

MOVING

FORWARD

TOWARDS A BETTER

ElectriKAL

“Move Forward”

Sounds like a fearless war cry from a General leading his troops into a conquest. The spirit in this more than 5 decade old Organisation is somewhat resonant to that. There’s something inspiring about these war cries - clear cut directive towards action. It is this clarity of order that makes those foot soldiers charge by the hundreds and thousands and achieve their objective with unwavering commitment.

At Finolex Cables, we are riding in the same spirit of action powered by clarity. Each and every one of us has a clear vision of where to go and what to achieve. The path ahead isn’t easy and that’s probably why treading it successfully would be all the more rewarding. But it feels great to know that it is time for this large and committed team to load our lungs with an air of purpose and let out a powerful shriek that says...

“Move Forward”

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CHAIRMAN'S MESSAGE



Dear Shareholders,

The very decisive mandate in the general elections last year was a positive development in the economy. Its impact was felt immediately in the form of improved business sentiments. Over the last few months, several measures have been announced by the Government, which should bring back the growth momentum within the country. In that context, I expect that the next few years should be an exciting journey for our Company in the form of better growth and expansion into newer product segments.

During the last few years, besides our cable business, we have forayed into new segments and added new products under the Finolex brand. The intention is to evolve over a period of time into an Electrical Products Company as opposed to continuing as a Wires and Cables Company. Today our Rs. 2,449 crore company is no more a pure play Wire and Cables Company.

The year that concluded saw us delivering on our continuous endeavour of enhancing our capabilities and augmenting our product basket. It gives me immense pleasure to announce the expansion of our range of switches besides the launch of high quality MCBs (Miniature Circuit Breakers) shortly.

Finolex has always believed in expanding through backward integration and diversification into different segments and new products to grow rapidly. For instance, our top-of-the-line LED lighting range which was launched recently, offers efficient, environment-friendly and long lasting solutions for domestic and industrial applications alike.

At Finolex, we have always stayed ahead of times offering the best the consumers can ask for. As your Company is aiming to make big gains with diversification and expansion, I look forward to your continued support, guidance and encouragement, which will help the Company to stay at the helm of success for years to come.

With best wishes

Deepak Chhabria
Executive Chairman

FINOSWITCH: STYLE MEETS SUBSTANCE AND MORE

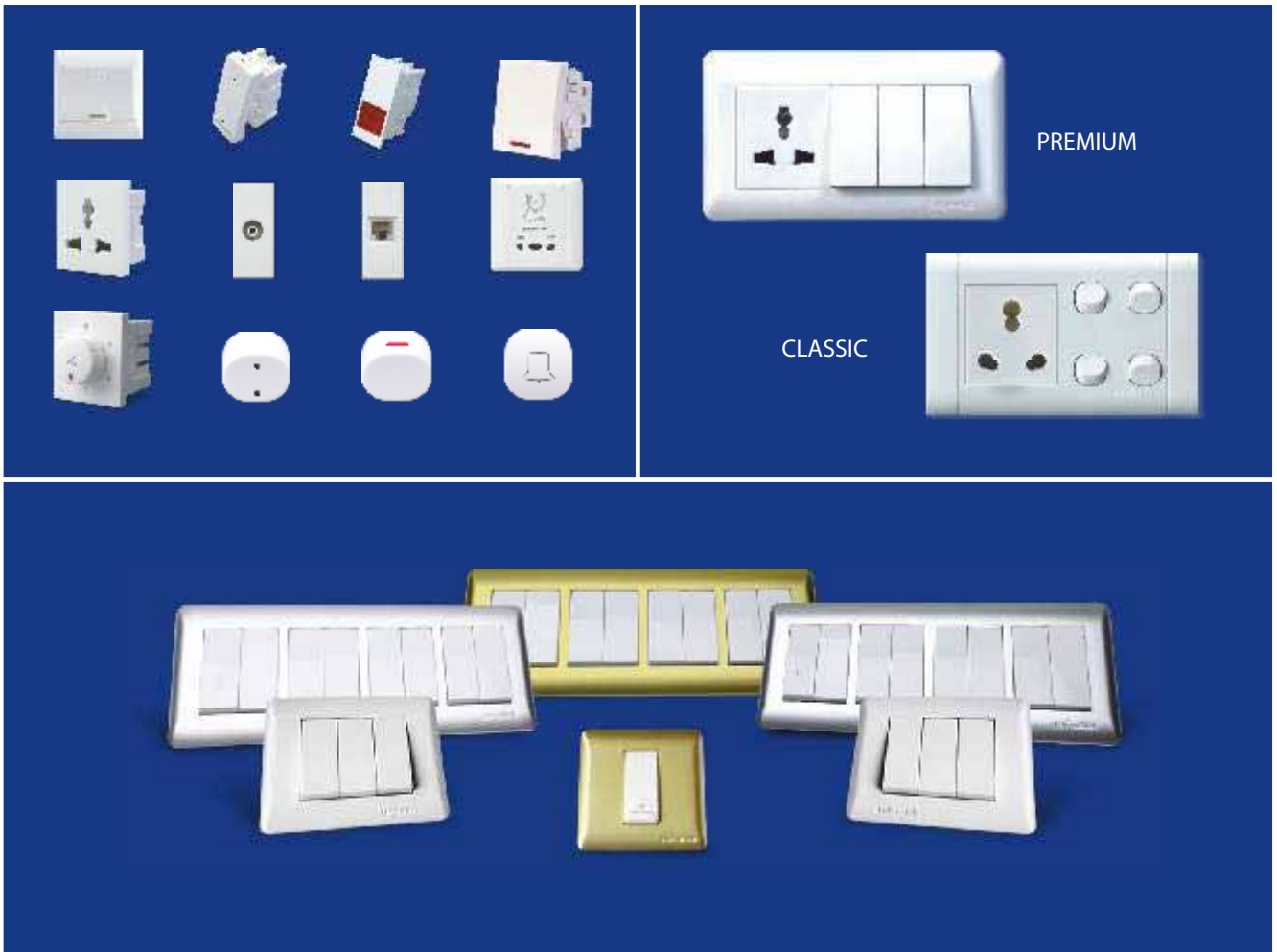


Moving forward in our journey towards becoming a complete electrical solutions provider, our focus is on the consumer. The real challenge lies in making an impression in the consumer's heart.

Finoswitch is one of our front runners in our new range of consumer facing products. Today's consumer is well informed and looks for products that are multi-faceted. Finoswitch blends style and substance seamlessly. With a strong performance promise of 100,000 clicks guaranteed and classy Italian finish with a range of colours and styles, it is sure to

make a mark in the market.

Recognizing the strength of the product and responding to the positive responses from the market, we are furthering our efforts towards marketing the products far and wide. The latest television commercial for Finoswitch garnered widespread positive reviews from consumers and business fraternity alike. The spot also had the acclaim to be featured in India's premier advertising festival. The Premium and Classic range of switches complements a modern Indian household aesthetical value successfully.



The next significant feature that consumers of tomorrow will expect from most products is 'technology that brings forth convenience through automation'. Our new range of TOUCH SWITCH will do just that. Simple touch functions will enable multiple controls in terms of room lighting and mood. The switch will also be enabled with voice control to take the interaction to a whole new level.

The future is smart, the future is intelligent. The power lies in the hands or should we say in the command of the consumer.



FINOLEX LED: LIGHTING UP NEW POSSIBILITIES

Crisp and clear product promise has helped us to connect with consumers better. A LED bulb that lasts for 15 years became a compelling and humorous storyline in the latest TV spot that ran through the IPL matches.

While we started with the complete range of CFL bulbs and augmented it further with the T5 tubes and fittings, we were quick to realise the market trend and adapt to it. That's what forward thinking helped us achieve. Recognise opportunities and steer course towards new horizons. A wide range of LED lighting solutions are the next chapter to our consumer story. The future of lighting is LED since they are economical and most importantly eco-friendly. The consumer seems to be responding well to the products as gradually we are making our presence felt. We believe that there is yet a large part of the market that's gradually making the shift to LED and we are warming up to the potential. We are also catering to demands at an industrial level as we have the range covered.



A NEW RANGE OF CFL AND LED PRODUCTS FOR DOMESTIC & INDUSTRIAL APPLICATIONS



FINOLEX SWITCHGEAR: SAFETY IN MILLISECONDS

Moving forward is a belief that is better conveyed in action. New products catering to demands of modern households will make Finolex extend the trust equity to a whole new level. India is a young nation and we need to have renewed reasons for the consumer to associate with us beyond just wires and cables. The latest offering in our consumer facing journey are Switchgears. The modern household is every bit as efficient in safety aspects as it is in aesthetics. Our switchgears come under many variants like MCBs, RCCBs, MCCBs along with the Distribution Boards. The primary role of Switchgear is to ensure the safety of an electrical system. In common terms switchgears protect you from Short Circuit and Overload amongst other electrical faults. Though the market is highly competitive we are motivated to make this product a resounding success.



RANGE OF MCBs,
RCCBs, MCCBs
AND
DISTRIBUTION BOARDS



BOARD OF DIRECTORS

D. K. Chhabria

Executive Chairman

P. P. Chhabria

Dr. H. S. Vachha

Atul C. Choksey

Sanjay K. Asher

P. G. Pawar

S. B. (Ravi) Pandit

Pradeep R. Rathi

Adi J. Engineer

Mrs. Namita V. Thapar

M. Viswanathan

*Executive Director &
Chief Financial Officer*

R. G. D'Silva

*Company Secretary &
President (Legal)*

Bankers

Central Bank of India

Corporation Bank

HDFC Bank Ltd.

ICICI Bank Ltd.

State Bank of India

The Bank of Nova Scotia

Auditors

B. K. Khare & Co.

Chartered Accountants

Cost Auditors

Joshi Apte & Associates

Cost Accountants

Solicitors

Crawford Bayley & Co.

Registered Office

*26-27, Mumbai-Pune Road,
Pimpri, Pune 411 018, India*

Tel.: 020-27506200 / 27475963

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Directors' Report

To

The Members

Your Directors are pleased to present their 47th Annual Report and Audited Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS:

	(Rs. in million)	
	2015	2014
Income	25,075.6	24,073.9
Profit Before Interest, Depreciation, Exceptional Items and Tax	3,175.1	2,954.6
Less : Interest	129.2	134.0
Less : Depreciation	639.7	484.3
Profit Before Exceptional Items and Tax	2,406.2	2,336.3
Exceptional Items(Loss)/Gain	225.2	103.8
Profit Before Tax	2,631.4	2,440.1
Less : Provision for Taxation		
(a) Current Tax	619.0	578.3
(b) Deferred Tax	26.2	(49.5)
(c) MAT Credit	0.0	(166.5)
(d) Taxes of Earlier Year	(0.3)	1.0
Profit After Tax	1,986.6	2,076.8

BACKGROUND

Economic fundamentals have started to accelerate in recent months with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices and a stable currency. GDP growth expectations are around 7.4% compared with 6.9% of the previous year. Recent IIP data also shows a positive movement during the April14-January15 period – while infrastructure spend still has to improve, expectations based on the government announcements around the Delhi Mumbai Industrial Corridor, Smart City Initiatives, Digital Connectivity and Make in India etc., indicate increased expenditure in infrastructure projects over the near and medium term.

OPERATIONS

In terms of revenue, growth for the year under review was similar to what was achieved in the previous year. However, the year under review also saw commodity prices falling. Despite this, overall sales grew by 4% in value terms as compared to FY 2013-2014. In volume terms, the growth was higher at 7%. Higher volumes were achieved in several product lines – notably in Low Duty Electrical Wires (12%) in the Electrical Cable Segment and across all product lines in the Communication Cable Segment. As in the previous year, Auto and Infrastructure (Power) sectors continued to be under strain.

In terms of outlook for the upcoming year, sales of Optical Fiber Cables look promising with the Government's announcements about the Digital India Program. In an increasingly connected world, a growing number of devices are expected to use broadband connections to deliver a wide array of rich communication and multimedia services, anytime, anywhere. Similarly, the government's focus on infrastructure Power Sector would attract investments in cabling in the not too distant future.

Your Company entered the Lighting business a few years ago, first with energy efficient CFLs and subsequently with Tube Lights and LED based lamps. While the business has grown and continues to show good potential, the consumer preference towards LED based lamps, especially in the lower wattage segment has been significant in the year under review. Your Company, therefore, undertook a review of the potential impairment to the CFL assets – given the changing market scenario and based on the estimated cash flow for the next five years, an impairment charge of Rs 60.4 million has been provided for. This has been done as a prudent measure – your Company will continue in the Lighting business and will continue to offer a range of products.

Income for the year under review was higher at Rs.25,075.6 million (previous year Rs.24,073.9 million) representing a growth of 4% over the previous year. Your Company has recorded a Net Profit Before Tax of Rs 2,631.4 million as against Rs 2,440.1 million in the previous year.



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Highlights of the performance are discussed in detail in the Management Discussion and Analysis Report (MDAR) attached as Annexure A to this Report

EXPORTS: Despite the depressed market situation, overseas FOB value of exports for the year was Rs 544.8 million (Previous year's export value of Rs. 501.0 million).

FINANCE

Your Company's short term debt programs continue to enjoy the highest ratings from CRISIL. Since the last few years, these have been accorded the A1+ rating. Your Company retained the AA+/stable rating for its Rs.500.0 million long term non convertible debentures program as well as on the long term loans currently outstanding.

During the 4th quarter of the year, your Company repaid the last installment of its foreign currency loan. With this repayment, there are no long term foreign currency exposures. With the interest rates starting to decline, your Company would endeavor to further reduce interest costs by replacing its existing loans with lower cost ones, where possible.

Despite the increase in value of operations, financial costs have been contained to the minimum required levels. The Company continues to meet all its financial commitments in a timely manner.

TRANSFER TO RESERVES

Your Company, before the declaration of dividend in every financial year, transfers such percentage of its profits for that financial year to the General Reserve, as it considers appropriate. Pursuant to the provisions of the Companies Act, 2013, in the year under review, your Directors decided to transfer Rs. 200.0 million to the general reserve out of the amount available for appropriation and Rs. 5618.9 million is proposed to be retained in the Statement of Profit and Loss.

FIXED DEPOSITS

Your Company has stopped accepting deposits from the year 2003 and accordingly, no fixed deposits have been accepted during the year under review.

DIVIDEND

Considering the business situation, your Directors have pleasure in recommending a dividend on equity shares of 90%. The amount thereof per equity share will be Rs 1.80. The total dividend outgo (including dividend tax) will be Rs.331.3 million.

Payment of Dividend is subject to the approval of the members at the ensuing Annual General Meeting.

EXPANSION & NEW PRODUCTS

During the year under review, your Company expanded its manufacturing capacities of LAN, Coaxial and Optical Fiber Cable product lines at both Urse and Goa. The added capacities will become available from FY 2015-16 and will improve your Company's ability to garner a higher market share for these products.

The switchgear facility in Roorkee was also completed with products now awaiting approval from BIS prior to market release. The completion was delayed due to equipment design changes. Product launch is now expected in Q2, 2015-16.

Also in the pipeline for FY 2015-16 are new products from the Lighting/Lamp business, electrical cables for solar applications and an entirely new range of switches etc.

JOINT VENTURES, SUBSIDIARIES AND ASSOCIATES

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules 2014, the statement containing salient features of the financial statements of the Company's Joint Ventures / Associates (in form AOC-1) is attached to this Report as Annexure I.

Finolex J-Power Systems Limited

As mentioned earlier, the Power Sector in our country has been going through uncertain times as evidenced by difficulties in fuel sourcing as well as the tight financial position of most power utilities. The recent coal auctions notwithstanding capital investment in the sector has been minimal and the sector did not see major activity during FY 2014-15. As pointed out in the previous year, the JV had been working hard to seek prequalification approvals from various state and private sector power utilities. During the year, considerable work on this area has been completed. The JV has obtained product certifications for the 132kV range from KEMA of Netherland and for the 220kV range from CPRI, Bangalore. The JV has also been successful in registering itself with several power utilities, both domestic and overseas. Production and testing of the 400kV range of cables is at an advance stage. With this progress it is envisaged that the JV will be in a position to participate and emerge successful in tenders that would open up in the coming years.

However, it is estimated that the JV will become profitable only around the second half of FY 2016-17 and will need financial support in the form of equity infusion until then. While the long term outlook of the JV is positive, in the short term, there is an erosion of net worth in the JV. Taking a prudent view of the same, an amount of Rs 122.9 million has been recognized as a diminution in the value of investment. During the year, your Company injected equity of Rs 122.5 million, taking the Company's participation up to Rs 749.7 million at the end of FY 2014-15.

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Corning Finolex Optical Fibre Private Limited

As in the previous year, the JV clocked a revenue of over Rs 1,581.3 million during the year. Profitability, however, is yet to improve and the JV is currently nearing break-even levels. It is hoped that with the fiber penetration in India going up due to the Digital India initiatives, profitability will improve in the medium and long term. Your Company's participation in the JV's equity at the end of FY 2014-15 remains at Rs 17.5 million.

EMPLOYEES

Your Company recognizes the importance of a motivated and skilled human resource. Your Company endeavors to create a challenging and favorable work environment that encourages entrepreneurial behavior, innovation and the drive towards business excellence. Several skilled based training programs were conducted during the year with the help of external consultants, especially for the staff in Sales and Marketing functions. Your Company is also in the process of revamping its hiring and appraisal processes in line with benchmarked practices in industry.

Industrial relations continued to be cordial during the year.

The Company had 1,531 permanent employees on its rolls as on 31st March, 2015 (previous year 1,546 permanent employees as on 31st March, 2014).

Particulars of employees and related disclosures:

In terms of provisions of Section 197(12) of Companies Act, 2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annexure E to this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure E to this Report.

KEY MANAGERIAL PERSONNEL

At the Board meeting dated 12th February 2015, the Board noted that the following persons were its Key Managerial Personnel

Name	Title
Mr. D K Chhabria	Executive Chairman
Mr. Mahesh Viswanathan	Executive Director & CFO
Mr. R G D'Silva	Company Secretary & President (Legal)

CORPORATE GOVERNANCE

Your Company is in full compliance with the Corporate Governance guidelines as set out in Clause 49 of the Listing Agreement and is committed to good corporate governance laying a strong emphasis on transparency, accountability and integrity. All Directors and Senior Management employees have confirmed in writing their adherence to the Company's Code of Conduct.

A separate report on Corporate Governance (Annexure B) is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance with conditions of Corporate Governance as Annexure C, as mandated under Clause 49 of the Listing Agreement. There is no qualification, reservation or adverse remark or disclaimer made by the auditor in his report. A Certificate of the Chief Executive Officer and Chief Financial Officer of the Company in terms of Clause 49 (IX) of the Listing Agreement, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is also annexed.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and relevant Rules framed there under and the Articles of Association of the Company, Mr Mahesh Viswanathan [DIN: 02780987] retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment as Director on the Board of Directors of the Company. The requisite details are set out in the notice for the ensuing Annual General Meeting.

At its meeting held on 8th November, 2014, the Board appointed Mrs Namita Vikas Thapar [DIN: 05318899] as an Additional Director (i.e. Woman Director) on the Board. She holds office as such till conclusion of the ensuing Annual General Meeting of the Company. Further, at its meeting held on 12th May, 2015, the Board has recommended her appointment as Woman Director on the Board, to the Members of the Company which is reflected in the Notice for the said Meeting.

INDEPENDENT DIRECTORS

During the year under review, the members approved the appointments of Dr. H S Vachha, Mr. P G Pawar, Mr. P R Rathi, Mr. Sanjay Asher, Mr. Adi J. Engineer, Mr. Atul C Choksey and Mr. S B (Ravi) Pandit as independent directors for a period of five years and they are



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not liable to retire by rotation. Pursuant to Section 149(7) of the Companies Act, 2013, all independent directors have given declarations for the financial year 2015-16 that they meet the criteria of independence as laid down under Section 149 (6) the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Your Company has and will continue to ensure that it serves the community around it. Towards this end, your Company has in the past supported activities around improving educational facilities for the underprivileged. This focus will continue in the future as well. Besides education, your Company also supports and sponsors efforts towards public welfare, poverty alleviation, sanitation improvement etc. While the Companies Act, 2013 has made it mandatory for all listed entities meeting a certain threshold to spend a portion of their profits on CSR projects, your Company has been committed to undertaking CSR activities for long.

