617.49
L/C's negotiated by bank	1384.10	802.04
In respect of Bill factored from banks/Factoring agency	2117.00	1048.37

*Bank Guarantee of Rs 3360.60 Lacs (PY 2810.60 Lacs) given to Raw Materials suppliers for credit 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*

	Amount (Rs.)	
	2009-10	2008-09
Statutory Audit Fees	5,00,000	3,00,000
Tax Audit Fees	1,00,000	50,000
Taxation Matters	1,00,000	1,50,000
Management Matters	—	2,00,000
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) Statement showing computation of Net Profit in accordance with section 349 of the Companies Act, 1956 for computing the Director's remuneration:

Particulars	Amount (Rs.)	
	(2009-10)	(2008-09)
Net Profit before tax	6,22,56,669	11,11,35,493
Add: Depreciation as per accounts	3,66,89,175	2,86,20,403
Add: Whole time Director's Remuneration	68,21,012	90,00,000
Add: Directors sitting Fee (Non Whole-Time Directors)	1,70,000	1,50,000
Add: Commission Paid to Directors	0	21,06,906
Add: Loss/ Profit on sale of Fixed Assets (Net)	18,21,892	31,02,569
Less: Depreciation as per Section 350 of the Companies Act, 1956	3,66,89,175	2,86,20,403
Net Profit/(Loss) for the year under section 349	7,10,69,573	12,54,94,968
Maximum amount paid/payable to Non whole time Directors (restricted to 1%)	7,10,696	12,54,949
Maximum amount paid/payable to Whole time Directors (restricted to 10%)	71,06,957	1,25,49,496
Maximum Amount payable to Directors	78,17,653	1,38,04,445

Managerial remuneration for the year is within the above limits.

Directors Remuneration

Amount (Rs.)

Particulars	2009-10	2008-09
Salary	66,77,500	90,00,000
Perquisites	1,43,512	45,000
Commission to whole time directors	-	21,06,906
Sitting Fees to non whole time directors	1,70,000	1,50,000
Total	69,91,012	1,13,01,906

- 5) **Foreign Exchange Earning & Outgo**

Amount (Rs.)

Particulars	(2009-10)	(2008-09)
a) Earning in Foreign Currency	42,21,88,670	28,21,01,703
b) Expenditure in foreign Currency		
- ECB Loan Repayment	4,66,62,664	-
-Travel Expenses	2,73,425	11,10,451
-Professional Fees	2,36,556	-
-Others	1,61,77,950	24,16,339
	6,33,50,595	35,26,790
c) Value of Imports calculated on C.I.F. basis		
- Raw Material	7,79,87,546	2,35,00,286

- 6) **Value of Imported and Indigenous Material Consumed**

Particulars	(2009-10)		(2008-09)	
	Amount (Rs.)	%	Amount (Rs.)	%
Imported	6,84,86,161	3.77	2,31,03,748	1.29
Indigenous	1,74,87,61,762	96.23	1,76,37,16,832	98.71
Total	1,81,72,47,923	100.00	1,78,68,20,580	100.00

7) Licensed Capacity, Installed Capacity and Actual Production*

(in Cable KM)

Particulars	Installed Capacity (Representative)		Actual Production	
	2009-10	2008-09	2009-10	2008-09
Cables	30000	30000	21305	17699

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

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 01.04.09			Closing Stock as on 31.03.10		
		In store QTY (KG)	In transit QTY (KG)	Amount (RS)	In store QTY (KG)	In transit QTY (KG)	Amount (RS)
a	Copper	138375.519	18022.000	40890321	146750.220	59811.000	74068466
b	Pvc Compound	178762.600	37000.000	11005624	254018.600	700.000	15211457
c	G.I.Wire	100145.000	-	4382016	179318.000	17407.000	9355333
d	Alu./poly/cu/other Tapes	34472.150	3979.150	5802407	85250.210	-	13843555
e	Aluminum Wire	141003.400	-	13160109	62932.730	95643.000	20330677
f	Wires Of Nickle Alloys	4048.200	7747.703	11641550	12299.110	-	15832168
g	Master Batch/ LDME /HDPE/XLPE Resin/ Chemicals	72878.500	82000.000	7840195	181876.600	136000.000	17432066
	TOTAL	669685.369	148748.853	94722221	922445.470	309561.000	166073722
	Finished Goods	Opening Stock as on 01.04.09		Manufacturing	Sales	Closing Stock as on 31.03.10	
	Description	(Qty) Km	Value(Rs)	(Qty) km	(Qty) km	(Qty) km	Value(Rs)
	Electric Wire & Cables	520.349	39854008	21304.612	20918.101	906.860	64096161

9) New Project Status

Change in land for upcoming project

Due to recessionary market conditions, the management decided to hold on to the project implementation for a while. In view of the improvement in the situation, the project is now expected to be commissioned expeditiously and is likely to commence production in second-half of financial year 2010-11. Also, RIICO allotted an alternative piece of land for the project due to certain issues with the proper procurement of the previous piece of land. The new land is better located and more suitable for the project.

Also, some of the machineries have temporarily been commissioned at company's present site at Chopanki.