As required under section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, based on the average profits for the past three years, your Company should have spent an amount of Rs.30.3 million during the year on CSR related activities. At the Board meeting held on 08 May 2014, your Company formed a Committee of the Board to handle matters pertaining to CSR. The CSR policy of the Company was approved by the Board at its meeting held on 08th August 2014 and is hosted on the website of the Company. The CSR Committee of the Board met on 3 occasions. The Committee has approved projects worth Rs 30.0 million – mainly towards construction of additional building in an engineering college supported by your Company. Construction of this building has just commenced and hence the cash flow on this project will happen in FY 2015-16.

The annual report on CSR activities of the Company for the year under review is set out in Annexure J forming part of this report.

COMPLIANCE UNDER THE COMPANIES ACT, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules of 2014, your Company complied with the requirements. The details of such compliances are enumerated below:

1. **Extract of Annual Return:** An extract of the Annual Return in Form MGT 9 as on March 31, 2015 is enclosed as Annexure D to this Report.
2. **Number of meetings of the Board:** The Board met on 4 occasions during the year. Details of the meetings are furnished in the Report on Corporate Governance which is attached as Annexure B to this Report.
3. **Directors' Responsibility Statement:** Pursuant to Sections 134(3)(c) and 134(5) of the Companies Act, 2013, (the "Act"), the Directors, to the best of their knowledge and belief and according to the information and explanations provided to them, confirm that:
 - (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
 - (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
 - (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - (d) the Directors had prepared the annual accounts on a going concern basis;
 - (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
 - (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
4. **Remuneration and Nomination Policy:** The Board of Directors has framed the policy which lays down a framework in relation to Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Executives of the Company including the criteria for determining qualifications, selection and appointment.
5. **Board Evaluation:** Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, independent directors at their meeting dated 12 February 2015, without the participation of the non-independent directors and Management, considered and evaluated the Board's performance, performance of the Chairman and other non-independent directors. The evaluation was performed taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.
6. **Particulars Of Loans, Guarantees Or Investments Under Section 186 Of The Companies Act, 2013 :** During the year, an investment of Rs. 122.5 million was made in the equity of the Company's Joint Venture - M/s Finolex J-Power Systems Limited.

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7. **Contracts Or Arrangements With Related Parties:** All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. Each of these transactions was reviewed by the Audit Committee prior to being entered into and where necessary, was approved by the Board of Directors and members. In respect of transactions of a repetitive nature, an omnibus approval was obtained from the Audit Committee and Members where necessary. At every meeting, the Audit Committee reviews the transactions that were entered into during the immediately preceding period. Details of related party transactions have been disclosed under Note 36 to the financial statements. Details of the same are also reproduced in Form AOC 2 which is attached as Annexure F to this Report. The Company's Policy on transactions with related parties as approved by the Board is also available on the website of the Company at www.finolex.com.
8. **Material Changes And Commitments Affecting The Financial Position Of The Company Which Have Occurred Between March 31, 2015 And May 12, 2015 (Date Of This Report):** There were no material changes and commitments affecting the financial position of the Company between the end of the financial year (March 31, 2015) and date of this Report (May 12, 2015)
9. **Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status Of The Company:** There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company and the Company's operations in the future.
10. **Adequacy Of Internal Financial Controls With Reference To The Financial Statements:** Having regard to Rule 8 (5) (viii) of the Companies (Accounts) Rules, 2014, the details in respect of adequacy of internal financial controls with reference to the financial statements of the Company are as follows :

Your Company maintains appropriate systems of internal control including monitoring procedures. These internal control systems ensure reliable and accurate financial reporting, safeguarding of assets, keeping constant check on cost structure and adhering to management policies. The internal controls are commensurate with the size, scale and complexity of our operations and facilitate timely detection of any irregularities and early remedial steps against factors such as loss from unauthorized use and disposition. Company policies, guidelines and procedures provide for adequate checks and balances which are meant to ensure that all transactions are authorized, recorded and reported correctly. The internal controls are continuously assessed and improved / modified to meet changes in business conditions, statutory and accounting requirements

Constant monitoring of the effectiveness of controls is ensured by periodical audits performed by an in-house internal audit team as well as assignments entrusted to M/S Ernst & Young. Both these teams in their respective assignments test and review controls, challenge business processes for their robustness and benchmark practices in line with industry norms.

At the entity level, it has been decided that the Company's internal control mechanism would follow the COSO framework. At individual business levels, the existing controls are being strengthened by the adoption of an electronic tool which will provide for review, monitoring and reporting of the various control mechanism both at a location and functional level prior to being periodically certified by its robustness by the Management.

The Audit Committee regularly meets and reviews the results of the various internal control audits both with the Auditors as well as with the respective Auditees. The Audit Committee is apprised of the findings as well as the corrective actions that are taken. Periodical meetings between the Audit Committee and the Company Management also ensure the necessary checks and balances that may need to be built into the control system.

11. **Risk Management:** Your Company has set up a Risk Management Committee of the Board of Directors which comprises Dr. H S Vachha, Mr. Sanjay Asher, Mr. D K Chhabria and Mr. Mahesh Viswanathan. More details of the risks faced by the Company are available in the Management Discussion & Analysis Report which, pursuant to Clause 49 (VIII) (D) of the Listing Agreement, is attached as Annexure A to this Report.
12. **Vigil Mechanism / Whistle Blower Policy:** As required under Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Powers) 2014 and Clause 49 of the Listing Agreement, the Company has adopted a policy on vigil mechanism / whistle blower. The policy provides direct access to the Chairman of the Audit Committee in case any employee should choose to report or bring up a complaint. Your Company affirms that no one has been denied access to the Chairman of the Audit Committee and also that no complaints were received during the year. The policy is available at the Company's website.
13. **Prevention Of Sexual Harassment:** The Company has in place a policy on prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no complaints were received by the Company relating to sexual harassment.

AUDITORS

M/S B K Khare & Company, Chartered Accountants (Firm Registration Number: 105102W), Auditors of your Company, hold office until conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Further as required under the provisions of Section 139 and Section 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, M/S B K Khare & Company have confirmed their consent as well as eligibility to act as Auditor of the Company.

The Audit Committee and the Board of Directors have recommended the appointment of the Auditors for the financial year 2015-16. Necessary resolution is being placed before the Members for approval.



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COST AUDIT

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) rules of 2014 as amended from time to time, your Company has been carrying out an audit of cost records every year. During the year under review, pursuant to a clarification / notification issued by Ministry of Corporate Affairs, cost audit for the year 2014-15 will only be applicable for the Company's copper rod division. However, the Board had decided to conduct an audit of cost records for all operating divisions of the Company and accordingly had appointed M/S Joshi Apte & Associates, Cost Accountants as Cost Auditor at a remuneration of Rs. 4.5 lacs plus service tax, as applicable, and reimbursement of out of pocket expenses. In respect of the financial year 2015-16 it has been clarified by Ministry of Corporate Affairs that Cost Audit is applicable for the entire Company. Accordingly, the Audit Committee and the Board have recommended the appointment of M/S Joshi Apte & Associates as Cost Auditor for the financial year 2015-16 at a remuneration of Rs. 4.5 lacs plus service tax, as applicable, and reimbursement of out of pocket expenses. A resolution seeking members' approval for the cost auditors' remuneration is attached to the Notice convening the Annual General Meeting.

The Cost Audit Report for the financial year 2013-14 was filed on 27 September 2014.

SECRETARIAL AUDIT

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the rules made thereunder, M/S S.V.D & Associates, Pune, a firm of Company Secretaries in practice, was appointed to conduct the Secretarial Audit of the Company. There is no qualification, reservation or adverse remark or disclaimer made by them.

Their Report is attached as Annexure G to this Report.

LISTING OF SECURITIES

Pursuant to the actions taken by respective Stock Exchanges under SEBI Circular Ref No. CIR/MRD/DSA/14/2012 dated 30th May 2012 for Exit Policy of de-recognized / non-operational Stock Exchanges. The equity share of your Company would cease to be listed on the Stock Exchanges at Ahmedabad, Bangalore, Chennai, Cochin, Delhi, Kolkata and OTC Exchange. Accordingly, your Company's equity shares are listed on the two premier stock exchanges of the country namely Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Your Company had issued Global Depository Receipts which are listed on the Luxembourg Stock Exchange. Your Company's non-convertible debentures are listed on wholesale debt market segment of the National Stock Exchange of India Limited.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached to this Report as Annexure H.

PARTICULARS OF EMPLOYEES

Information as required under the provisions of the Companies Act, 2013 (the "Act") read with Rule 5 sub rules (2 and 3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the "Rules") forms part of this Report. However, as per the provisions of Section 136(1) of the Act, the Report and Accounts are being sent to the members, excluding the statement of particulars of employees under the Rules of the Act. Any shareholder desirous of obtaining a copy of the said statement may write to the Company Secretary & President (Legal) at the Registered office of the Company.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Annexures may contain forward looking statements within the meaning of applicable Securities laws and regulations. Actual results could differ materially from those expressed or implied. Various factors including commodity prices, cyclical demand, changes in Government regulations, tax laws, general economic development could all have a bearing on the Company's operations and would impact eventual results.

ACKNOWLEDGEMENTS

Your Directors are grateful to the Central and State Governments, Statutory Authorities, Local Bodies, Banks and Financial institutions for their continued support and cooperation. Your Directors warmly acknowledge the trust and confidence reposed in your Company by its channel partners, dealers and customers in supporting its business activities and growth. Your Directors express their gratitude to the other business associates for their unstinting support. Your Directors value the commitment and contribution of the employees towards the Company. Last but not the least, your Directors are thankful to the Members for extending their constant trust and for the confidence shown in the Company.

For and on behalf of the Board of Directors

Pune
Dated: 12th May 2015

D.K. Chhabria
Executive Chairman

Annexure A to the Directors' Report

Management Discussion and Analysis

1. BUSINESS OF THE COMPANY:

The Company operates in two main segments - Electrical Cables and Communication Cables.

To support its requirement of Copper Rods for both types of cables, the Company manufactures Continuous Cast Copper Rods (CCC rods), at its Rod Plant at Goa. A small part of this production of CCC rods is, however, sold to third party customers. The result from this operation is declared under the Copper Segment.

The Company's foray into the Lamps and Electrical Switches businesses is still in its early years and account for less than 5% of the Company's turnover and are hence reported as "Others" in the Segment Results.

1.1 Main Segments:

The Company is the leading domestic manufacturer of electrical and communication cables with a wide product range. The Company offers a 'Total Cable Solution'. The broad segmentation of the products manufactured by the Company is as follows:

Group	Product Covered	Application
Electrical Cables	1100 V PVC Insulated Cables	Electrification of industrial establishments, electrical panel wiring and consumer electrical goods
	Motor winding PVC insulated cables and 3 core flat cables	Submersible pumps and electrical motors.
	Automotive/battery cables	Wiring harness for automobile industry and battery cables for various applications
	UPS cables	For providing power from the UPS to the computer / appliances in the networking environment
	Heavy duty, underground, low voltage, power and control cables	Connection to the user point from main supply of power
	Heavy duty, underground, high voltage, power cable	Intra-city power distribution network
	Elevator cables	For use by Elevator industry
Communication Cables	Jelly filled telephone cables (JFTCs)	Telephone line connections to exchanges and Communication Cables
	Local area network (LAN) cables	Indoor and outdoor networking, voice and data Transmission, broadband usage.
	PE insulated telephone cables (Switchboard cables)	Telephone instrument connections to EPABX
	Coaxial cables	Cable TV network solutions, microwave communications, mobile towers.
	Speaker Cables	Meant for broadcasting applications in buildings & electronic goods.
	Optic Fibre	Principal raw material for Optic Fibre cables.
	Optic Fibre cables	For use in networks requiring high speed transfer of large bandwidth due to voice image and data transmission.
	V-SAT cables	For connecting V-SAT dish to base station.
	CCTV cables	For better quality of CCTV images
	Copper Rods	CCC rods of 8 mm diameter
Electrical Switches	Premium & classic switches, sockets, regulators, etc	Domestic lighting, hotels, shops, offices, corridors.
Lamps	Retrofit & non-retrofit CFL lamps as well as T5 Tube Lights and Fittings	Domestic lighting, hotels, shops, offices, corridors.

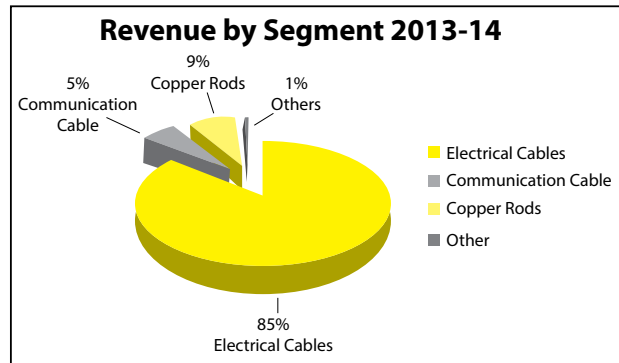
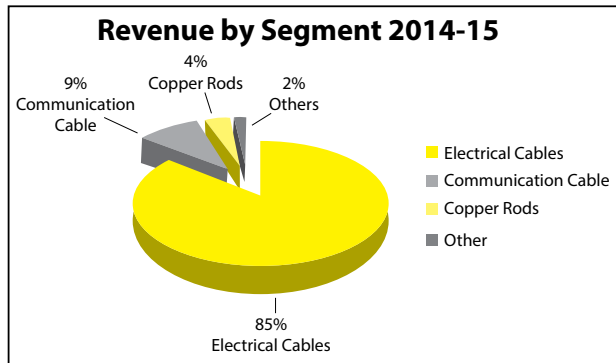


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The Company's product application range is thus for electrical usage, transmission of voice, data and images (contents) for domestic, commercial and industrial applications to electrical products, touching every person in his daily life.

1.2 Revenue Break up (including Excise Duty) :

Segment-wise revenue breakup for the last two years is as follows:



2. REVIEW OF OPERATIONS:

• Production:

- Electrical Cables at 50,716 MT as compared to 54,423 MT in the previous year.
- Metal based communication Cables at 5,607 MT as compared to 5,576 MT in the previous year.
- Optical Fibre Cables at 33,948 KM as compared to 31,023 KM in the previous year.

• Sales:

- Electrical Cables (including Excise Duty) at Rs.21,919 million as compared to Rs. 21,329 million in the previous year.
- Communication cables (including Excise Duty) at Rs.2,445 million as compared to Rs.2,272 million in the previous year.
- Copper Rods (net of interdivisional transfers and including Excise Duty) at Rs. 1,060 million as compared to Rs.1,187 million in the previous year.
- Exports were marginally higher at Rs. 545 million as against Rs. 501 million of the earlier year.
- The income from operations (including excise duty) was Rs.25,748 million for the year under review as compared to Rs.25,099 million for the earlier year.
- As mentioned during the previous year, the Power Sector in the country has been going through uncertain times. Capital investment in this sector has been minimal during the year. Further the stringent pre-qualification conditions imposed by utilities as well as the unrestricted imports from South East Asia have also been an impeding factor in order acquisition by the JV. It is estimated that the JV will become profitable only around 2016-17 and will need financial support in the form of equity infusion until then. While the long term outlook of the JV is positive, in the short term there continues to be an erosion of net worth in the JV.
- The Joint Venture with Corning SAS, Corning Finolex Optical Fibre Pvt. Ltd. has clocked sales of over Rs. 1,581 million in the year 2014-15 as against Rs 1043 million in the previous year. The operations are expected to be profitable going forwards.
- For more details on the operations, a reference may please be made to the financial statements.

3. KEY STRENGTHS:

- One of India's leading cable manufacturers.
- Has the widest range of cable products in both segments and is recognized as a "Total Cable Solutions" Company capable of designing cable solutions for every need.
- Acknowledged as a leader in technology with a strong emphasis on quality
- Has the widest distribution network, which is being further expanded
- Backward integrated in respect of its major materials – CCC Rods, PVC compounds, Optical Fibre and FRP rods which allow the Company a certain technical superiority over its competitor while providing a cost advantage as well.

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- A strong brand image and value – for long it has been the only cable company to hold the Super Brand status; the brand has also enabled the Company to market its products in overseas markets.
- Expanded into product segments that are complementary to the electrical cable market i.e. CFLs, LED lamps and electrical switches – this move has brought additional market reach at minimal cost expansion.

4. GROWTH DRIVERS:

The Company's position as the market leader is due to its persistent efforts and emphasis in the following areas:

Product quality

Continuous product improvement

Introduction of new products through in-house developments

Creating customer preferences

Competitive pricing and extremely competitive cost structure

Dynamic approach to situations

Strong and dependable distribution channel spread all over the Country.

5 BUSINESS ENVIRONMENT:

The segment-wise discussion on the markets which are served by the Company is as follows:

5.1 Electrical Cables:

Electrical cables can be further categorised into light duty electrical cables, power and control cables.

- (i) Light duty electrical cables include electrical wires used extensively for electrification of industrial establishments, electrical panel wiring in industrial establishments and major equipments, consumer durable goods, automobiles, agricultural pump sets, small generator applications besides general lighting purposes.
- (ii) In power cable category, the Company has the ability to manufacture such cables within the range 1.1 kV to 66 kV. These cables are high voltage cables designed in various constructions depending upon their applications; however, always meant for underground usage. Power and control cables upto 3.3 kV rating are used for connecting user point to the main supply of power. Power cables above 3.3 kV rating are meant for use in underground application for intra-city electricity distribution network. The Company manufactures insulated power cables only. These cables meet the requirements of international standards.

Performance:

For the year under review, this segment cables registered sales (including excise duty) of Rs.21,919 million against Rs.21,132 million of the previous year. It accounted for 85% of total sales for the year under review. Growth during the year was driven mainly by agricultural and construction applications. Both infrastructure and automobile sectors remained very subdued. Margins, however, were strong with EBITA at 13.6% for the year as against 12.7% in the earlier year.

Outlook:

Electrical cables are the main focus area of business for the Company. In the long term the outlook is positive – construction sector appears positive especially given the governments drive towards Housing For All by 2022; agricultural applications also appear positive and poised to continue on the growth shown in the previous years; automobile and infrastructure (power), however seem to be going through a slower growth path at this moment. In the long term, however, the outlook for the entire segment is positive, given the fact that sustained economic growth of the country depends on a robust and stable infrastructure.

The Company faces two principal risks in this business – firstly competition from a large unorganized sector which produces products of inferior quality but at cheap prices and secondly a highly volatile commodity market where price movements can be very sharp. The Company has been handling the risk of the competitive forces through its organized business approach, by the strength of its reach, superior quality products, safe products and maintaining high standards of service levels with its customers. The Company enjoys the advantages of economies of scale and backward integration. As and when GST is rolled out in the country, the Company believes the threat of a competitive force that relies on cheap quality and unfair trade practices will reduce further. As regards the risk of sharp raw material price movements, though the Company endeavors to pass on the price effect to the customers, there has always been a time lag between the price movement and the passing thereof. The Company negotiates price variation contracts with bulk buyers. The Company has been fair in dealing with its customers and accordingly enjoys customer confidence in pricing decisions.

5.2 Communication Cables:

The communication cables comprise of state of art, new generation communication cables and traditional telephone cables.

- (i) The state of art communication cables are either copper based or glass based. The copper based cables include LAN



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cables, coaxial cables, PE insulated switchboard cables and V-SAT cables. These cables are used for last mile connectivity. LAN cables are used in high speed networks, Coaxial cables are used to provide content input to TV receiving sets and in microwave communications and mobile towers, PE insulated switchboard cables are used to connect telephone instruments to an EPABX system and V-SAT cables find their application in V-SAT towers to connect the dish to the base station. Newer products include special cables that provide for both image capture as well as power solutions to CCTV cameras.

Optic Fibre cables are glass based cables and they have the maximum bandwidth and speed. Certain cable designs are used as trunk cables in long distance networks while other designs are used in distribution, whether by telecom companies, multi-service organisations or other service providers.

Communication cables which carry voice, data or images is the backbone of an economic activity. The speed and bandwidth determine the capabilities of a communication network.

- (ii) Traditional telephone cables include JFTCs which are laid underground and are used for connecting land line telephones to exchanges. These are copper based cables. With introduction of mobile telephones in India and due to substitution by optic fibre cables, JFTC business has lost its value. Nevertheless, JFTC continues to remain a preferred option for last mile connectivity in fixed line telephones. The demand for JFTCs will continue to remain modest. The Company would continue to manufacture JFTCs especially with broadband features for public sector and private sector telecom companies and to meet the export demand. The Company has the capability to make JFTCs as per customer's needs.

Performance:

The communication cables segment (including optic fibre) recorded sales of Rs.2,445 million for the year under review against Rs.2,264 million for the earlier year. During the first half of the year, the underutilised due to considerable delay in acquisition of a large government order. Subsequently, however, the utilisation factor improved. Hence margins were under pressure during a substantial portion of the year. EBITA levels for the year fell to 6.35% in this segment as compared to 13.7% in the previous year.

Outlook:

With the impetus from the Government in providing better and faster internet access to rural India, your Company believes that demand for communication products will be robust for the foreseeable future. The economic development requires inter-alia, a strong, dependable and sustainable communication network. Besides the programs being implemented by the Government, roll out of 4G services by private service providers will entail additional capital expenditure in the form of an optic fibre network. The Company's communication cables meet with the requirement of local as well as international standards and therefore, find ready acceptance with domestic customers as well as in the exports market. The outlook here is positive, both in the near as well as long term.

The risks of competition and copper price movements similar to the electrical cables business are also applicable to the business of communication cables. The varying global demand-supply equation of optic fibre and resultant price movement thereof; availability of preforms and price thereof and delay/slow-down in investment into networks by telecom companies/ service provider and other relevant entities due to global slow-down pose risk to the business of communication cables. Your Company's association with Corning Inc of USA, inventor of glass fibre, one of the world's leading glass and fibre manufacturer and having the largest market share in the world, would be beneficial in meeting technological and market based challenges.

5.3 Copper Rods:

Copper rod is the feed stock for copper based electrical and communications cables. The Company manufactures its own copper rods. The base material for producing copper rods is copper cathodes, the bulk of which are procured from local manufacturers under long term supply agreements. A smaller portion of the requirement of copper cathodes is imported as and when needed. After meeting the in-house requirement of copper rods, the balance capacity to produce copper rods is allocated for third party sale.

Performance:

The sales were Rs.7,015 million (previous year Rs.7,005 million) of which Rs.973 million were sales to third parties (previous year Rs.1,178 million) and balance was inter-divisional transfers. The trend of high premiums on cathodes Vs comparably lower premiums on copper rods continues and negatively impacts the sales of copper rods for the Company. This put severe pressure on margins related to sale of copper rods to third party – consequently Your Company restricted its sale of copper rods to already committed contracts or contracts where the margin levels were acceptable.

Outlook:

The copper rod production is mainly for in-house consumption. The Company's steps to set up new plants for cables as well as to expand the cable capacity at the existing plants will boost up the captive consumption of copper rods.

5.4 Electrical Switches and CFLs:

The manufacture and sale of these electrical products act as a logical extension of the cables business of the Company. They have the backing of Finolex name, assuring the customer of quality, safety and performance standards. These electrical and

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lighting products are sold through the existing well-spread distribution network of cables. Other distribution avenues are also being explored to penetrate further in the market. Products have been well accepted by the market.

On its part to contain the effects of global warming, the Government is promoting use of CFLs and now LED based lamps. Keeping in mind the expected growth in CFL demand the Company has built capacity in T3 and T4 type CFLs and has also launched the latest T5 tube lights and fittings in the market. As mentioned elsewhere in this report, there has been a shift in the customer preference towards LED based lamps especially in the lower wattage range – the price differential between CFL and LED based lamps is the lowest in this category. In view of this change, it was decided to impair one of the manufacturing lines within the CFL facility. Accordingly a cost of Rs 7.6 million has been charged to the income statement this year.

5.5 Summary:

The Company's main businesses are core to development of infrastructure. As the country marches ahead towards attaining the status of being a developed nation, it is natural that the demand for the products produced and marketed by your Company would grow. With the focus being on supplying products of superior quality at a price that is attractive to the customer, backed by the distribution reach that the Company has it is but a logical conclusion that the future holds vast promise. The Company is committed to expanding its business activities in an optimal manner. The Company has resources available at its disposal to implement and realize its business goals.

6. OPPORTUNITIES AND THREATS:

Your Company has adequate production capacity to meet an increase in demand. Restart of mining activity, government policy on infrastructure development & digitalization of rural India is expected to lead to an increase in demand for power & communication cables.

Competition and high volatility in copper price remain as threats.

7. FINANCIAL REVIEW:

Summary of Statement of Profit and Loss is given below.

	2014-15	2013-14	(Rs in million) Inc/Dec %
INCOME			
Revenue From Operations (Net)	24,490.9	23,590.4	3.8
Other Income	584.7	483.5	20.9
Total	25,075.6	24,073.9	4.2
EXPENDITURE			
Material Costs	18,236.8	17,656.1	3.3
Employee Benefit Expense	939.6	848.3	10.8
Finance Costs	136.5	144.8	(5.7)
Depreciation, Amortization and Impairment	639.7	484.3	32.1
Other Expenses	2,716.8	2,604.1	4.3
Total	22,669.3	21,737.6	4.3
Profit Before Exceptional and Extraordinary Items	2,406.2	2,336.3	3.0
Exceptional Items - Income / (Expenses)	225.2	103.8	117.0
Profit Before Tax	2,631.4	2,440.1	7.8
TAX EXPENSE			
Current Tax	618.7	412.8	0.5
Deferred Tax	26.2	(49.5)	(152.9)
Profit After Tax	1,986.6	2,076.8	0.0
Basic Earnings per Share	13.0	13.6	

Revenues:

In terms of revenue, the year under review saw only a marginal growth over the previous year

Costs:

- **Material Cost** Your Company could contain material cost to almost same level as previous year irrespective of high volatility in copper prices during the year
- **Staff Cost** Employee expenses increased in proportion to inflation as well as on account of new hires. Further, a reduction in general interest rates led to an additional retiral contribution.



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- **Other expenses** Higher spends on advertisements and product promotions resulted in a marginal increase.
- **Depreciation** for the year increased by 0.6%. This increase was mainly due to provisioning requirements as per revised useful life prescribed by the Companies Act, 2013.
- **Finance Cost** decreased marginally during the year.

The shareholders' funds as at March 31, 2015, after providing for dividend including distribution tax of Rs 331 million, stood at Rs 12,648 million, which is an increase of Rs 1,614 million over March 31, 2014.

Summary of Statement of Balance Sheet is given below.

(Rs in million)

	2014-15	2013-14	Inc/Dec %
SOURCES OF FUNDS			
Shareholder's Fund	12,648.1	11,033.7	14.6
Non-Current Liabilities	866.4	1615.3	(46.4)
Current Liabilities	2,823.2	2,990.7	(5.6)
Total	16,337.6	15,639.7	4.46
APPLICATION OF FUNDS			
Fixed Assets	4,704.5	5,065.4	(7.1)
Investments	2,256.6	2,260.8	(0.2)
Loans & other Non-Current Assets	235.5	312.6	(24.7)
Current Assets	9,141.1	8,000.9	14.3
Total	16,337.6	15,639.7	4.5

- **Capital Expenditure and Investments** During the year, Your Company incurred Rs 371 million towards capital expenditure, predominantly towards increasing the co-axial and LAN capacities. Your Company invested Rs 122.5 million in M/s Finolex J-Power Systems Limited, the Joint Venture with J-Power Systems Corporation.
- **Liquidity** Your Company continued with the "cash and carry" system of sales for all retail customers during the year. For Institutional & OEM customer the Company continued with credit period mutually agreed as per purchase order contract. Your Company manages its liquidity through rigorous weekly monitoring of cash flows.
- **Profitability** Your Company's profit before tax improved due to increase in volumes in the financial year 2014-15, tighter control on material cost and operating expenses.

Presently, your Company's debts have been rated by CRISIL. Details are as follows:

Agency	Long Term Loan	Short Term Loan
CRISIL	AA+	A1+

During the year, Your Company has serviced all its debt obligations on time.

- **Results of Operations** Your Company registered a net cash inflow of Rs 1,831 million from its operations as compared to Rs 2,244 million generated last year. Further your Company repaid Foreign Currency Loan Rs 200 million during the year.

Profit before tax and exceptional items stood at Rs 2,406 million as against a Rs 2,336 million in last year.

After reckoning for a current and deferred tax liability of Rs 645 million, Profit after tax for the current year stood Rs 1,987 million which is marginally lower than the previous year's Rs 2,077 million. The difference in the tax outgo during the year as compared to the previous year is due to additional credits that were available to the Company in the previous year that became receivable consequent to completion of earlier assessments.

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- Cash flow statement

Rs in million

	2014-15	2013-14	Inc/Dec %
Profit from operations before tax	2,631.4	2,440.1	7.8
(Inc) / Dec in Net working capital	(800.2)	(196.2)	307.8
Net cash flow from operating activities	1,831.3	2,243.9	(18.4)
Payment for acquisition of assets - net	(320.8)	(952.7)	(66.3)
Cash outflow for investing activities	213.1	162.5	31.1
Proceed from long term assets & investment	419.8	118.5	254.3
Cash outflow for financing activities	(400.6)	(610.5)	(34.4)
Net cash inflow / (outflow)	1,742.7	961.7	81.2

- The Year Ahead: With additional focus on infrastructure building, policy on Housing for All by 2022 and the Digital India move, it is expected that demand for products dealt in by your Company will improve and continue to grow. Your Company is positioned to capture the demand surge as it happens.

8. RISK MANAGEMENT:

The Company has a Risk Management Manual in place that defines the policies, lays out the strategies and methodology to decide on the risk taking ability of the organization.

The Company constantly reviews its exposure to various types of risk, whether it be regulatory, operational, environmental, financial or political. The Company has in place adequate systems to ensure compliance with all regulatory and statutory matters, reviews the same on a periodic basis and takes appropriate corrective action when necessary. Operationally, our Company does not depend on a single vendor for any of its major raw materials. It has in place a well-defined practice on the levels of inventory that need to be maintained which while ensuring customer serviceability also ensures minimal stock holdings together with a clearly documented practice where credit risks are analysed prior to taking exposures with customers etc.

9 INTERNAL CONTROL SYSTEM:

In line with the size and nature of its operations, the Company has designed a system of internal controls that provides for:

- Accurate recording of its transactions with checks and balances built in;
- Prompt reporting;
- Adherence to applicable Accounting Standards and Policies;
- Compliance with applicable laws, statutes, as well as internal procedures and practices; and
- Safeguarding of assets and their proper usage

The Company has appointed outside agency to develop tools to monitor its Internal Control System. This will be implemented in the next financial year. The Company regularly conducts internal audits in respect of the above by using both in house resources as well as external consultants. The reports from these teams are reviewed by the management regularly and corrective actions are taken. Further, the Audit Committee of the Board meets once every quarter to consider and review the audit reports submitted by the internal audit teams and discusses the corrective actions needed with management.

The Audit Committee met 9 times during the year under review.



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Annexure B to the Directors' Report

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of transparency, accountability and propriety in the total functioning of the Company and in the conduct of its business internally and externally, including its interactions with employees, members, deposit holders, creditors, consumers and institutional and other lenders.

The Company believes that its systems and actions must be dovetailed for enhancing the performance and shareholder value in long term.

The Company has adopted certain practices to achieve good corporate governance; the salient ones being fairness and transparency in dealings, accountability for performance, effective management control by the Board of Directors of the Company (the "Board"), constitution of Board Committees as a part of internal control system, fair representation of professional, qualified, non-executive and independent directors on Board, adequate and timely disclosure of financial and other information and prompt discharge of statutory obligations and duties. The Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct has been hosted on the website (<http://www.finolex.com>) of the Company.

2. BOARD OF DIRECTORS :

2.1 Constitution of the Board:

- The Company believes that a diverse Board will further enhance the quality of the decisions made by the Board by utilizing the different skills, qualifications, professional experience, gender, knowledge, etc. of the members of the Board, necessary for achieving sustainable and balanced development.
- The composition of the Board with reference to the number of executive and non-executive directors, amply meets the requirement of Code of Corporate Governance.
- Out of Eleven Directors, there is one promoter executive Director namely Mr. D. K. Chhabria, Executive Chairman, one promoter non executive Director namely Mr. P. P. Chhabria, Director Advisor, one non-promoter executive Director namely Mr. Mahesh Viswanathan designated as "Executive Director and Chief Financial Officer" and one non-promoter non-executive Woman Director, Mrs. Namita V Thapar who was appointed as an Additional Director on the Board with effect from 8th November 2014.
- The majority of Directors on the Board are independent directors. There are seven independent non-executive Directors, namely Dr. H. S. Vachha, Mr. Atul C. Choksey, Mr. Sanjay K. Asher, Mr. P. G. Pawar, Mr. S.B. (Ravi) Pandit, Mr. P. R. Rathi and Mr. A. J. Engineer. The independent directors are all eminent persons having expertise and many years of experience in their respective fields. None of the independent directors are related to the promoters and neither collectively nor individually do they hold two percent or more of the total voting power of the Company.

2.2 Meetings:

Board meetings are held at least four times during the year coinciding with the presentation of each quarterly financial results. During the last financial year four Board Meetings were held i.e. on 8th May, 2014, 8th August, 2014, 8th November, 2014 and 12th February 2015.

Attendance at meetings of the Board and last Annual General Meeting (AGM) and details of membership of Directors in other companies' Boards and their committees, is set out below:

Names of Directors	No. of Board meetings attended during the year 2014-15	Whether attended last AGM held on 9th September 2014	No. of Directorship(s) as on 31.03.2015		No. of Membership(s) / Chairmanship(s) of Board Committees as on 31.03.2015	
			Public Companies	Private Companies	as Member	as Chairman
Mr. D K Chhabria	4	Yes	2	2	1	Nil
Mr. P P Chhabria	4	Yes	2	7	1	Nil
Dr. H S Vachha	4	Yes	8	1	10	4
Mr. Atul C Choksey	2	No	9	4	1	1
Mr. Sanjay K Asher	4	Yes	9	10	4	3
Mr. P G Pawar	3	Yes	5	9	4	3
Mr. S B (Ravi) Pandit	2	Yes	5	5	2	Nil
Mr. Pradeep R Rathi	4	Yes	8	4	4	1
Mr. Adi J Engineer	4	Yes	2	-	1	Nil
Dr. Vikas G Pai *	2	No	-	-	-	-
Mr. Mahesh Viswanathan	4	Yes	1	1	2	1
Ms. Namita V Thapar **	1	NA	2	-	-	-

* Retired by rotation at last AGM held on 9th September, 2014

** Appointed as an Additional Director (Woman Director) w.e.f. 8th November, 2014

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In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, memberships/chairmanships of only the Audit Committee and Share Transfer/ Stakeholders Relationship Committees of all public limited companies (excluding those of the Company), have been considered.

2.3 Remuneration to Executive Directors:

(Amount Rs.)

Particulars	Mr. D K Chhabria Executive Chairman	Mr. Mahesh Viswanathan Executive Director & CFO
Salary and Allowances	7,500,000	6,618,000
Contribution to Provident and Superannuation Funds	2,025,000	1,264,800
Other Perquisites	7,499,756	1,216,946
*Commission/**Incentive	* 56,250,000	** 7,500,000
Total	73,274,756	16,599,746

Notes:

- 1) There was no scheme of "Employee Stock Options" during the year.
- 2) The above does not include contributions to group gratuity fund as the contributions/ benefits are on group basis.
- 3) In the case of Mr. D K Chhabria and Mr. Mahesh Viswanathan, the service contracts are for a period of five years from the date of appointment. Notice period/severance fees applicable is 180 days for Mr. D.K. Chhabria and 90 days in case of Mr. Mahesh Viswanathan.
- 4) Performance is evaluated by the Nomination and Remuneration Committee, which, inter alia, considers and recommends payment of commission/ incentive based on the performance of the Company and contemporary practices in the industry. The recommendations of the Committee are further considered by the Board and a collective decision taken without participation of interested Directors.

2.4 Remuneration to Non-Executive Directors:

Non Executive Directors are entitled to sitting fees for attending each meeting of the Board or any Committee(s) of the Board and profit related commission. The details of payment of fees, sitting fees and commission to Non Executive Directors for the financial year 2014-15 is set out below:

Name of Non-Executive Director	Advisory Fees	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)	Shareholding (in Nos. of shares) of Non-Executive Directors in the Company	Remarks
Dr. H.S. Vachha	-	210,000	650,000	860,000	-	
Mr. P P Chhabria	30,000,000	150,000	450,000	30,600,000	100	
Mr. Atul C. Choksey	-	30,000	450,000	480,000	-	
Mr. Sanjay K. Asher	-	315,000	450,000	765,000	12,395	Joint holder
Mr. P. G. Pawar	-	255,000	450,000	705,000	-	
Mr. S.B. (Ravi) Pandit	-	30,000	450,000	480,000	-	
Mr. P.R. Rathi	-	330,000	450,000	780,000	-	
Mr. A.J. Engineer	-	60,000	450,000	510,000	-	
Dr. Vikas G Pai	-	30,000	*225,000	255,000	23,500	
Ms. Namita V Thapar	-	15,000	*112,500	127,500	-	
Total	30,000,000	1,425,000	4,137,500	35,562,500		

* Proportionate to tenure on the Board in the year

- (a) Sitting fees paid to each non-executive Director are uniform @ Rs.15,000 for attending each meeting of the Board/ Committee thereof. The sitting fees was approved by the Members at the Annual General Meeting held on 5th July, 2005.
- (b) Commission as may be decided by the Board but not exceeding one percent of the net profits of the Company as per the provisions of Section 197 of the Companies Act, 2013 or Rupees Fifty Lakhs, which ever is less, which is the ceiling limit approved in this regard by the members at the Annual General Meeting held on 9th September, 2014 is payable to non



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executive Directors. The said commission, as may be determined by the Board each financial year, is payable to non executive Directors. Such commission is divisible amongst such Directors in such proportion as the Nomination and Remuneration Committee may recommend and be approved by the Board.

- (c) The contract with Mr. P. P. Chhabria, Director Advisor is for a period of three years with effect from 6th August, 2013 and notice period / severance fees applicable is 180 days.

2.5 Information placed before the Board:

The information placed before the Board is as follows:

- (a) Annual operating plans and budgets, revisions and updates, if any.
- (b) Capital budgets with revisions and updates, if any.
- (c) Quarterly (including periodic) results of the Company and its operating divisions / business segments.
- (d) Minutes of the meetings of Audit and other Committees of the Board.
- (e) The information on recruitment and remuneration of senior officers below the Board level, including appointment or cessation of office by Chief Financial Officer and Company Secretary.
- (f) Show cause, demand and prosecution notices, which are materially important.
- (g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- (h) Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- (i) Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- (j) Details of any joint venture or collaboration agreement.
- (k) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- (l) Industrial relationship issues of material nature and proposed remedial actions. All significant developments in Human Resources / Industrial Relations.
- (m) Transactions of material nature of buying and selling of investments, or undertaking/assets, which are not in normal course of business.
- (n) Quarterly reports on foreign exchange exposure and the steps taken by the Management to manage the risks of adverse exchange rate movement, if material.
- (o) Status on compliance with all regulatory, statutory and material contractual requirements.
- (p) Details of delegation of authorities to executives and Powers of Attorney issued.

3. AUDIT COMMITTEE:

Constitution and Composition:

The Audit Committee which was formed in February 1997, presently comprises of four independent non-executive Directors, namely Dr. H.S. Vachha (Chairman of the Committee), Mr. Sanjay K. Asher, Mr. P.R. Rathi (Alternate Chairman) and Mr. P.G. Pawar. Mr. R. G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Terms of reference:

The Audit Committee acts as a link between the management, external and internal auditors and the Board. The Audit Committee oversees the financial reporting process of the Company and provides direction to the Audit function besides monitoring the scope and quality of internal and statutory audit.

The brief terms of reference of the Audit Committee include-

- 1) Review of the Company's financial reporting process and financial statements,
- 2) Review of accounting and financial policies and practices,
- 3) Review of internal control and internal audit systems,
- 4) Discussion with internal auditors and statutory auditors on any significant findings and follow-up thereon,

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- 5) Reviewing the Company's financial and risk management policies, including foreign exchange related risks,
- 6) To investigate any activity within its terms of reference,
- 7) To seek information from any employee,
- 8) To obtain outside legal or other professional advice,
- 9) To secure attendance of outsiders with relevant expertise, if it considers necessary,
- 10) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible,
- 11) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees,
- 12) Approval of payment to statutory auditors for any other services rendered by the statutory auditors,
- 13) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134 (3)(c) of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same,
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management,
 - (d) Significant adjustments made in the financial statements arising out of audit findings,
 - (e) Compliance with listing and other legal requirements relating to financial statements,
 - (f) Disclosure of any related party transactions,
 - (g) Qualifications, if any, in the draft audit report,
- 14) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval,
- 15) Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems,
- 16) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit,
- 17) Discussion with internal auditors any significant findings and follow up thereon,
- 18) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board,
- 19) Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern,
- 20) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, members (in case of non payment of declared dividends) and creditors,
- 21) The Audit Committee also oversees and reviews the functioning of the vigil mechanism, which includes fraud risk management and whistle blower policy implemented by the Company and review of cases of material nature, if any, and actions taken in this respect.
- 22) The Audit Committee shall mandatorily review the following information:
 - (a) Management discussion and analysis of financial condition and results of operations,
 - (b) Statement of significant related party transactions (as defined by the Audit Committee),
 - (c) Management letters/ letters of internal control weaknesses issued by the Statutory Auditors,
 - (d) Internal audit reports relating to internal control weaknesses, and
 - (e) The appointment, removal and terms of remuneration of the Chief Internal Auditor.