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.)	
	2009-10	2008-09
- Employers' Contribution to Provident Fund and Pension Scheme	18,30,543/-	17,57,313/-
- Employers' Contribution to Employees' State Insurance	8,72,098/-	6,06,094/-

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	
	2009-10	2008-09	2009-10	2008-09
Discount Rate (per annum)	7.50%	7.00%	7.50%	7.00%
Rate of increase in compensation levels	5.00%	4.50%	5.00%	4.50%
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)	23.80	24.60	23.80	24.60

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

Opening Present Value of Obligation	30,30,760	16,66,255	19,39,125	8,41,695
Interest cost	2,27,307	1,16,638	1,45,434	58,919
Current Service Cost	8,28,384	8,94,552	5,46,035	7,15,504
Past Service Cost	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Benefits Paid	(8,47,141)	(78,935)	(4,28,946)	(94,030)
Actuarial (gain)/loss on obligations	4,11,853	4,32,250	(2,76,840)	4,17,037
Closing Present value of obligation	36,51,163	30,30,760	19,24,808	19,39,125

	<u>Gratuity</u>		<u>Leave Encashment</u>	
	2009-10	2008-09	2009-10	2008-09
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	36,51,163	30,30,760	19,24,808	19,39,125
Unrecognised Actuarial (gains/losses)	-	-	-	-
Unfunded Liability/(Net Asset) recognised in Balance Sheet	36,51,163	30,30,760	19,24,808	19,39,125
D Amount recognised in the Balance Sheet (Unfunded Scheme)				
Present Value of Obligations as at the end of the year	36,51,163	30,30,760	19,24,808	19,39,125
Liability/(Asset) recognised in the Balance Sheet	36,51,163	30,30,760	19,24,808	19,39,125
E Expenses recognised in the Profit and Loss Account				
Current Service cost	8,28,384	8,94,552	5,46,035	7,15,504
Past Service Cost	-	-	-	-
Interest Cost	2,27,307	1,16,638	1,45,434	58,919
Expected Return on Plan Assets	-	-	-	-
Curtailment Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Net actuarial (gain)/loss recognised in the period	4,11,853	4,32,250	(2,76,840)	4,17,037
Total Expenses recognised in the Profit and Loss Account	14,67,544	14,43,440	4,14,629	11,91,460

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
- DIRECTORS

Naveen Sawhney
D.K. Prashar
Rakesh Malhotra

- RELATIVES of Key Management Personnel

Varun Sawhney
Rahul Prashar
Gaurav Sawhney
Suchita Malhotra

Transactions with related parties during the year

Amount (Rs.)

Transactions	Key Management Personnel		Relatives of Key Management Personnel		Total	
	(2009-10)	(2008-09)	(2009-10)	(2008-09)	(2009-10)	(2008-09)
-Remuneration	66,77,500	90,00,000	29,37,434	20,21,925	96,15,934	1,10,21,925
-Commission	-	21,06,906	-	-	-	21,06,906
-Other Benefits	1,43,512	45,000	2,31,322	96,707	3,74,834	1,41,707
-Rent	92,19,474	73,07,040	-	-	92,19,474	73,07,040
-Dividend paid	54,37,931	50,78,569	12,45,102	15,20,711	66,83,033	65,99,280

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

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

Amount (Rs.)

Particulars	31.03.2010	31.03.2009
Profit or (Loss) after Taxation (A) Rs.	4,18,60,505	7,12,70,183
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)	3.66	6.24
Earning per Share-Diluted(Rs) (A/C)	3.66	6.24

14) Deferred Tax (AS-22):

The deferred tax liability (Net) as at 31st March 2010 comprises of the **Amount (Rs.)**

Particulars	Deferred Tax Asset/(Liability) as at 01-04-2009	Credit / (Charge) during 2009-10	Deferred Tax asset / (Liability) as at 31-03-2010
Depreciation	(2,77,91,137)	(22,45,238)	(3,00,36,375)
Employee Benefits	16,89,264	1,63,074	18,52,338
Total	(2,61,01,873)	(20,82,164)	(2,81,84,037)

15) 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 70000 equity shares) of Rs. 10/- each at a premium of Rs. 125/- per share.

Out of the funds raised through IPO Rs. 41,64,75,000/-, Rs. 34,27,41,251/- (as detailed hereunder) have been utilized till 31st March 2010 and balance are lying unutilized and will be utilized as per the "Proposed Deployment of funds" mentioned in the Chapter the "Object of the issue" of the Prospectus. The unutilized funds have been temporarily kept in fixed deposit with Banks and balance in bank account.

Utilization of IPO Proceeds till March 31, 2010	Amount (Rs.)
Issue expenses	2,41,14,236
Setting up of production facilities	31,86,25,146
Bank Charges	1,869
Total	34,27,41,251

16) As at March 31, 2010, 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.

17) 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.

- 18) In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2010 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.
- 19) Schedules 1 to 18 are annexed to and form an integral part of the Balance Sheet and Profit & Loss Account.

IN TERMS OF OUR REPORT OF EVEN DATE

FOR SHARMA GOEL & CO.

CA. AMAR MITTAL
(PARTNER)

M.NO.: 17755
Firm's Registration No-000643N

PLACE : NEW DELHI
DATED: 29-05-2010

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.- 18007

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	31-03-2010	(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	1475927	Total Assets	1475927
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Sources of Funds		Reserves & Surplus	
Paid-up Capital	114278	Unsecured Loans	751441
Secured Loans	574052		1973

Application of Funds

Net Fixed Assets	770404	Investments	NIL
Net Current Assets	705523	Misc Expenditure	NIL
Accumulated Losses	NIL		

IV Performance of Company (Amount in Rs Thousands)

Turnover*	2223199	Total Expenditure	2160942
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Profit /Loss Before Tax	✓ 62257	Profit/ Loss After Tax	41861 ✓
	<input type="checkbox"/> + <input type="checkbox"/> -		<input type="checkbox"/> + <input type="checkbox"/> -

(* including other income)

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

Earning per share in Rs	3.66	Dividend	10%
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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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