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Meetings and Attendance:

The Audit Committee has met nine times during the financial year ending 31st March 2015, as against the minimum requirement of four meetings i.e. on 19th April, 2014, 8th May, 2014, 8th August, 2014, 20th September, 2014, 7th November, 2014, 8th November, 2014, 11th February, 2015, 12th February, 2015 and 30th March 2015. The necessary quorum was present for each of the meetings of the Committee. The following table sets out the attendance of Audit Committee members:

Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Dr. H S Vachha	Chairman	Independent	9 out of 9
2	Mr. Sanjay K Asher	Member	Independent	8 out of 9
3	Mr. P R Rathi	Member	Independent	8 out of 9
4	Mr. P G Pawar	Member	Independent	7 out of 9

The Company has an internal audit department which carries out internal audit as per the annual plan approved. The internal audit report and action taken on audit recommendations/ suggestions are regularly reviewed by the audit committee. In addition the Company has appointed M/s Ernst & Young LLP a leading firm of Chartered Accountants, as external internal auditor for carrying out specialized internal audit as per the detailed programme approved for strengthening the financial controls and checks and balances built into the SAP system of the Company.

The concerned partners/representatives of the Statutory Auditors, Cost Auditors, Internal Auditors and the Executive Directors/ functional heads/executives of Finance, Accounts, Secretarial, Systems departments of the Company attend Audit Committee Meetings. The Statutory Auditors attended eight meetings of the Audit Committee held in financial year ending 31st March, 2015. The Cost Auditors generally attend the meetings when matters concerning Cost Audit are dealt with by the Audit Committee and they attended one meeting of the Audit Committee in financial year ending 31st March, 2015.

The date of the meeting of the Committee held for considering finalization of accounts for the year ending 31st March, 2015 was 12th May, 2015.

The due date for filing of Cost Audit Report for the financial year ending 31st March, 2014 in XBRL format was 27th September, 2014 and the Company has filed the same within the said prescribed date.

4. NOMINATION AND REMUNERATION COMMITTEE:

Constitution and Composition:

In view of the importance given by the Company to good corporate governance a Remuneration Committee was constituted by the Board at its meeting held on 21st October, 2000.

At its meeting held on 8th May 2014 the Board changed the nomenclature of the Committee to "Nomination and Remuneration Committee" as also its role to align the same with the provisions of the Companies Act, 2013 and applicable Rules framed thereunder. The Committee presently comprises of three independent and non-executive Directors namely Mr. P.R. Rathi (Chairman), Mr. Sanjay K. Asher and Mr. P.G. Pawar, Members.

Terms of reference:

The Remuneration Committee has been set up to determine on behalf of the Board and on behalf of the members with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors including pension rights, any compensation payment and recommendation in respect of commission, if any, payable to non-executive Directors.

The role of the Nomination and Remuneration Committee includes the following:

- (a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with criteria laid down.
- (b) To recommend to the Board their appointment and removal.
- (c) To carry out evaluation of every Director's performance.
- (d) To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- (e) To recommend to the Board a Remuneration Policy relating to the remuneration for Directors, key managerial personnel and other employees and also device a policy on Board diversity.
- (f) While formulating the Remuneration Policy the Committee shall ensure that:-
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and

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- remuneration to Directors, key managerial personnel, senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(g) approve/decide any matters/issues incidental/necessary or connected with the aforesaid premises.

Mr. R.G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Meetings and Attendance:

The Committee has met on 8th May 2014 and 7th November, 2014 during the financial year ended 31st March 2015. Mr. P. R. Rathi and Mr. Sanjay K. Asher attended both the meetings. Mr. P.G. Pawar attended one meeting of the Committee.

5. SHARE TRANSFER-CUM-STAKEHOLDERS RELATIONSHIP COMMITTEE:

Constitution and Composition:

At its meeting held on 8th May 2014 the Board changed the nomenclature of the Committee to "Share Transfer-cum-Stakeholders Relationship Committee" as also its role to align the same with the provisions of the Companies Act, 2013 and applicable Rules framed thereunder.

The Share Transfer-cum-Stakeholders Relationship Committee presently comprises of two executive Directors [namely: Mr. D.K. Chhabria and Mr. Mahesh Viswanathan and one non executive Director (namely: Mr. P.P. Chhabria)] and three independent, non-executive Directors (namely Mr. P.G. Pawar, Mr. Sanjay K. Asher and Mr. P. R. Rathi). Mr. P.G. Pawar an independent and non-executive Director is the Chairman of the Committee.

The Board has designated Mr. R.G. D'Silva, Company Secretary & President (Legal) as the Compliance Officer.

Terms of reference:

The Committee in addition to considering matters of share transfers oversees redressal of shareholders' and investors' complaints/grievances and recommends measures to improve the level of investor services.

The role of the Share Transfer-cum-Stakeholders Relationship Committee includes the following:

- (a) To resolve the grievances of securityholders of the Company including complaints related to transfer/transmission of shares, non receipt of balance sheet, non receipt of declared dividends, etc.
- (b) To attend to transfer of securities formalities at least once in a fortnight, as may be required.
- (c) To redress securityholders complaints/grievances and recommend measures to improve the level of investors/stakeholders services.
- (d) To approve/decide any matters/issues incidental/necessary or connected with the aforesaid premises.

Meetings and Attendance:

The Committee meets as and when required, depending on the receipt of requests for share transfers, etc from members and there were six meetings held during the year. The majority of the members of the Committee attended all six meetings held during the year.

Two Complaints for non receipt of Annual Report for the year 2013-14 were received from members during the year and no complaint was outstanding as on 31st March 2015.

6. CORPORATE SOCIAL RESPONSIBILITY ("CSR") COMMITTEE:

Constitution and Composition:

The Corporate Social Responsibility Committee (CSR Committee) was constituted by the Board at its meeting held on 8th May 2014. The CSR Committee comprises of three Directors namely: Mr. P R Rathi, Independent Director and Chairman of the Committee, Mr. D K Chhabria, Executive Chairman and Mr. Mahesh Viswanathan, Executive Director and Chief Financial Officer. The composition of the CSR Committee, its terms of reference and activities are in line with the requirements of the Companies Act, 2013 (The "Act") read with the applicable Rules of Companies (Corporate Social Responsibility Policy) Rules, 2014.

Mr. R G D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Terms of reference:

The terms of reference of the CSR Committee are as follows:

- (a) Formulate and recommend to the Board, CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- (b) Recommend the amount of expenditure to be incurred on CSR activities.
- (c) Monitor the CSR Policy of the Company from time to time by instituting a transparent monitoring mechanism for implementing CSR Projects.



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- (d) ensure that the Company's CSR policy and activities are in due compliance with the provisions of the Companies Act, 2013 and Rules framed thereunder, Memorandum of Association and Articles of Association of the Company and all other laws, regulations and guidelines as may be or become applicable in this regard;
- (e) approve/decide any other matters/issues incidental/necessary or connected with the aforesaid premises and to settle all questions, difficulties or doubts that may arise in relation to the implementation of the CSR Policy and/or activities of the Company;
- (f) meet from time to time for purpose of considering the aforesaid matters, forward the Committee's recommendations on CSR activities for due consideration of the Board and cause the tabling of the minutes thereof at the next meeting of the Board, and
- (g) Review and comply with the requirements of the provisions of the Act, Companies (Corporate Social Responsibility Policy) Rules, 2014 and periodical disclosure requirements.

The CSR Committee has formulated a Corporate Social Responsibility Policy ("CSR Policy") which has been approved by the Board. The CSR Policy has been placed on the website of the Company <http://www.finolex.com>.

Meetings and Attendance:

The CSR Committee has met twice in the financial year i.e. on 8th August 2014 and 12th February 2015. Mr. P R Rathi, Chairman, Mr. D K Chhabria and Mr. Mahesh Viswanathan, Members attended both the meetings.

7. RISK MANAGEMENT COMMITTEE

Constitution and Composition:

The Board has, at its meeting held on 8th November 2014, constituted the Risk Management Committee of the Company. The Committee consists of Dr H S Vachha, Independent Director as Chairman of the Committee, Mr Sanjay K Asher, Independent Director as Member, Mr D K Chhabria, Executive Chairman as Member and Mr. Mahesh Viswanathan, Executive Director and Chief Financial Officer as Member. The constitution of the Committee meets the requirements of the Companies Act, 2013 and of Clause 49 of the Listing Agreement.

Mr. R G D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Terms of reference:

The Role and responsibilities of the Committee includes the following:

- (a) The Committee has a primary responsibility and accountability to the Board to use its best efforts to ensure that the Company's risk management framework is properly managed and improved on a regular basis so as to protect the Company's interests and enhance its risk mitigating effort to meet its risk management objectives;
- (b) The Committee shall consider matters relating to the identification, assessment, monitoring and management of risks associated with the operations of the Company. The Committee shall also examine any other matters referred to it by the Board and/or the Executive Chairman of the Company;
- (c) The Committee has oversight of the development and implementation of internal control systems and procedures to manage risks;
- (d) The Committee to assess and monitor the effectiveness of controls instituted;
- (e) Review and making of recommendations to the Board in relation to risk management, overall current and future risk appetite and risk management strategy suitable for the Company;
- (f) Oversight of implementation of risk management strategy by the Senior Management/Functional Heads or Heads of Department of the Company and their performance in this regard;
- (g) Review and constructive analysis of the proposals and decisions on all aspects of risk management arising from the Company's operations;
- (h) Assessing and reporting to the Board on any material changes to the risk profile of the Company;
- (i) Reporting to the Board in connection with the Company's annual risk management reporting responsibilities to be given in the Board's Report attached to the financial statement of the Company in the format prescribed, if any, and
- (j) Monitoring the risks associated with all material outsourcing arrangements, if any, by the Company.

Meetings and Attendance:

The Committee has met once during the financial year ending 31st March 2015 and the Chairman and all Members of the Committee attended the said meeting.

The Management Discussion and Analysis Report provides information on the principle risks faced by the Company and the strategies, procedures and efforts to contain/mitigate risks.

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Evaluation of risks faced in the business of the Company, assessment of issues, the strategy and measures to be undertaken to mitigate risks to the extent possible, is a continuous on going process and these aspects are periodically examined by the Committee and by the Board as part of the risk management strategy of the Company.

8. GENERAL BODY MEETINGS:

Location and time for last three Annual General Meetings:

Year	Location	Date	Time	Whether any special resolution passed therein
2011-12	Acharya Atre Rangmandir Sant Tukaramnagar, Pimpri, Pune - 411 018	14th August, 2012	12.00 a.m.	No
2012-13	Acharya Atre Rangmandir Sant Tukaramnagar, Pimpri, Pune - 411 018	28th June, 2013	11.30 a.m.	Yes
2013-14	Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019	9th September, 2014	11.30 a.m.	Yes

(a) No special resolution was passed through postal ballot last year and no such resolution is proposed to be passed by postal ballot this year.

9. INDEPENDENT DIRECTORS' MEETING

Section 149(8) of the Companies Act, 2013 has prescribed the Code for independent directors in Schedule IV for every company that has independent directors. Clause VII of this Schedule requires every company to convene a separate meeting of the independent directors.

During the year, the independent directors met on 12 February, 2015, to:

- Review the performance of non-independent directors and the Board as a whole;
- Review of performance of the Chairman; and
- Assess quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent directors were present at the meeting except for Mr S B (Ravi) Pandit who had expressed his inability to attend the said meeting.

10. DISCLOSURES:

- a) Disclosures regarding materially significant related party transactions:
For details please refer Note No. 36 of Notes forming part of the Accounts.
- b) There were no instances of non-compliance or penalty, strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital markets, during the last three years.
- c) The Company has complied with the mandatory requirements of corporate governance under Clause 49 of the Listing Agreements with the Stock Exchanges.
- d) The non-mandatory requirements have not been adopted as a formal policy except for Nomination and Remuneration Committee as set out in Item 4 above.

11. MEANS OF COMMUNICATIONS:

- (a) The quarterly results of the Company are published in leading newspapers viz, normally Hindu Business Line (all editions) and Lokmat (Pune edition) and also displayed on the corporate website (<http://www.finolex.com>). Official news/media releases, blank forms/formats for convenience of members and other information of the Company are uploaded on its said website and where relevant are also informed to the stock exchanges for taking the same on record. The management provides detailed analysis of Company's operations, which forms a part of the Annual Report.
- (b) National Stock Exchange of India Limited (NSE) Electronic Application Processing System (NEAPS): NEAPS is a web based application designed by NSE for corporates. In addition to being uploaded on the Company's corporate website the Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS on a quarterly basis for information of stakeholders.



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(c) Securities and Exchange Board of India (SEBI) Complaints Redress System (SCORES): Investor complaints are processed in centralized web based complaints redressal system, which provides for centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its status.

(d) Investor Services Email ID: The Company has designated an Email ID namely Investors@finolex.com exclusively for investor servicing.

12. SHAREHOLDER INFORMATION:

The Annual report includes financial statements, key financial data and detailed information in the Management Discussion and Analysis and Shareholders'/Debtenture holders information sections.

13. CODE OF CONDUCT:

The Board had laid down a code of conduct for all Board members and senior management of the Company. The Code of Conduct anchors ethical and legal behaviour within the Company. The Code of Conduct has been hosted on the website (<http://www.finolex.com>) of the Company. The Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under review.

Declaration:

Based on the affirmations received from the Board members and senior management personnel, the Executive Chairman of the Company has signed the following certificate:

To the Members of

Finolex Cables Limited

I, D K Chhabria, Executive Chairman of the Company, hereby certify that the Board members and senior management personnel have affirmed that they have complied with the Code of Conduct of the Company for the financial year ending March 31, 2015.

Place : Pune

Date : 12th May, 2015

Sd/-

D K Chhabria

Executive Chairman

Annexure C to the Directors' Report Auditors' Certificate on Corporate Governance

To the Members of

FINOLEX CABLES LIMITED

We have examined the compliance of conditions of corporate governance by Finolex Cables Limited (the Company) for the year ended on 31st March, 2015 as stipulated in clause 49 of the Listing Agreements (as modified and in force from time to time) entered into with National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE).

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 the above mentioned Listing Agreements.

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

For B. K. KHARE & CO.
Chartered Accountants
Firm Registration No. 105102W

Sd/-

NARESH KUMAR KATARIA

Partner

Membership No. 37825

Place : Pune

Date : 12th May, 2015

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Annexure D to Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L31300MH1967PLC016531
ii	Registration Date	5th June, 1967
iii	Name of the Company	Finolex Cables Limited
iv	Category/Sub-category of the Company	Public Company / Limited by Shares
v	Address of the Registered office and contact details	26-27, Mumbai - Pune Road, Pimpri, Pune - 411 018 Tel No. (020) 27475963 Facsimile : (020) 27470344, E-Mail : sales@finolex.com
vi	Whether listed company	Yes
vii	Name, Address and contact details of Registrar and Transfer Agent, if any.	M/s. Sharepro Services (India) Pvt. Ltd. 3, Chintamani Apartments, Lane No. 13, Off. V G Kale Path, 824/D, Bhandarkar Road, Pune - 411 004. Tel No. (020) 25662855 Facsimile : (020) 25662855, E-Mail : sharepropune@vsnl.net

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company (ie. Gross turnover)"
1	Electrical Cables	3610	85.10%
2	Communication Cables	3610	9.50%
3	Copper Rods	3493	3.80%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	Finolex Industries Limited Gat No. 399, Village : Urse, Taluka : Maval, Dist : Pune - 410 506	L40108PN1981PLC024153	Associate	32.39%	S-2(6)
2	Finolex J-Power Systems Limited 26/27, Mumbai - Pune Road, Pimpri, Pune - 411 018	U31300PN2008PLC131238	Associate (JV)	49.00%	S-2(6)
3	Corning Finolex Optical Fibre Pvt Ltd. D-237, MIDC Phase - II, Chakan Industrial Area, Varale, Ta : Khed, Chakan - 410 501	U74900PN2011PTC139393	Associate (JV)	50.00%	S-2(6)



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IV. SHAREHOLDING PATTERN (Equity Share capital Break up as percentage to total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	7,875,300	0	7,875,300	5.15%	7,875,000	0	7,875,000	5.15%	0.00%
b) Central Govt.	0	0	0	0	0	0	0	0	0.00%
c) State Govt (s)	0	0	0	0	0	0	0	0	0.00%
d) Bodies Corporates	46,966,170	0	46,966,170	30.71%	46,966,170	0	46,966,170	30.71%	0.00%
e) Bank/FI	0	0	0	0	0	0	0	0	0.00%
f) Any other	0	0	0	0	0	0	0	0	0.00%
Sub Total:(A) (1)	54841470	0	54,841,470	35.86%	54,841,170	0	54,841,170	35.86%	0.00%
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0.00%
b) Other Individuals	0	0	0	0	0	0	0	0	0.00%
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00%
d) Banks/FI	0	0	0	0	0	0	0	0	0.00%
e) Any other...	0	0	0	0	0	0	0	0	0.00%
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0.00%
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	54841470		54,841,470	35.86%	54,841,170	0	54,841,170	35.86%	0.00%
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	13,246,270	12,450	13,258,720	8.67%	17,943,712	12,450	17,956,162	11.74%	3.07%
b) Banks/FI	2,952,351	11,500	2,963,851	1.94%	1,606,183	11,500	1,617,683	1.06%	-0.88%
c) Central Govt	0	0	0	0	0	0	0	0	0.00%
d) State Govt (s)	0	0	0	0	0	0	0	0	0.00%
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00%
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00%
g) FIs	8,402,468	16,850	8,419,318	5.51%	14,757,340	16,850	14,774,190	9.66%	4.16%
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub Total (B)(1):	24601089	40800	24641889	16.11%	34,307,235	40,800	34,348,035	22.46%	6.35%
(2) Non Institutions									0.00%
a) Bodies corporate	27,054,692	28,355	27,083,047	17.71%	25,030,404	22,355	25,052,759	16.38%	-1.33%
i) Indian	0	0	0	0	0	0	0	0	0.00%
ii) Overseas	0	0	0	0	0	0	0	0	0.00%
b) Individuals	0	0	0	0	0	0	0	0	0.00%
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	23,549,395	2,431,169	25,980,564	17.71%	18,293,054	2,180,039	20,473,093	13.39%	-4.32%

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Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	13,933,683	372,267	14,305,950	9.35%	11,818,196	372,267	12,190,463	7.97%	-1.38%
c) Others (specify)									
Sub Total (B)(2):	64,537,770	2,831,791	67,369,561	44.05%	55,141,654	2,574,661	57,716,315	37.74%	-6.31%
"Total Public Shareholding (B)= (B)(1)+(B)(2)"	89,138,859	2,872,591	92,011,450	60.16%	89,448,889	2,615,461	92,064,350	60.20%	0.03%
C. Shares held by Custodian for GDRs & ADRs	6,074,150	12,275	6,086,425	3.98%	6,021,550	12,275	6,033,825	3.95%	-0.03%
Grand Total (A+B+C)	150,054,479	2,884,866	152,939,345	100.00%	150,311,609	2,627,736	152,939,345	100.00%	0.00%

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Pralhad Parsram Chhabria	1,760,400	1.15%	N.A.	100	0.00%	N.A.	-1.15%
2	Sunita Kishan Chhabria	1,163,400	0.76%	N.A.	1,163,400	0.76%	N.A.	0.00%
3	Aruna Katara	1,052,850	0.69%	N.A.	2,812,850	1.84%	N.A.	1.15%
4	Kishan Parsram Chhabria	950,750	0.62%	N.A.	950,750	0.62%	N.A.	0.00%
5	Deepak Kishan Chhabria	936,750	0.61%	N.A.	936,750	0.61%	N.A.	0.00%
6	Prakash Pralhad Chhabria	831,850	0.54%	N.A.	831,850	0.54%	N.A.	0.00%
7	Vijay Kishan Chhabria	539,250	0.35%	N.A.	539,250	0.35%	N.A.	0.00%
8	Hansika Hiya Prakash Chhabria	105,000	0.07%	N.A.	105,000	0.07%	N.A.	0.00%
9	Gayatri Prakash Chhabria	105,000	0.07%	N.A.	105,000	0.07%	N.A.	0.00%
10	Ritu Prakash Chhabria	95,000	0.06%	N.A.	95,000	0.06%	N.A.	0.00%
11	Amit Katara	87,400	0.06%	N.A.	87,400	0.06%	N.A.	0.00%
12	Amrita Katara	85,400	0.06%	N.A.	85,400	0.06%	N.A.	0.00%
13	Vini Deepak Chhabria	33,750	0.02%	N.A.	33,750	0.02%	N.A.	0.00%
14	Katara Mukesh Dolumal	31,000	0.02%	N.A.	31,000	0.02%	N.A.	0.00%
15	Radhika Deepak Chhabria	30,000	0.02%	N.A.	30,000	0.02%	N.A.	0.00%



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SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
16	Karan Vijay Chhabria	22,500	0.01%	N.A.	22,500	0.01%	N.A.	0.00%
17	Priya Vijay Chhabria	22,500	0.01%	N.A.	22,500	0.01%	N.A.	0.00%
18	Rishi Vijay Chhabria	22,500	0.01%	N.A.	22,500	0.01%	N.A.	0.00%
19	Orbit Electricals Private Limited	46,956,120	30.70%	N.A.	46,956,120	30.70%	N.A.	0.00%
20	Katara Dental Pvt.ltd.	10,050	0.01%	N.A.	10,050	0.01%	N.A.	0.00%
	Total	54,841,470	35.86%	N.A.	54,841,170	35.86%	N.A.	0.00%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI No.		Share holding at the beginning of the Year (As on 01-04-2014)		Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	54,841,470	35.86%	54,841,470	35.86%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)				
	At the end of the year	54,841,170	35.86%	54,841,170	35.86%

SI No	Name of the Shareholders	Share holding at the beginning of the Year (As on 01-04-2014)		Date	Increase / Decrease in shareholding	Reason	Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No.of shares	% of total shares of the company				No of shares	% of total shares of the company
1	PRALHAD PARSRAM CHHABRIA	1,760,400	1.15%	25-Aug-2014	-1,760,000	Inter Se Transfer	400	0.00%
				17-Nov-2014	-300	Transfer of Shares	100	0.00%
2	ARUNA KATARA	1,052,850	0.69%	25-Aug-2014	1,760,000	Inter Se Transfer	2,812,850	1.84%

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(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning (01-04-2014 / End of the year (31-03-2015)		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company				No of shares	% of total shares of the company
1	FINOLEX INDUSTRIES LIMITED	22,187,075	14.51%	-	Nil	No change	22,187,075	14.51%
		22,187,075	14.51%					
2	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA	4,236,345	2.77%	02-May-2014	-250,000	Transfer	3,986,345	2.61%
				09-May-2014	-19,995	Transfer	3,966,350	2.59%
				23-May-2014	-64,890	Transfer	3,901,460	2.55%
				11-Jul-2014	19,143	Transfer	3,920,603	2.56%
				18-Jul-2014	92,228	Transfer	4,012,831	2.62%
		3,862,831		20-Mar-2015	-150,000	Transfer	3,862,831	2.53%
3	ANIL RAMCHAND CHHABRIA	5,146,060	3.36%	-	Nil	No change	5,146,060	3.36%
		5,146,060	3.36%					
4	FRANKLIN INDIA SMALLER COMPANIES FUND	1,838,484	1.20%	02-May-2014	-100,000	Transfer	1,738,484	1.14%
				09-May-2014	-9,997	Transfer	1,728,487	1.13%
				23-May-2014	-16,223	Transfer	1,712,264	1.12%
				27-Jun-2014	2,220	Transfer	1,714,484	1.12%
				11-Jul-2014	4,360	Transfer	1,718,844	1.12%
				18-Jul-2014	28,420	Transfer	1,747,264	1.14%
				01-Aug-2014	2,431	Transfer	1,749,695	1.14%
				16-Aug-2014	120,660	Transfer	1,870,355	1.22%
				22-Aug-2014	1,909	Transfer	1,872,264	1.22%
				26-Sep-2014	2,125	Transfer	1,874,389	1.23%
				01-Oct-2014	3,007	Transfer	1,877,396	1.23%
				08-Oct-2014	8,527	Transfer	1,885,923	1.23%



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Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning (01-04-2014 / End of the year (31-03-2015)		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company				No of shares	% of total shares of the company
				29-Oct-2014	50,000	Transfer	1,935,923	1.27%
				03-Nov-2014	100,000	Transfer	2,035,923	1.33%
				19-Dec-2014	58,920	Transfer	2,094,843	1.37%
				06-Feb-2015	410,000	Transfer	2,504,843	1.64%
				13-Feb-2015	50,000	Transfer	2,554,843	1.67%
				20-Mar-2015	-50,000	Transfer	2,504,843	1.64%
		2,536,466		27-Mar-2015	31,623	Transfer	2,536,466	1.66%
5	LEELA RAMCHAND CHHABRIA	1,779,600	1.16%	-	Nil	No change	1,779,600	1.16%
		1,779,600	1.16%					
6	DSP BLACKROCK MICRO CAP FUND	414,754	0.27%	11-Apr-14	128,206	Transfer	542,960	0.36%
				23-May-14	35,000	Transfer	577,960	0.38%
				28-May-14	18,344	Transfer	596,304	0.39%
				6-Jun-14	524,838	Transfer	1,121,142	0.73%
				20-Jun-14	109,443	Transfer	1,230,585	0.80%
				4-Jul-14	55,074	Transfer	1,285,659	0.84%
				22-Aug-14	92,606	Transfer	1,378,265	0.90%
				26-Sep-14	181,052	Transfer	1,559,317	1.02%
				6-Mar-15	14,454	Transfer	1,573,771	1.03%
		1,599,256		13-Mar-15	25,485	Transfer	1,599,256	1.05%
7	LIFE INSURANCE CORPORATION OF INDIA	2,824,234	1.85%	5-Dec-14	-321,791	Transfer	2,502,443	1.64%
				12-Dec-14	-659,376	Transfer	1,843,067	1.21%
				19-Dec-14	-3,392	Transfer	1,839,675	1.20%
		1,545,182		26-Dec-14	-294,493	Transfer	1,545,182	1.01%
8	RAMESH BHAGWANDAS CHHABRIA	1,494,888	0.98%	27-Feb-15	-10,000	Transfer	1,484,888	0.97%
		1,494,888	0.98%					

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Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning (01-04-2014 / End of the year (31-03-2015)		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company				No of shares	% of total shares of the company
9	RELIANCE CAPITAL TRUSTEE CO. LTD. A/C RELIANCE DIV	1,690,873	1.11%	25-Apr-14	-100,000	Transfer	1,590,873	1.04%
		1,340,873		9-May-14	-250,000	Transfer	1,340,873	0.88%
10	ARMOR QUALIFIED, LP	0	0.00%	2-May-14	178,201	Transfer	178,201	0.12%
				9-May-14	363,263	Transfer	541,464	0.35%
				16-May-14	371,397	Transfer	912,861	0.60%
				23-May-14	103,864	Transfer	1,016,725	0.66%
				28-May-14	51,248	Transfer	1,067,973	0.70%
				2-Jun-14	64,402	Transfer	1,132,375	0.74%
				9-Jun-14	65,847	Transfer	1,198,222	0.78%
				16-Jun-14	36,028	Transfer	1,234,250	0.81%
				23-Jun-14	21,058	Transfer	1,255,308	0.82%
				22-Aug-14	4,474	Transfer	1,259,782	0.82%
				12-Sep-14	6,000	Transfer	1,265,782	0.83%
				10-Oct-14	7,900	Transfer	1,273,682	0.83%
				13-Feb-15	39,878	Transfer	1,313,560	0.86%
		1,324,191		13-Mar-15	10,631	Transfer	1,324,191	0.87%
11	INTEGRATED CORE STRAGIES ASIA PTE LTD	1,547,014	1.01%	4-Apr-14	-654,643	Transfer	892,371	0.58%
				11-Apr-14	-625,789	Transfer	266,582	0.17%
				18-Apr-14	-100,849	Transfer	165,733	0.11%
				2-Jun-14	-161,700	Transfer	4,033	0.00%
				19-Sep-14	-2,488	Transfer	1,545	0.00%
				14-Nov-14	45,395	Transfer	46,940	0.03%
				21-Nov-14	48,700	Transfer	95,640	0.06%
				19-Dec-14	15,779	Transfer	111,419	0.07%
		0		26-Dec-14	-111,419	Transfer	0	0.00%



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Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning (01-04-2014 / End of the year (31-03-2015))		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company				No of shares	% of total shares of the company
12	THE WELLINGTON TRUST COMPANY NATIONAL ASSOCIATION	1,210,882	0.79%	4-Apr-14	254722	Transfer	1,465,604	0.96%
				11-Apr-14	228,653	Transfer	1,694,257	1.11%
				18-Apr-14	424,892	Transfer	2,119,149	1.39%
				25-Apr-14	96,252	Transfer	2,215,401	1.45%
				9-May-14	-461,941	Transfer	1,753,460	1.15%
				23-May-14	-101,560	Transfer	1,651,900	1.08%
				30-May-14	-450,679	Transfer	1,201,221	0.79%
				6-Jun-14	-564,420	Transfer	636,801	0.42%
		0		13-Jun-14	-636,801	Transfer	0	0.00%

(v) Shareholding of Directors & Key Managerial Personnel:

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning (01-04-2014 / End of the year (31-03-2015))			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company	Date			No of shares	% of total shares of the company
A	DIRECTORS:							
1	Mr. D K Chhabria Executive Chairman	936,750	0.61%	01-Apr-2014	0	Nil movement during the year		
		936,750	0.61%	31-Mar-2015			936,750	0.61%
2	Mr. P P Chhabria* Director Advisor	1,760,400	1.15%	01-Apr-2014	0	Inter se/ Transfer of shares during the year		
		100	0.00%	31-Mar-2015			1,760,300	1.15%
3	Mr. H S Vachha Independent Non-Executive Director	0	0.00%	01-Apr-2014	0	Nil movement during the year		
		0	0.00%	31-Mar-2015			0	0.00%
4	Mr. Atul C Choksey Independent Non-Executive Director	0	0.00%	01-Apr-2014	0	Nil movement during the year		
		0	0.00%	31-Mar-2015			0	0.00%
5	Mr. Sanjay K Asher Independent Non-Executive Director	12,365	0.01%	01-Apr-2014	0	Nil movement during the year		
		12,365	0.01%	31-Mar-2015			12,365	0.01%
6	Mr. P G Pawar Independent Non-Executive Director	0	0.00%	01-Apr-2014	0	Nil movement during the year		
		0	0.00%	31-Mar-2015			0	0.00%

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Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning (01-04-2014 / End of the year (31-03-2015)			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company	Date			No of shares	% of total shares of the company
7	Mr. S B (Ravi) Pandit Independent Non-Executive Director	0	0.00%	01-Apr-2014	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2015				
8	Mr. P R Rathi Independent Non-Executive Director	0	0.00%	01-Apr-2014	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2015				
9	Mr. Adi Engineer Independent Non-Executive Director	0	0.00%	01-Apr-2014	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2015				
10	Mr. Mahesh Viswanathan Executive Director & CFO	0	0.00%	01-Apr-2014	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2015				
11	Ms. Namita V Thapar Non-Executive Director Appointed as an Additional Director (Woman Director) w.e.f. 8th November 2014	0	0.00%	01-Apr-2014	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2015				

B KEY MANAGERIAL PERSONNEL (KMP)

1	Mr. R G D'Silva Company Secretary & President (Legal)	0	0.00%	01-Apr-2014	0	Nil movement during the year		
		0	0.00%	31-Mar-2015			0	0.00%

* Refer note No. V (iii) changes in Promoters' Shareholding

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Million)

	"Secured Loans excluding deposits"	"Unsecured Loans"	Deposits	"Total Indebtedness"
Indebtness at the beginning of the financial year				
i) Principal Amount	1,449.70			1,449.70
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	7.69			7.69
Total (i+ii+iii)	1,457.39			1,457.39
Change in Indebtedness during the financial year				
• Additions	-			-
• Reduction	199.70			199.70
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	1,250.00			1,250.00
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	6.69			6.69
Total (i+ii+iii)	1,256.69			1,256.69



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VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

SI No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Mr. D K Chhabria Executive Chairman	Mr. Mahesh Viswanathan Executive Director & CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	7.50	6.62	14.12
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	7.50	1.22	8.72
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit (2.11%)	56.25	-	56.25
	- others (specify) (Incentive)	-	7.50	7.50
5	Others, please specify	-	-	-
	Total (A)	71.25	15.34	86.59
	Ceiling as per the Act (10%)	293.05	293.05	293.05

B. Remuneration to other directors:

SI. No	Particulars of Remuneration	Name of the Directors							Total Amount
		Dr. H S Vachha	Mr. Atul C Choksey	Mr. Sanjay Asher	Mr. P G Pawar	Mr. S B (Ravi) Pandit	Mr. P R Rathi	Mr. A J Engineer	
1	Independent Directors								
	(a) Fee for attending board / committee meetings	0.21	0.03	0.32	0.26	0.03	0.33	0.06	1.23
	(b) Commission	0.65	0.45	0.45	0.45	0.45	0.45	0.45	3.35
	(c) Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	0.86	0.48	0.77	0.71	0.48	0.78	0.51	4.58
2	Other Non Executive Directors	Mr. P P Chhabria	Dr. V G Pai *	Ms. Namita V Thapar**					Total Amount
	"(a) Fee for attending Board /committee meetings"	0.15	0.03	0.02					0.20
	(b) Commission	0.45	0.23	0.11					0.79
	(c) Others, please specify. (Advisory Fees)	30.00	-	-					30.00
	Total (2)	30.60	0.26	0.13					30.98
	Total (B)=(1+2)								35.56
	Total Managerial Remuneration								65.90
	Overall Ceiling as per the Act. (11%)								293.05

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO *	"Company Secretary"	CFO *	Total	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		2.25			
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		0.12			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-			
2	Stock Option		-			
3	Sweat Equity		-			
4	Commission		-			
	as % of profit		-			
	others, specify		-			
5	Others, please specify		-			
	Total		2.37			

* Please refer item No. VI(A) above

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY	NIL				
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



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Annexure E to Directors' Report

DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

Sr. No.	Requirements	Disclosure	
		Name of the Director	Ratio
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. D. K. Chhabria	282.7X
		Mr. P. P. Chhabria	120.8X
		Dr. H. S. Vachha	2.6X
		Mr. Atul C. Choksey	1.8X
		Mr. Sanjay K. Asher	1.8X
		Mr. P. G. Pawar	1.8X
		Mr. S. B. (Ravi) Pandit	1.8X
		Mr. Pradeep R. Rathi	1.8X
		Mr. Adi J. Engineer	1.8X
		Dr. Vikas G Pai	0.9X
		Mrs. Namita V Thapar	0.4X
		Mr. M. Viswanathan	60.8X
		1. For this purpose, sitting fees paid to the Directors and Company's contribution to PF and superannuation funds have not been considered as remuneration	
2	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year	Mr. D. K. Chhabria	11%
		Mr. M. Viswanathan	19%
		Mr. R. G. D'Silva	8%
3	The percentage increase in the median remuneration of employees in the financial year:	During FY 2014-15, the percentage increase in the median remuneration of employees as compared to previous year was approximately 9.6 %	
4	The number of permanent employees on the rolls of company	1531 (including wholetime directors)	
5	The explanation on the relationship between average increase in remuneration and company performance:	<p>Factors considered while recommending increase in fixed compensation:</p> <ol style="list-style-type: none"> 1. Financial performance of the Company. 2. Comparison with peer companies. 3. Industry Benchmarking 4. Contribution made by the employee. 5. Regulatory guidelines as applicable to Managerial Personnel. <p>The Company had revenue growth of 4.16 % over the previous year. The profit before tax calculated under Section 198 of the Companies Act, 2013 has grown from Rs. 2,516.7 million for FY 13-14 to Rs. 2,694.1 million, an increase of 7.05 % against which the average increase in remuneration is 12.35 % (approx.)</p>	
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:	For the FY 2014-15, the remuneration paid to three KMPs aggregate to approx. 0.35% of the Gross Revenue. The Gross Revenue was Rs. 25,075.6 Million (previous year Rs. 24,073.9 Million)	
7	Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies	The Market capitalisation of the Company has increased from Rs. 16930 Million as on March 31, 2014 to Rs.43550 Million as on March 31, 2015. Over the same period, the price to earnings ratio moved from 8.14 to 21.90. The stock price as at March 31, 2015 has increased by 157% compared to March 31, 2014	

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8	Average percentage increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration is 9.6 % for employees other than Managerial Personnel and 12.35 % for Managerial Personnel.			
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Particulars	Remuneration for FY 2014-15	% of gross Rev	% of Net Profit
		Mr. D.K. Chhabria	71.2	0.28%	3.59%
		Mr. M.Viswanathan	15.3	0.06%	0.77%
		Mr. R.G.D'Silva	2.3	0.01%	0.11%
10	The key parameters for any variable component of remuneration availed by the directors	Both, Mr. D.K.Chhabria, Executive Chairman and Mr. M. Viswanathan, Executive - Director & CFO are paid variable pay as per their respective agreement provisions. Non-Executive Directors of the Company are paid commission as approved by shareholders in the General Meeting.			
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	This is not applicable to the Company			
12	Affirmation, that the remuneration is as per the remuneration policy of the Company	Yes			

General Note:

- 1 Calculation of Market Capitalisation, price to earnings and other details are based on stock price on National Stock Exchange of India Limited on relevant dates.
- 2 Profit of the Company is calculated as per Section 198 of the Companies Act, 2013
- 3 Managerial Personnel includes Executive Chairman and wholetime Director.

For and on behalf of the Board of Directors

Pune
Dated : 12th May'2015

D.K. Chhabria
Executive Chairman



Finolex

Cables Limited

Annexure F to the Directors' Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts/arrangements/transactions: NIL
 - c) Duration of the contracts / arrangements/transactions: NIL
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
 - e) Justification for entering into such contracts or arrangements or transactions: NIL
 - f) Date(s) of approval by the Board: NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: NIL
2. Details of material contracts or arrangements or transactions at arm's length basis:
 - a) Name of the related party and nature of relationship: Corning Finolex Optical Fibre Private Limited
 - b) Nature of transaction: Purchasing optical fibre
 - c) Duration of transaction: The Transaction is entered into in the ordinary course of business.
 - d) Salient terms of the transaction including the value, if any: Purchase during the Year Rs 132.0 million
 - e) Date of approval by the Board, if any: 8th February, 2011.
 - f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Pune
Dated : 12th May'2015

D.K. Chhabria
Executive Chairman

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Annexure G to Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

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

To,

The Members,

Finolex Cables Limited

26/27, Bombay Poona Road, Pimpri

Pune-411018

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder (**in so far as they are made applicable**);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the Audit Period);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as on today).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



Finolex

Cables Limited

We further report that

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

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

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

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

Place: Pune
Date: 12th May, 2015

For **SVD & Associates**
Company Secretaries

Sd/-
S. V. Deulkar
Partner
FCS No: 1321
C P No: 965

Annexure H to Directors' Report

COMPANIES (ACCOUNTS) RULES, 2014:

A. Conservation of Energy:

Steps taken or impact on conservation of energy, utilising alternate sources of energy and capital investments on energy conservation equipments :

- (i) New 5 MW Solar Power Plant set up for captive consumption produced about 7.3 Million units of solar energy.
- (ii) Installation of online Wire drawing at insulation line to tandemise multiple operations and reduce power consumption.
- (iii) Cooling towers and pumps are put in sequential operation to process water temperature, combustion air requirement rationalized to reduce output volume of furnace blowers and cooling water pump stages reduced to optimize cooling water delivery.
- (iv) Ultra-violet sterilizer added to the mill coolant system to help prevent bacteria in the mill coolant.
- (v) Insulation of Chilled water pipelines on KCM Buffering and KCM Sheathing Line.
- (vi) Installation of energy efficient: Wire drawing and buncher machine, Air Compressor with variable frequency Drive and Aluminium pipeline for compressed air supply.
- (vii) Replacing of old equipments with more energy efficient equipments in the power distribution panels coupled with redistribution of power to reduce energy consumption and losses..
- (viii) Installation of energy efficient LED Panel and Tube Lights, LED street lights and high bay lights.
- (ix) Additional power factor correction panels commissioned in line with loads to improve and maintain PF at optimum level.
- (x) Improved preventive maintenance of machines to reduce energy loss.

B. Technology Absorption:

Efforts made in technology absorption are as follows:

Form for disclosure of particulars with respect to Absorption, Research and Development (R&D)

1. Specific areas in which the Company is pursuing R&D efforts:

- (a) Following new cables have been designed, developed and type approvals obtained/successfully launched in the market:
 - (i) 288F Ribbon SAA OFC.
 - (ii) 160F Double Loose Tube Layer OFC.
 - (iii) 2F FTTA (Fibre to the Antena) OFC.
 - (iv) 2F Spiral Steel Armoured OFC.
 - (v) New range of "Copper Speaker Wires" and Speaker Cables with transparent insulation.
 - (vi) Photovoltaic (Solar) Cables with high temperature special compound for solar energy systems.
 - (vii) HFFR Cables having features of low smoke and low fumes for high temperature applications.

2. Benefits derived as a result of the above R&D:

The aforesaid newly developed products have been introduced in the market and give significant benefits in terms of quality, better performance of the end-user application and import substitution.

3. Future plan of action:

- To develop new type of Auto Cable i.e. CIVUS and CAVUS Type
- To develop Type D, 150 deg C Auto Cables
- To develop Solar Cables as per TUV specifications
- To develop cables with thermo plastic rubber insulation for welding application
- To develop Rubber based cables for windmill application
- To develop CAT7 LAN cables with higher bandwidth



Finolex

Cables Limited

4. Expenditure on R & D:

(a) Capital	}	The development work is carried on
(b) Recurring	}	by the concerned departments on
(c) Total	}	an ongoing basis. The expenses
(d) Total R & D expenditure as	}	and the costs of assets are grouped
a percentage of total turnover	}	under the respective heads.

Technology Absorption, Adaptation and Innovation:

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

- New Energy efficient VFD Type compressors installed.
- Advanced machinery and raw material handling system provided to reduce wastage of material and manual handling.
- Several grades of PVC compounds were reformulated to suit higher line speeds and also made environmentally friendly complying with ROHS requirements.
- Continuous efforts are going on for further developing, improving and upgrading all types of cables.

2. Benefits derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution, etc:

Several tangible and intangible benefits from new technology are derived such as cost reduction, productivity, development of better and new products, import substitution and better customer services. Development and manufacture of new products with enhanced features will extend the product range of the Company, enabling it to cater to different customer needs.

3. Imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

- Technology Imported : Nil
- Year of Import : Not applicable
- Has technology been fully absorbed? : Not applicable
- If not fully absorbed, areas where this has not taken place, reasons therefor, and future plans of action : Not applicable

C. Foreign Exchange Earnings and Outgo:

Despite the depressed market situation still continuing your Company has been able to marginally improve its performance in the export market during the year under review. Your Company is continuing its sustained efforts to retain old customers and add new customers in various export markets. The developed European Markets are also being targeted for marketing various communication cables.

- Earnings by way of Exports : Rs 544.8 million
- Outgo by way of Imports : Rs 1,540.5 million

For and on behalf of the Board of Directors

Pune,
Dated : 12th May, 2015

D. K. Chhabria
Executive Chairman

Annexure I to Directors Report

Sub-Section 3 of the Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 (Form AOC-1)

Part "A": Associates

Sl. No.	Name of Associates	Latest Audited Balance Sheet date	Shares held by the Company on the year end		Significant Influence	Reason for not consolidation	Networth (Only Holding % considered)	Profit/(Loss) for the year		
			No.	Investment Held Rs in million				Holding %	Considered in consolidation	Not considered in consolidation (Only Holding % considered) (-ve indicate loss)
1	Finolex Industries Limited	31-Mar-15	40,192,597	1518.5	32.39%	Voting Power	Not Applicable	2,550.27	-	89.65

Part "B": Joint Venture

1	Finolex J-Power Systems Limited	31-Mar-15	74,970,000	749.7	49.00%	Voting Power	Not Applicable	340.03	-	(129.53)
2	Corning Finolex Optical Fibre Private Limited	31-Mar-15	1,750,000	17.5	50.00%	Voting Power	Not Applicable	14.16	-	(1.17)

For and on behalf of the Board of Directors

Pune
Dated : 12th May 2015

D.K. Chhabria
Executive Chairman



Finolex

Cables Limited

Annexure J to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the CSR policy and projects or programs.

Composition of the CSR Committee

Mr. D K Chhabria Executive Chairman;
 Mr. M Viswanathan Executive Director & CFO; and
 Mr. P R Rathi Independent Director

The Committee met twice during the year under review.

Average net profit of the Company for the last three financial years

Average net profit: Rs. 1515.2 million

Prescribed CSR expenditure (2% of the average net profit of the last three financial years)

The Company during the financial year 2014-15 is required to spend Rs. 30.3 million towards CSR.

Details of CSR spent during the financial year:

- a) Total amount spent for the financial year Rs 1.1 million
- b) Amount unspent, if any; Rs 30.3 million

Manner in which amount Committed:

SI No.	CSR project or activity identified	Sector in which the	Locations (Unit)	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount Committed: Direct or through implementing agency
1	Building for Library and Academic Block	Education	In Finolex Academy of Management & Technology ,Ratnagiri	NIL	NIL	Rs 30.0 million

Responsibility Statement by the Corporate Social Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Pune
 May 12, 2015

D.K. Chhabria
 Executive Chairman

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Shareholder / Debentureholder Information

Registered Office

Finolex Cables Limited, 26/27 Mumbai-Pune Road, Pimpri, Pune 411 018

Annual General Meeting

The Forty Seventh Annual General Meeting ("AGM") of the Company will be held on Monday, 10th August, 2015 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019.

Financial Calendar (Tentative):

(a) Annual General Meeting	:	10th August, 2015
(b) Results for quarter ending 30th June, 2015	:	Second week of August, 2015
(c) Results for quarter ending 30th September, 2015	:	Second week of November, 2015
(d) Results for quarter ending 31st December, 2015	:	Second week of February, 2016
(e) Results for quarter ending 31st March, 2016	:	Last week of May, 2016

Dates of Book Closure

The Company's Transfer Books will be closed from Saturday, 1st August, 2015 to Monday, 10th August, 2015 (both days inclusive) for purpose of AGM and for payment of Dividend for the year ending 31st March, 2015.

Dividend Payment

The Board of Directors of the Company at its meeting held on 12th May, 2015 recommended payment of Dividend @90% (i.e. Rs.1.80 per share) for the year ending 31st March, 2015. The payment of dividend is to be approved by the members at the AGM and as on date is exempt from income-tax in the hands of members. The aforesaid Dividend, if declared at the AGM, will be paid on or before 8th September, 2015 to those members whose names appear in the Register of Members as on the date of AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per the details to be received from the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose, the same being as of close of their respective hours of business on the date immediately preceding the aforesaid Book Closure period (i.e., as of Friday, 31st July, 2015).

Stock Exchange Listing

Pursuant to the actions taken by respective Stock Exchanges under SEBI Circular Ref. No. CIR/MRD/DSA/14/2012 dated 30th May 2012 for Exit Policy of De-recognized / Non operational Stock Exchanges, the equity shares of the Company would cease to be listed on the Stock Exchanges at Ahmedabad, Bangalore, Chennai, Cochin, Delhi, Kolkata, Pune and OTC Stock Exchange. Accordingly the Company's equity shares shall henceforth be tradable and/or quoted only on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE") which are nationwide recognized Stock Exchanges. The Company's Global Depository Receipts (GDRs) are listed on the Luxembourg Stock Exchange.

Stock Code

	Code/Trading Symbol
Trading Symbol Bombay Stock Exchange	500144
Trading Symbol National Stock Exchange of India Limited	FINCABLES-EQ
International Securities Identification Number (ISIN)	INE235A01022

Payment of Listing Fees

Annual Listing Fee for the year 2015-16 as applicable has been paid to the Stock Exchanges (i.e., NSE and BSE) and Annual Maintenance Fees for the Calendar year 2015 has been paid by the Company to the Luxembourg Stock Exchange in respect of the GDRs listed thereon.



Finolex Cables Limited

Stock Market Data

The monthly high and low quotations and volume of shares traded at National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) are as follows:

Source: BSE and NSE Websites)

Period	NSE			BSE		
	High (Rs.)	Low (Rs.)	Volume Shares traded (Nos.)	High (Rs.)	Low (Rs.)	Volume Shares traded (Nos.)
April 14	141.80	108.30	14,774,222	141.40	107.25	2,713,599
May 14	171.70	123.65	18,065,457	170.15	123.90	4,109,444
June 14	181.00	149.00	6,583,268	180.80	150.10	1,100,327
July 14	218.85	179.50	10,314,387	219.00	179.55	1,913,323
August 14	225.00	186.95	6,821,435	225.00	188.00	1,235,400
September 14	247.00	197.00	6,422,432	246.85	199.00	1,121,641
October 14	234.45	202.00	4,008,039	233.90	205.90	485,762
November 14	283.90	223.95	7,851,081	282.80	224.10	1,187,378
December 14	280.00	222.00	6,257,070	278.95	222.00	1,577,483
January 15	283.75	251.00	4,564,970	284.00	251.00	837,437
February 15	285.30	243.15	4,375,307	284.95	243.10	953,333
March 15	306.50	261.00	6,396,307	306.40	261.00	1,463,007
Total			96,433,975			18,698,134

The equity shares of the Company are regularly traded on NSE and BSE and thus have good liquidity.

Shareholding Pattern as on 31st March, 2015

Category	No. of shares held	Percentage Shareholding
A. Promoters Shareholding		
1. Promoters*	54,841,170	35.86
- Indian Promoters	NIL	NIL
- Foreign Promoters	NIL	NIL
2. Persons acting in Concert	NIL	NIL
Sub Total	54,841,170	35.86
B. Non-Promoters holding		
3. Institutional Investors		
a. Mutual Funds and UTI	17,956,162	11.74
b. Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-Government Institutions)	1,617,683	1.06
c. FIIs	14,774,190	9.66
Sub Total	34,348,035	22.46
4. OTHERS		
a. Private Corporate Bodies**	25,052,759	16.38
b. Indian Public	32,052,206	20.96
c. NRIs/ OCBs	611,350	0.40
d. Any others (Custodian for GDRs)	6,033,825	3.95
Sub Total	63,750,140	41.68
Grand Total	152,939,345	100.00

* The promoters have confirmed to the Board of Directors that they have not pledged with any party / bank any of their shares held in the Company as at 31st March 2015.

** Includes 22,187,075 shares (14.51%) held by Associate Company- Finolex Industries Limited.

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Distribution by Size of Shareholding as on 31st March, 2015

No. of Equity Shares held	No. of Members	% of Members	No. of Shares	% of Shareholding
1-5000	39,429	98.36	1,6042,076	10.49
5001-10000	295	0.74	2,146,983	1.40
10001 & above	362	0.90	134,750,286	88.11
Grand Total	40,086	100.00	152,939,345	100.00

Registrar and Transfer Agents

The Company had taken requisite steps and centralized at a single point its share registry works for equity shares held in physical as well as electronic form. **M/s. Sharepro Services (India) Pvt. Ltd., 3, Chintamani Apartments, Lane No.13, Off. V.G. Kale Path, 824/D, Bhandarkar Road, Pune – 411 004** who are holding Registrars to an issue and Share Transfer Agent Category I Registration No. INR000001476 issued by Securities and Exchange Board of India ("SEBI") are the Share Transfer Agent of the Company.

Share Transfer System

Share Transfer requests received in physical form and found valid are normally registered within 15 days from date of receipt and Demat requests are normally confirmed within an average of 10 days from the date of receipt.

Statistics of Members - 2013- 2015

<u>31st March</u>	<u>No. of members</u>
2013	47,982
2014	40,526
2015	40,086

Corporate Benefits to Investors

a) Bonus Issues of Fully Paid-up Equity Shares:

Year	Ratio
1999	1:1
1994	1:1
1992	1:1
1988	4:5

b) Dividend declared during previous 10 years:

Financial Year	Date of Declaration	Face Value of Equity Shares	Dividend Rate	
			Percentage (%)	Amount (Rs. per share)
2013-14	9th September, 2014	2*	80	1.60*
2012-13	28th June, 2013	2*	60	1.20*
2011-12	14th August, 2012	2*	40	0.80*
2010-11	8th August, 2011	2*	35	0.70*
2009-10	9th August, 2010	2*	30	0.60*
2008-09	26th August, 2009	2*	10	0.20*
2007-08	30th July, 2008	2*	75	1.50*
2006-07	29th June, 2007	2*	70	1.40*
2005-06	27th June, 2006	10	60	6.00
2004-05	5th July, 2005	10	45	4.50

* In the year 2006-07, the Company had sub-divided each Equity Share of Rs.10/- face value into 5 (Five) Equity Shares of Rs.2/- each with effect from 16th January, 2007.



Finolex Cables Limited

Dematerialisation of Shares

The Company's equity shares are included in the list of companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all institutions and all investors. The Company had signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) to offer depository services to its members. As on 31st March, 2015, 98.28% (i.e. NSDL: 95.60% and CDSL: 2.68%) of the equity share capital of the Company has been dematerialized.

Annual custody fees for the financial year 2014-15 had been paid to NSDL and CDSL.

Outstanding GDRs/ DRs/ Warrants, etc.

There are no outstanding GDRs/ DRs/ Warrants or any convertible instruments for conversion as on 31st March, 2015.

Plant Locations:

Pimpri (Electrical Cables)

26/27, Mumbai-Pune Road
Pimpri, Pune - 411 018
Telephone: 27475963/27506200 (15 lines)
Facsimile : (020) 27472239/ 27472224
Email: sv_joshi@finolex.com

Urse (Electrical & Communication Cables)

Taluka Maval
Dist – Pune - 410 506
Telephone: (02114) 662551/662466
Facsimile: (02114) 237025
Email: PM_Deshpande@finolex.com

Optic Fibre and Optic Fibre Cable Division

Urse, Taluka Maval
Dist – Pune - 410 506
Telephone: (02114) 662551/662466
Facsimile: (02114) 237025
Email: sunil@finolex.com

Lighting Division (CFL)

Plot No. 399, Village Urse Taluka Maval
Dist – Pune - 410 506
Telephone: (02114) 662551/662466
Facsimile: (02114) 237025
Email: SVDeshpande@finolex.com

Switches Division

Gat No. 344 Village Urse, Taluka Maval
Dist- Pune - 410 506
Telephone: (02114) 662551/662466
Facsimile: (02114) 237025
Email: MV_Rangwani@finolex.com

Power Cable Division Urse, Pune

Gat No. 343, Village Urse
Taluka Maval, Dist-Pune-410 506
Telephone: (02114) 662551/662466
Facsimile: (02114) 237025
Email: PB_Jaisingh@finolex.com

Goa (Electrical & Communication Cables)

Plot No. 117/L118
Verna Industrial Estate, Verna Salcette
South Goa, Goa – 403 722
Telephone: (0832) 2782002/3/4
Facsimile: (0832) 2783909
Email: ratnakar_barve@finolex.com

Goa (Communication Cables)

Plot No. L123/9A,
Verna Industrial Estate, Verna Salcette,
South Goa, Goa – 403 722
Telephone: (0832) 2782002/3/4
Facsimile: (0832) 2783909
Email: nareshk_sharma@finolex.com

Goa (CCC Rod)

Plot No. S263/2
Panjim-Belgaum Road
Usgaon – Tisk, Ponda,
Goa – 403 406
Telephone: (0832) 2344376/8/9
Facsimile: (0832) 2344140
Email: knarayanan@finolex.com

Roorkee

Plot Nos. K-1 & K-2 AIS Industrial Estate
Latherdeva Hoon, Mangaur,
Roorkee, Taluka Haridwar,
Uttarakhand – 247 667
Telephone: (01332) 224069/224044/45
Telefax: (01332) 224068
Email: pravin_ahire@finolex.com

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Investor Correspondence:

The Company's Secretarial Department provides assistance to members under the overall supervision of Mr. R G D'Silva, Company Secretary & President (Legal).

For the convenience of members various blank forms and formats are available under "Investors Section" of Company's website <http://www.finolex.com>. Further, any query relating to shares and requests for transactions such as transfers, transmissions, nomination facilities, issue of duplicate share certificates, change of address pertaining to physical shares and non-receipt of dividends/Annual Reports, as also regarding dematerialization of shares may please be taken up with the Company or its Share Transfer Agent:

(A) Company:

Secretarial Department
Finolex Cables Limited
26/27 Mumbai – Pune Road, Pimpri,
Pune 411 018
Telephone: (020) 27506202/27506230/27506279
Board: (020) 2750 6200(15 lines)/2747 5963
Facsimile: (020) 2747 2239
Email: Investors@finolex.com

Contact Persons:

Mr. R G D'Silva - Company Secretary & President (Legal)
Mr. Mahadev H Yeske – Manager - Secretarial
Mr. Gitesh Karandikar – Deputy Manager - Secretarial

(B) Share Transfer Agent:

M/s. Sharepro Services (India) Pvt. Ltd.
3, Chintamani Apartments,
Lane No.13, Off. V.G. Kale Path,
824/D, Bhandarkar Road,
Pune – 411 004
Telephone: (020) 2566 2855
Facsimile: (020) 2566 2855
Email: sharepropune@vsnl.net

Contact Person:

Mr. Milind Saraf - Manager

Shareholder information On-line:

The Balance Sheet information is a part of the Company's World Wide home page <http://www.finolex.com>. Users can obtain information on Company products and services, Company background, Management, Financial and Shareholders' information requisite blank forms / formats and other major developments.

Nomination facility:

Individual members (whether holding shares singly or jointly) can avail of the facility of nomination. The nominee shall be person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of concerned shareholder(s). A minor can also be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual members such as bodies corporate, financial institutions, Kartas of Hindu Undivided Families (HUFs) and holders of Power of Attorney. In case of any assistance, please contact the Secretarial Department at the Registered Office of the Company.

Members Contact Email Address:

The Government in its concern for the environment has, as part of its green initiative, vide Circular No. 17/2011 dated 21st April, 2011 issued by the Ministry of Corporate Affairs, permitted companies to serve requisite documents through electronic mode on their members. Members are requested to support this worthy cause and inform the Company their personal email addresses and changes, if any, therein from time to time in the format provided under Investors' Section (Blank Forms) of the Company's website <http://www.finolex.com>. This will also facilitate expeditious communication.

ECS Facility / Bank Mandate / Details:

In order to provide protection against fraudulent encashment of dividend warrants:

- (a) Members holding shares in physical form are requested to furnish their Bank account number with the name of the Bank/Branch, its address (with 9 digit MICR Code) and quoting their folio number, etc so that the Bank account details are available for payment of dividend by ECS / can be printed on the dividend warrants.
- (b) Members holding shares in dematerialized form may please immediately inform changes, if any, in their Bank account details (with 9 digit MICR Code) to their Depository Participant (DP) to enable the correct Bank account details to be made available to the Company by the DP for ECS / printing on the dividend warrants.

In any case, members will appreciate that the Company will not be responsible for any loss arising out of fraudulently encashed dividend warrants, if any.



Finolex

Cables Limited

Debt Securities

Non Convertible Debentures (NCDs) issued by the Company are listed on the Wholesale Debt Market (WDM) Segment of National Stock Exchange of India Limited (NSE).

Description	9.10% Rated, Listed, Taxable, Secured, Redeemable, Non- Convertible Debentures of Rs.500,000,000/- ("M" Series)
Number of Debentures	500
Issue Price	Rs.1,000,000 (Rupees One Million Only)
Date of Allotment	24th August, 2010
Date of Maturity	24th August, 2015
ISIN	INE235A07029
Security	First pari-passu charge on the immovable properties of JFTC Goa Division and premises situated at Ahmedabad and Hyderabad.
Payment of Interest	Interest due and payable upto 31st March 2015 has been paid by the Company before the due date.

INDEPENDENT AUDITOR'S REPORT

To the Members of Finolex Cables Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Finolex Cables Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.



Finolex

Cables Limited

10. As required by Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. on the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29(a) and 30(b) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B. K. Khare and Co.
Chartered Accountants
(FRN: 105102W)

Naresh Kumar Kataria
Partner
Membership No.:37825

Pune,
May 12, 2015

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Annexure to the Auditor's Report referred to in our report of even date:

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies as compared to book records were noticed on assets verified during the year.
- 2) a) As explained to us, the inventory was physically verified during the year by the Management. In our opinion, the frequency of the verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate 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 and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- 3) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, having regard to the explanation that, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 5) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- 6) We have broadly reviewed the books of account maintained by the Company in respect of a product where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) a) According to the records of the Company examined by us and information and explanations given to us the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, cess and other applicable statutory dues with the appropriate authorities during the year.

There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they become payable.

- b) According to the information and explanations given to us and records of the Company examined by us, particulars of dues of Sales Tax, Customs Duty, Excise Duty and cess which have not been deposited on account of disputes are as under:



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Cables Limited

Nature of Dues	Rs in Million	Forum where dispute is pending	Period to which Amount relates
The Central Sales Tax Act and Local Sales Tax Acts	4.6	High Court	1991-92
	34.0	Appellate Tribunal	From 1992-93 to 2003-04
	48.8	Dy. Commissioner (Appeals)	from 1993-94 to 2010-11
	30.4	Dy. Commissioner (Appeals)	From 2003-04 to 2009-2010
	540.0	A.C.C.T (Appeals)	From 2002-03 to 2007-2008
	282.7	Appellate Tribunal	2012-13
	6.6	Dy. Commissioner (Appeals)	2012-13
Central Excise	38.7	Customs Excise and Service Tax Appellate Tribunal – Mumbai	Various Years
	3.0	Commissioner (Appeals)	Various Years
	84.7	Commissioner(Excise)	Various Years
The Indian Customs Act,1962	13.4	Commissioner (Customs)	1999-2000

- c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- 8) The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 9) Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.
- 11) Based on the records examined by us and according to the information and explanations given to us, during the year, term loans were applied for the purpose for which the loans were obtained.
- 12) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For B. K. Khare and Co.
Chartered Accountants
(FRN: 105102W)

Naresh Kumar Kataria
Partner
Membership No.:37825

Pune,
May 12, 2015

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Financial summary for ten years

(Rs. In million)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
PROFIT AND LOSS										
ACCOUNT DATA										
Gross Revenue ++	8,899	12,055	16,270	15,525	17,507	22,123	22,188	24,477	25,583	26,333
Materials and manufacturing cost (including excise duty)	6,855	9,557	13,068	12,429	13,573	18,032	17,629	19,041	19,731	19,983
Employee cost	326	355	497	533	592	647	695	846	848	940
Administration & selling expenses	660	750	1,033	2,152	1,891	1,793	2,115	2,282	1,935	2,002
Extra ordinary Items	-	-	-	-	-	-	-	-	-	-
Depreciation	313	264	265	388	372	388	395	466	484	640
Interest and finance charges	128	159	204	324	187	191	261	134	145	136
Profit before tax	617	970	1,203	(301)	892	1,072	1,093	1,708	2,440	2,631
Taxation	113	280	314	54	315	204	111	255	363	645
Profit after tax	504	690	889	(355)	576	868	982	1,453	2,077	1,987
Dividend (including tax on dividend distribution if applicable)	209	251	268	36	107	124	142	214	286	331
BALANCE SHEET DATA										
Share capital	306	306	306	306	306	306	306	306	306	306
Reserves	5,055	5,495	6,109	5,656	6,125	6,869	7,698	8,937	10,728	12,342
Net worth	5,361	5,801	6,415	5,962	6,431	7,175	8,004	9,243	11,034	12,648
Loan Funds	2,343	2,653	2,876	2,959	2,751	2,601	1,716	1,806	1,470	1,267
Deferred Tax (Net)	213	208	175	221	319	310	326	345	295	300
Total Liabilities	7,917	8,662	9,466	9,142	9,501	10,086	10,046	11,394	12,799	14,216
Gross Block	4,753	5,807	6,773	8,022	8,313	8,563	8,846	9,777	10,728	10,960
Net Block	2,288	3,079	3,784	4,557	4,476	4,340	4,424	4,607	5,074	4,704
Investments	2,722	2,833	3,168	3,141	2,802	2,452	2,372	3,241	4,031	4,942
Net current assets	2,907	2,750	2,514	1,444	2,223	3,294	3,250	3,546	3,693	4,569
Total Assets	7,917	8,662	9,466	9,142	9,501	10,086	10,046	11,394	12,799	14,216
KEY RATIOS										
Growth in Revenue (%)	32.8	35.5	35.0	(4.6)	12.8	26.4	0.3	10.3	4.5	2.9
PAT to Revenue (%)	5.7	5.7	5.5	(2.3)	3.3	3.9	4.4	5.9	8.1	7.5
Return on Net Worth (%)	9.4	11.9	13.9	(6.0)	9.0	12.1	12.3	15.7	18.8	15.7
Earnings per Share Rupees (for face value of Rs.2/- each)	3.3	4.5	5.8	(2.3)	3.8	5.7	6.4	9.5	13.6	13.0
Asset Turns (Revenue to Total Assets)	1.0	1.4	1.7	1.7	1.8	2.2	2.2	2.1	2.0	1.9
Return on Capital Employed (%)	10.1	13.5	15.4	(0.01)	11.38	12.72	13.35	17.09	21.29	21.88
Debt to Equity Ratio	0.4	0.5	0.4	0.5	0.4	0.4	0.2	0.2	0.1	0.1
Dividend (incl. Dividend Tax) Distribution to PAT(%)	41.5	36.4	30.1	(10.1)	18.6	14.3	14.5	14.7	13.8	16.7

Note :

++ Comprises Income From Operations(including excise duty) and Other Income



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Cables Limited

Balance Sheet

as at 31st March, 2015

(Rs. in million)

	Notes	2015	2014
EQUITY AND LIABILITIES			
Shareholders' Funds :			
Share Capital	1	305.9	305.9
Reserves and Surplus	2	12,342.2	10,727.8
		12,648.1	11,033.7
Non - Current Liabilities			
Long - Term Borrowings	3	512.1	1,266.9
Other Long - Term Liabilities	4	4.1	17.9
Long - Term Provisions	5	49.7	35.3
Deferred Tax Liabilities (Net)	32a	300.5	295.2
		866.4	1,615.3
Current Liabilities			
Short - Term Borrowings	6	0.3	-
Trade Payables	7	502.5	526.8
Other Current Liabilities	8	1,901.0	1,590.4
Short - Term Provisions	5	419.4	873.5
		2,823.2	2,990.7
		16,337.6	15,639.7
ASSETS			
Non - Current Assets			
Fixed Assets :			
Tangible Assets	9	4,633.0	4,958.0
Intangible Assets		4.7	0.4
Capital Work-In-Progress		66.7	107.0
Non - Current Investments	10	2,256.6	2,260.8
Long -Term Loans and Advances	11	42.6	47.7
Other Non - Current Assets	12	192.9	264.9
		7,196.6	7,638.8
Current Assets :			
Current Investments	13	2,685.6	1,770.6
Inventories	14	3,186.2	3,524.0
Trade Receivables	15	1,186.1	1,451.7
Cash and Bank Balances	16	1,383.7	648.6
Short - Term Loans and Advances	11	699.4	605.1
Other Current Assets	12	-	0.9
		9,141.1	8,000.9
		16,337.6	15,639.7
Notes	28 to 48		

The notes are an integral part of the financial statements

As per our report of even date
For B. K. KHARE & COMPANY
 Chartered Accountants
 Firm Registration No. 105102W

Dr. H. S. Vachha
P. R. Rathi
S. B. Pandit
P. G. Pawar
A. J. Engineer

D. K. Chhabria
 Executive Chairman
M. Viswanathan
 Executive Director &
 Chief Financial Officer

NARESH KUMAR KATARIA
 Partner
 Membership No. 37825

R.G.D'SILVA
 Company Secretary &
 President (Legal)

Pune: 12th May 2015

Pune: 12th May 2015

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Statement of Profit and Loss for the year ended 31st March,2015

		(Rs. in million)	
Continuing Operations	Notes	2015	2014
INCOME			
Revenue From Operations (Gross)	17	25,747.9	25,099.5
Less : Excise Duty		1,257.0	1,509.1
Revenue From Operations (Net)		24,490.9	23,590.4
Other Income	18	584.7	483.5
Total Revenue		25,075.6	24,073.9
EXPENSES			
Cost of Materials Consumed	19	17,577.6	17,759.3
Purchase of Stock-in-Trade	20	138.6	112.1
(Increase) / Decrease in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	21	520.6	(215.3)
Employee Benefit Expenses	22	939.6	848.3
Finance Costs	23	136.5	144.8
Depreciation, Amortization and Impairment	24	639.7	484.3
Other Expenses	25	2,716.8	2,604.1
Total Expenses		22,669.3	21,737.6
Profit Before Exceptional and Extraordinary Items and Tax		2,406.2	2,336.3
Exceptional Items - Income / (Expenses)	26	225.2	103.8
Profit Before Extraordinary Items and Tax		2,631.4	2,440.1
Extraordinary Items		-	-
Profit Before Tax		2,631.4	2,440.1
Less : Tax Expenses			
- Current Tax		535.7	484.0
- MAT Credit Availed		83.3	94.3
		619.0	578.3
- Deferred Tax (Net) (Refer Note 32a)		26.2	(49.5)
Current Year Tax Expenses		645.2	528.8
- MAT Credit Entitlement / availment (Refer Note 32b)		-	(166.5)
- Taxes of Earlier Years		(0.3)	1.0
Total Tax Expenses		644.8	363.3
Profit for the year		1,986.6	2,076.8
Earnings Per Equity Share (Nominal value of share Rs.2 each, (Previous year Rs.2 each))			
Basic and Diluted on the basis of profit from continuing business (Rs)	27	13.0	13.6
Notes	28 to 48		
The notes are an integral part of the financial statements			

As per our report of even date
For B. K. KHARE & COMPANY
Chartered Accountants
 Firm Registration No. 105102W

Dr. H. S. Vachha
P. R. Rathi
S. B. Pandit
P. G. Pawar
A. J. Engineer

D. K. Chhabria
Executive Chairman
M. Viswanathan
*Executive Director &
 Chief Financial Officer*

NARESH KUMAR KATARIA
Partner
 Membership No. 37825

R.G.D'SILVA
*Company Secretary &
 President (Legal)*

Pune: 12th May 2015

Pune: 12th May 2015



Finolex

Cables Limited

Cash Flow Statement

for the year ended 31st March, 2015

(Rs. in million)

	2015	2014
A Cash Flow from Operating Activities		
PROFIT BEFORE TAXATION AND AFTER EXCEPTIONAL ITEMS	2,631.4	2,440.1
Adjustment for:		
Depreciation, Amortisation and Impairment	639.7	484.3
Dividend Income	(285.1)	(225.6)
Interest Income	(50.5)	(100.9)
Loss / (Profit) on: Sale of Fixed Assets	1.3	0.6
Loss / (Gain) on: Redemption of Investments	(185.6)	(118.6)
Losses / (Gain) on Derivative Contracts	(225.2)	(103.8)
Finance Costs	136.5	144.8
Provision for doubtful debts	4.0	10.5
Provision for Diminution in value of Investments	122.9	75.3
	<u>158.0</u>	<u>166.6</u>
Operating Profit before working Capital changes	2,789.4	2,606.7
Adjustments for :		
(Increase) /Decrease in Trade and Other Receivables and Loans and Advances	242.3	(72.9)
(Increase) /Decrease in Inventories	337.8	(227.7)
Increase / (Decrease) in Trade Payables and other liabilities	(1,064.3)	157.1
Changes in Working Capital	<u>(484.3)</u>	<u>(143.5)</u>
Cash generated from Operations	2,305.1	2,463.2
Tax refunds / (paid)	<u>(473.9)</u>	<u>(219.3)</u>
NET CASH FLOW / (OUTFLOW) FROM OPERATING ACTIVITIES (A)	<u>1,831.3</u>	<u>2,243.9</u>
B Cash Flow from Investing Activities		
Dividend Income	285.1	225.6
Interest Income	50.5	100.9
(Purchase) / Sale of Fixed Assets / Capital Expenditure (Net)	(320.8)	(952.7)
(Purchase) / Sale / Redemption of Investments (Net)	419.8	118.5
Investment in Associates and Joint Venture Company	(122.5)	(164.0)
NET CASH FLOW / (OUTFLOW) FROM INVESTMENT ACTIVITIES (B)	<u>312.0</u>	<u>(671.7)</u>
C Cash Flow from Financing Activities		
Repayment of Borrowings	(203.3)	(184.6)
Receipt from Short - term borrowing	0.3	(171.1)
(Losses) / Gain on derivatives contracts	225.2	103.8
Finance Costs	(136.5)	(144.8)
Dividend and Dividend Tax Paid	(286.3)	(213.8)
NET CASH FLOW / (OUTFLOW) FROM FINANCING ACTIVITIES (C)	<u>(400.6)</u>	<u>(610.5)</u>
Total (A)+(B)+(C)	<u>1,742.7</u>	<u>961.7</u>

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(Rs. in million)

	2015	2014
D Increase / (Decrease) in Cash and Cash Equivalents		
Cash and Cash Equivalents		
Opening Balance	2,311.7	1,366.6
Closing Balance	4,054.4	2,328.3
Net Increase / (Decrease) in Cash and Cash Equivalents	1,742.7	961.7

Notes :

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement specified under section 133 of the Companies Act, 2013.

2) **Cash and cash equivalents :-**

Cash and Bank Balance as per Balance Sheet	1,383.7	648.6
Less : Margin Money deposits and Unpaid dividend accounts	(14.9)	(90.9)
Mutual Fund investments freely convertible (Included in current investments)	2,685.6	1,770.6
	4,054.4	2,328.3

3) Previous year figures have been regrouped wherever necessary to conform to current years classification.

As per our report of even date
For B. K. KHARE & COMPANY
Chartered Accountants
Firm Registration No. 105102W

Dr. H. S. Vachha
P. R. Rathi
S. B. Pandit
P. G. Pawar
A. J. Engineer

D. K. Chhabria
Executive Chairman
M. Viswanathan
*Executive Director &
Chief Financial Officer*

NARESH KUMAR KATARIA
Partner
Membership No. 37825

R.G.D'SILVA
*Company Secretary &
President (Legal)*

Pune: 12th May 2015

Pune: 12th May 2015



Finolex

Cables Limited

Notes forming part of the Balance Sheet

Note 1 - Share Capital

(Rs. in million)

	2015	2014
Authorised		
235,000,000 (Previous year 235,000,000) Equity Shares of Rs. 2/- each	470.0	470.0
15,000,000 (Previous year 15,000,000) Unclassified Shares of Rs. 2/- each	30.0	30.0
	500.0	500.0
Issued, Subscribed and Paid Up		
152,939,345 (Previous year 152,939,345) Equity Shares of Rs. 2/- each fully paid.	305.9	305.9
	305.9	305.9

a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	2015		2014	
	No.	Rs. million	No.	Rs. million
Equity Shares				
Balance at the beginning of the year	152,939,345	305.9	152,939,345	305.9
Issued during the year	-	-	-	-
Outstanding at the end of the year	152,939,345	305.9	152,939,345	305.9

b. Terms / rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs.2 per share. Each holder of Equity Shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

During the year ended 31st March 2015, the amount of per share dividend recognised as distributions to the equity shareholders is Rs. 1.80 per share (Previous year Rs. 1.60 per share)

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

There are no Shares held by holding/ultimate holding company and/or their subsidiaries/associates.

d. Details of shareholders holding more than 5% Shares in the Company

	2015		2014	
	No. of Shares	%	No. of Shares	%
Finolex Industries Limited	22,187,075	14.5	22,187,075	14.5
Orbit Electricals Private Limited	46,956,120	30.7	46,956,120	30.7

e. Aggregate number of bonus Shares issued, Shares issued for consideration other than cash and Shares bought back during the period of five years immediately preceding the reporting date

During the 5 years immediately preceding the reporting date, no bonus shares were issued. Also during this period shares were not issued for consideration other than cash, neither was any shares bought back during this period.

f. Terms of securities issued with conversion option into Equity / Preference Shares

There are no securities issued with conversion option into Equity/preference Shares

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Notes forming part of the Balance Sheet

Note 2 : Reserves and Surplus

(Rs. in million)

	2015	2014
Capital Reserve	84.1	84.1
Share Capital Buyback Reserve	55.2	55.2
Securities Premium Reserve	1,091.0	1,091.0
Debenture Redemption Reserve	250.0	250.0
General Reserve		
Balance at the beginning of the year	5,043.2	4,833.2
Add : Amount Transferred from Surplus in the Statement of Profit and Loss	200.0	210.0
Balance at the end of the year	5,243.2	5,043.2
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	4,204.3	2,623.8
Less: Transitional effect of change in useful life of assets (net of deferred tax of Rs 20.92 Million)- (Refer note 9 c)	(40.6)	0.0
Profit for the year	1,986.6	2,076.8
Less: Appropriations:		
Proposed dividend on the Equity Shares (amount per share Rs 1.80, Previous year Rs 1.60)	(275.3)	(244.7)
Dividend distribution tax on proposed dividend on Equity Shares	(56.0)	(41.6)
Transfer to General Reserve	(200.0)	(210.0)
Balance at the end of the year	5,618.9	4,204.3
Total Reserves and Surplus	12,342.2	10,727.8

Note 3 - Long Term Borrowings

(Rs. in million)

	Non Current		Current	
	2015	2014	2015	2014
Secured:				
Bonds / Debentures				
9.10% 'M' Series Non Convertible Debentures (500 Debentures of Rs.1,000,000 each)	-	500.0	500.0	-
Term Loans from Banks				
Indian Rupee Loan	500.0	750.0	250.0	-
Foreign Currency Loan	-	-	-	199.7
	500.0	750.0	250.0	199.7
Unsecured:				
Other Loans and Advances				
Deferred Sales Tax Loan	12.1	16.9	4.9	3.7
	512.1	1,266.9	754.9	203.4
Amount shown under Other Current Liabilities (Note 8)			(754.9)	(203.4)



Finolex

Cables Limited

Notes forming part of the Balance Sheet

Notes : Details of Loans

	Particulars	Tenor	Rs. in Million	Repayment Schedule	Interest Rate
a)	Debenture – M Series	5 years	500.0	Lump sum on 24th August, 2015	9.1%
b)	Rupee Term Loan from Bank	6 years	750.0	3 equal installments of Rs.250 million each on 31st Dec 2015, 31st Dec 2016, 31st Dec 2017	Bank base rate plus 0.25%
c)	Foreign Currency Loan from Banks	5 years	199.7	Repaid on 6th Jan 2015.	6 month's Libor plus 1.8%
d)	Deferred Sales Tax Loan	-	16.9	Repayable in installments, last installment being on 26th April 2020	Interest free

Security

- | | |
|------------------------------------|--|
| a) Debentures M Series | First Pari Passu charge on plant and machinery and the immovable properties of plant at Verna Industrial Estate, Goa and premises situated at Ahmedabad and Hyderabad. |
| b) Rupee Term Loan from Bank | Second / Subservient charge on the block of assets of the plant at Roorkee. |
| c) Foreign Currency Loan from Bank | Hypothecation of movable fixed assets located at Compact Fluorescent Lamp and High Voltage Power Cable plant. |

Note 4 : Other Long - Term Liabilities

(Rs. in million)

	2015	2014
Retention Money	4.1	17.9
	<u>4.1</u>	<u>17.9</u>

Note 5 : Provisions

(Rs. in million)

	Long - Term		Short - Term	
	2015	2014	2015	2014
Provision for Employee benefits				
Gratuity #	4.6	-	21.4	2.0
Leave encashment	45.1	35.3	11.9	9.2
	<u>49.7</u>	<u>35.3</u>	<u>33.2</u>	<u>11.2</u>
Other Provisions				
Proposed Equity Dividend	-	-	275.3	244.7
Tax on Proposed Equity Dividend	-	-	56.0	41.6
Derivative Contracts (Refer Note 30)	-	-	-	525.2
Other Provisions - Duties/Taxes (Refer Note 30)	-	-	54.8	50.8
	<u>-</u>	<u>-</u>	<u>386.1</u>	<u>862.3</u>
	<u>49.7</u>	<u>35.3</u>	<u>419.4</u>	<u>873.5</u>

Gratuity provision increased by Rs 14 million and Leave encashment provision increased by Rs 6.8 million due to change in actuarial assumption .

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Notes forming part of the Balance Sheet

Note 6 - Short - Term Borrowings

(Rs. in million)

Secured :	2015	2014
Cash Credit	0.3	-
	0.3	-

The Company has Cash Credit which is secured by hypothecation of inventories and book debts.

The Cash Credit is repayable on demand.

Note 7 : Trade Payables

(Rs. in million)

	2015	2014
Trade payables	502.5	526.8
	502.5	526.8

(For dues to Micro, Small and Medium Enterprises -Refer Note 33)

Note 8 : Other Current Liabilities

(Rs. in million)

	2015	2014
Current Maturities of Long - Term Borrowing (Refer Note 3)	754.9	203.4
Other Payables #	1,119.9	1,361.7
Interest free Deposits from Distributors	7.7	7.9
Interest accrued but not Due on Borrowings	6.7	7.7
Unpaid Dividend *	11.9	9.7
	1,901.0	1,590.4

*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

Other Payables Include :-Derivative liability Rs Nil (Previous year Rs 30 million),Expenses payables Rs 841 million(Previous year Rs 743.9 million), Statutory Dues Rs 105.6 million (Previous year Rs 141.2 million),Creditors of capital goods and service Rs 34 million (Previous year Rs 355.0 million) , other liability Rs 95.10 million (Previous year Rs 41.8 million),Advance from customer Rs 49.1 million (Previous year Rs 49.8 million)



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Cables Limited

Notes forming part of the Balance Sheet

Note No. 09(a) - Fixed Assets

(Rs. in million)

Description	Gross Block				Depreciation/Amortisation / Impairment				Net Block				
	Balance as at 01.04.2014. (Refer Note 9(b))	Additions (Refer Note (a) below)	Deductions/ Adjustments	Gross Block as at 31.03.2015	Balance as at 01.04.2014. (Refer Note 9(b))	Depreciation For the year (Refer Note c)	Adjusted against opening balance of Surplus in Profit and Loss (Refer Note c)	Deductions/ Adjustments	Total Depreciation / 31.03.2015	Provision for impairment as at 01.04.2014 (Refer Note 9(b))	Charge / (Reversal) for the year	Provision for impairment as at 31.03.2015	Balance as at 31.03.2015
Tangible Assets (A)													
Land	114.7	-	-	114.7	-	-	-	-	-	-	-	-	114.7
Lease Hold Land	161.0	-	-	161.0	12.4	1.6	-	-	14.0	-	-	-	147.0
Buildings(Refer Note (b) below)	2,338.9	4.3	-	2,343.2	569.0	69.4	31.8	-	670.2	-	-	-	1,673.0
Plant & Machinery (Refer Note (b) below)	7,493.3	347.5	13.7	7,827.1	4,377.7	462.6	15.3	12.7	4,842.9	304.0	76.7	380.7	2,603.4
Furniture, Fittings	122.5	1.9	-	124.4	94.7	4.1	2.7	-	101.5	-	-	-	22.9
Office Equipment	68.5	2.4	-	70.9	34.8	11.3	10.3	-	56.4	-	-	-	14.5
Computers, Peripherals	101.1	4.5	1.8	103.8	86.8	3.7	0.9	1.5	89.9	-	-	-	13.9
Vehicles	65.4	17.2	2.8	79.8	35.4	8.3	0.5	2.5	41.7	-	-	-	38.1
Dies & Moulds	17.8	-	-	17.8	10.4	1.9	-	-	12.3	-	-	-	5.5
Tangible Assets Total	10,483.2	377.83	18.28	10,842.8	5,221.2	562.9	61.5	16.7	5,828.9	304.0	76.7	380.7	4,633.0
Previous Year	9,163.5	1,326.3	6.6	10,483.2	4,738.8	484.3	-	1.9	5,221.2	304.0	-	304.0	4,958.0
Intangible Assets (B)													
Software & Others	128.3	4.3	-	132.6	127.9	-	-	-	127.9	-	-	-	4.7
Previous Year	128.3	-	-	128.3	127.9	-	-	-	127.9	-	-	-	0.4
Total (A) + (B)	10,611.5	382.1	18.3	10,975.3	5,349.1	562.9	61.5	16.7	5,956.8	304.0	76.7	380.7	4,637.7
Previous Year	9,291.8	1,326.3	6.6	10,611.5	4,866.7	484.3	-	1.9	5,349.1	304.0	-	304.0	4,958.4

a) Includes exchange difference on foreign exchange loan and borrowing capitalized during the year : Buildings Rs.2.98 million (Previous year Rs. 12.2 million), Plant and Machinery Rs.8.30 million (Previous year Rs.33.9 million), Refer Note 31

b) The Borrowing cost capitalised to Plant and Machinery and Building is Rs. Nil (Previous year Rs.3.0 million)

c) As stated in Note 28 (iii)(e), the Company has pursuant to the provisions of Companies Act, 2013, assessed the depreciation at rates prescribed useful life of its assets and recomputed depreciation at rates prescribed in Schedule II of the Act or as assessed by an independent valuer. As a result of the above, depreciation for the year ended 31st March 2015 is higher by Rs 20.27 Million. Further additional depreciation charge of Rs 40.64 Million (net of deferred tax Rs.20.93 Million) in respect of those assets whose useful life is fully exhausted as at 1st April, 2014 has been adjusted against the opening balance of surplus in the Statement of Profit and Loss account.

Notes forming part of the Balance Sheet

Description	Gross Block				Depreciation/Amortisation / Impairment					Net Block			
	Balance as at 01.04.2013	Additions Refer Note (a) below	Deductions/ Adjustments	Gross Block as at 31.03.2014	Balance as at 01.04.2013	Depreciation For the year	Adjusted against opening balance of Surplus in Profit and Loss	Deductions/ Adjustments	Total Depreciation 31.03.2014	Provision for impairment as at 01.04.2013	Charge / (Reversal) for the year	Provision for impairment as at 31.03.2014	Balance as at 31.03.2014
	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)
Tangible Assets (A)													
Land	106.8	7.9	-	114.7	-	-	-	-	-	-	-	-	114.7
Lease Hold Land	161.0	-	-	161.0	10.8	1.6	-	-	12.4	-	-	-	148.6
Buildings (Refer Note (b) below)	2,052.9	290.2	4.2	2,338.9	498.6	70.6	-	0.2	569.0	-	-	-	1,769.9
Plant & Machinery (Refer Note (b) & (c) below)	6,494.6	999.2	0.5	7,493.3	3,982.2	395.7	-	0.2	4,377.7	304.0	-	304.0	2,811.6
Furniture, Fittings	118.0	4.5	-	122.5	91.3	3.4	-	-	94.7	-	-	-	27.8
Office Equipment	62.0	6.5	0.0	68.5	32.3	2.5	-	-	34.8	-	-	-	33.7
Computers, Peripherals	98.1	4.1	1.1	101.1	83.8	4.0	-	1.0	86.8	-	-	-	14.3
Vehicles	54.4	11.8	0.8	65.4	31.3	4.6	-	0.5	35.4	-	-	-	30.0
Dies & Moulds	15.7	2.1	-	17.8	8.5	1.9	-	-	10.4	-	-	-	7.4
Tangible Assets Total	9,163.5	1,326.3	6.6	10,483.2	4,738.8	484.3	-	1.9	5,221.2	304.0	-	304.0	4,958.0
Previous Year	8,873.8	296.9	7.2	9,163.5	4,293.5	450.8	-	5.5	4,738.8	288.5	15.5	304.0	4,120.7
Intangible Assets (B)													
Software & Others	128.3	-	-	128.3	127.9	-	-	-	127.9	-	-	-	0.4
Previous Year	128.3	-	-	128.3	127.9	-	-	-	127.9	-	-	-	0.4
Total (A) + (B)	9,291.8	1,326.3	6.6	10,611.5	4,866.7	484.3	-	1.9	5,349.1	304.0	-	304.0	4,958.4
Previous Year	9,002.1	296.9	7.2	9,291.8	4,421.4	450.8	-	5.5	4,866.7	288.5	15.5	304.0	4,121.1

a) Includes exchange difference on foreign exchange loan and Borrowings cost capitalized during the year: Building Rs.12.2 million(Previous year Rs.18.5 million),Plant & Machinery Rs.33.9 million(Previous year Rs. 51.5 million)

b) The Borrowing cost capitalised to Plant and Machinery and Building is Rs.3.0 million (Previous year Rs. 5.15 million)

c) Additions for the year includes Rs.379.5 million towards Solar Power Plant.



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Cables Limited

Notes forming part of the Balance Sheet

Note 10 - Non - Current Investments

(Rs in million)

	2015	2014
Non Trade Investments (At Cost)		
Investment in Quoted Equity Instruments		
30,500 Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 30,500)	0.5	0.5
40,192,597 Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597)	1,518.5	1,518.5
358,500 Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	3.6	3.6
	1,522.6	1,522.6
Investment in Unquoted Equity Instruments		
6,100,000 Equity Shares of Rs. 10 each fully paid in I2IT Private Limited (Previous Year 6,100,000)	61.0	61.0
Less: Provision for Diminution in value of investments	(35.1)	(35.1)
	25.9	25.9
1,000,000 Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Limited (Previous Year 1,000,000)	10.0	10.0
Equity Shares of Rs. 10 each fully paid in Promain Limited (Previous Year 3,350) #	-	0.1
967,700 Equity Shares of Rs. 10 each fully paid in SICOM Limited (Previous Year 967,700)	77.8	77.8
1,000 Equity Shares of Rs. 10 each fully paid in The Saraswat Co-op Bank Limited (Previous Year 1,000) *	-	-
5,343,404 Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,343,404)	53.4	53.4
	167.1	167.2
Investments in Joint Venture Company- Unquoted		
74,970,000 Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 62,720,000)	749.7	627.2
Less: Provision for Diminution in value of investments (Refer Note : 35)	(200.3)	(73.7)
	549.4	553.5
1,750,000 Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1750,000)	17.5	17.5
	566.9	571.0
	2,256.6	2,260.8
Aggregate amount of Quoted Investments	1,522.6	1,522.6
Aggregate Market Value of Quoted Investments Rs. 11,755.9 million (Previous Year Rs.7,877.4 million)		
Aggregate amount of UnQuoted Investments	734.0	738.2
Aggregate provision for diminution in value of investment	235.4	108.8

* Indicate investments having value in rupees less than Rupees Million

Written off during the year Rs 0.1 million.

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Note 11 : Loans and Advances

(Rs. in million)

	Non Current		Current	
	2015	2014	2015	2014
Unsecured, Considered Good unless stated otherwise				
Capital Advances				
Considered Good	8.4	9.0	-	-
Considered Doubtful	-	0.4	-	-
	8.4	9.4	-	-
Less: Provision for Doubtful Capital Advances	-	0.4	-	-
	8.4	9.0	-	-
Security Deposits #	34.2	38.7	-	-
Advance Recoverable in Cash or in Kind				
Considered Good, Secured	-	-	-	-
Considered Good Unsecured # #	-	-	557.9	391.2
Considered Doubtful	-	-	-	8.7
	-	-	557.9	399.9
Less: Provision for Doubtful Advances	-	-	-	8.7
	-	-	557.9	391.2
Advance Income-tax (Net of Provision for Taxation)	-	-	128.6	185.9
Balances with Customs and Excise	-	-	12.9	28.0
	-	-	141.5	213.9
	42.6	47.7	699.4	605.1

Security Deposits include Rent Deposit Rs. 2.5 million (Previous Year Rs. 2.5 million) given to related party, Orbit Electricals Pvt.Ltd., towards premises taken on lease.

Includes Interest Receivable of Rs.17.4 million (Previous Year Rs 4.2 million), Sales Tax Receivable of Rs.118.8 million (Previous Year Rs. 116.9 million), Advances to Creditors of Rs.285.3 million (Previous Year Rs. 158.4 million), Excise claims of Rs.60.3 million (Previous Year Rs.49.3 million), Export Rebate of Rs. 14.7 million (Previous Year Rs.3.6 million), Advance contribution for Superannuation Scheme of Rs.Nil (Previous Year Rs.9.5 million), Other Advances of Rs.57.4 million (Previous Year Rs.45.9 million), Prepaid Expenses of Rs. 3.9 million (Previous Year Rs. 3.4 million)



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Cables Limited

Notes forming part of the Balance Sheet

Note 12 : Other Assets

	(Rs. in million)			
	Non Current		Current	
	2015	2014	2015	2014
MAT Credit Entitlement	192.9	264.9	-	-
Unamortised Premium on Forward Contracts	-	-	-	0.9
	192.9	264.9	-	0.9

Note 13 : Current Investments

	(Rs in million)	
	2015	2014
(Valued at lower of cost and fair value)		
Investment in Quoted Equity Instruments		
10 Equity Shares of Rs.5 each fully paid in Apar Industries Limited (Previous Year 10)	-	-
168,750 Equity Shares of Rs.5 each fully paid in BF Utilities Limited (Previous Year 168,750)	0.8	0.8
168,750 Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	-	-
100 Equity Shares of Rs.10 each fully paid in Birla Ericsson Optical Limited (Previous Year 100)	-	-
300 Equity Shares of Rs. 10 each fully paid in Delton Cables Limited. (Number of shares include 200 number of bonus shares received during the year 2014-15.) (Previous Year 100)	-	-
57 Equity Shares of Re. 1 each fully paid in Dish TV India Limited (Previous Year 57)	-	-
22,105 Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited .(Number of shares increased due to split of shares) (Previous Year 4,421, Face value Rs 10 each)	0.6	0.6
200,000 Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	6.2	6.2
Less: Provision for Diminution in value of investments	-	(0.9)
	6.2	5.3
100 Equity Shares of Rs. 2 each fully paid in Nicco Corporation (Previous Year 100)	-	-
525 Equity Shares of Rs.2 each fully paid in KEC International Limited (Previous Year 525)	0.1	0.1
500 Equity Shares of Rs. 2 each fully paid in Sterlite Technologies Limited (Previous Year 500)	-	-
50 Equity Shares of Re. 1 each fully paid in Siti Cable Network Limited (Previous Year 50)	-	-
100 Equity Shares of Re. 1 each fully paid in Usha Martin Education & Solutions Limited (Previous Year 100)	-	-
500 Equity Shares of Re. 1 each fully paid in Usha Martin Limited (Previous Year 500)	-	-
100 Equity Shares of Rs. 10 each fully paid in Vindhya Telelinks Limited (Previous Year 100)	-	-
218 Equity Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 218)	-	-
4,578 6% Cumulative Redeemable Non-convertible Preference Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 4,578)	-	-
45 Equity Shares of Rs. 10 each fully paid in ZEE Media Limited (Previous Year 45)	-	-
27 Equity Shares of Rs. 10 each fully paid in ZEE Learn Limited (Previous Year 27)	-	-
	7.7	6.8

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Note 13 : Current Investments (Contd.)

		(Rs in million)	
		2015	2014
Investments in Quoted Mutual Funds			
133,384	Units of Rs 10 each of Axis Liquid Fund-Growth (Previous Year 67,211)	205.4	93.7
749,722	Units of Rs 10 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 611,162)	165.0	125.1
260,158	Units of Rs 10 each of Birla Sun Life Saving Fund-Growth-Regular Plan (Previous Year Nil)	70.0	-
-	Units of Rs 10 each of Baroda Pioneer Liquid Fund Plan A-Growth (Previous Year 71,170)	-	102.5
-	Units of Rs 10 each of DSP BlackRock Liquidity Fund-Institutional Plan-Growth (Previous Year 66,048)	-	120.0
127,295	Units of Rs.10 each of Franklin India Treasury Management Account-Super Institutional Plan-Growth (Previous Year 68,404)	260.3	130.1
8,880,454	Units of Rs. 10 each of HDFC Liquid Fund - Growth (Previous Year 1,189,631)	242.8	30.0
1,255,973	Units of Rs. 10 each of ICICI Prudential Liquid-Regular Plan- Growth (Previous Year 529,738)	258.3	100.0
-	Units of Rs. 1,000 each of IDBI Liquid Fund -Regular Plan-Growth (Previous Year 96,190)	-	130.5
108,021	Units of Rs. 10 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year Nil)	179.2	-
179,967	Units of Rs.10 each of JM Basic Fund - Growth (Previous Year 179,967)	2.5	2.5
6,831,989	Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 858,462)	253.5	30.0
-	Units of Rs.10 each of JM Floater Short Term Fund-Growth Option (Previous Year 3,033,260)	-	60.0
124,607	Units of Rs.10 each of L&T Liquid Fund-Growth (Previous Year 28,569)	235.4	50.0
-	Units of Rs.10 each of Reliance Liquid Fund-Cash Plan-Growth Option-Growth Plan (Previous Year 9,759)	-	20.0
60,531	Units of Rs.10 each of Reliance Liquid Fund-Treasury Plan-Growth Option (Previous Year 41,521)	205.4	128.0
-	Units of Rs.10 each of Reliance Liquidity Fund-Growth Plan-Growth Option (Previous Year 15,643)	-	30.0
26,128.0	Units of Rs.10 each of Reliance Money Manager -Growth Plan - Growth Option (Previous Year Nil)	50.0	-
102,641	Units of Rs.10 each of Religare Invesco Liquid Fund-Growth (Previous Year 67,829)	192.0	115.2
-	Units of Rs.10 each of SBI Magnum Insta Cash Fund Liquid Floater-Regular Plan -Growth (Previous Year 34,292)	-	75.0
81,659	Units of Rs.10 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 14,900)	178.1	30.0
-	Units of Rs.10 each of Sundaram Energy Opportunities Fund - Dividend (Previous Year 1,000,000)	-	10.0
	Less: Provision for Diminution in value of investments	-	(2.7)
		-	7.3
-	Units of Rs.10 each of Sundaram Money Fund- Regular-Growth (Previous Year 5,250,898)	-	140.0
418,264.0	Units of Rs.10 each of Sundaram Infrastructure Advantage Fund- Regular-Dividend (Previous Year Nil)	7.3	-
68,477	Units of Rs.10 each of Tata Liquid Fund-Plan A-Growth (Previous Year 12,688)	172.7	30.0
-	Units of Rs.10 each of Taurus Liquid Fund-Existing Plan-Super Institutional-Growth (Previous Year 63,406)	-	87.5
-	Units of Rs.10 each of UTI Liquid Cash Plan-Institutional-Growth (Previous Year 61,780)	-	126.4
		2,677.9	1,763.8
		2,685.6	1,770.6
	Aggregate amount of Quoted Investments		
	[Aggregate Market Value of Current Quoted Investments Rs.2,887.7 million (Previous Year Rs. 1,921.1 million)]		
	Aggregate provision for diminution in value of investment	-	3.6
	* Indicate investments having value in rupees less than Rupees Million		



Notes forming part of the Balance Sheet

Note 14 - Inventories (Valued at lower of cost and net realisable value unless stated otherwise)

(Rs. in million)

	2015	2014
Raw Materials (Includes in Transit Rs 158.92 million, Previous Year Rs 93.8 million)	832.6	652.1
Work-in-Progress	817.7	785.4
Finished Goods	1,249.4	1,814.9
Stock-in-Trade	47.4	40.7
Stores and Spares	159.4	149.5
Packing Materials	41.0	41.8
Scrap (Valued at realisable value)	38.8	39.6
	3,186.2	3,524.0

Note 15: Trade Receivables

Current

Unsecured, considered good, unless stated otherwise

Outstanding for a period exceeding six months

Secured, Considered Good

 Considered Good

 Considered Doubtful

Less: Provision for Doubtful Receivables

Other Receivables

	2015	2014
	59.2	60.9
	28.1	38.0
	87.2	98.9
	28.1	38.0
	59.2	60.9
	1,127.0	1,390.8
	1,186.1	1,451.7

Note 16 : Cash and Bank Balances

Current

Cash and Cash Equivalents

Balances with Banks:

 On Current Accounts

 On Unpaid Dividend Account

Cash on Hand

Other Bank Balances

Deposits with original maturity for more than 3 months but less than 12 months

Margin Money Deposits

	2015	2014
	216.1	444.5
	11.9	9.7
	2.6	2.1
	230.7	456.3
	1,150.0	111.1
	3.0	81.2
	1,153.0	192.3
	1,383.7	648.6

Margin money deposit includes Deposit kept with banks against the Bank Guarantee / Letter of Credit of Rs.Nil (Previous year Rs. 79.7 million). Deposit given to Goa Electricity Board Rs 3 million, (Previous year Rs 1.5 million) and Rs 100 million (Previous year Nil) towards debentures which are due for redemption on 26th August 15 , as per statutory requirements.

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Notes forming part of the Statement of Profit and Loss

Note 17 - Revenue From Operations

	(Rs. in million)	
	2015	2014
Sale of Products :		
Finished Goods	25,386.7	24,769.1
Traded Goods	167.6	106.7
	25,554.4	24,875.8
Other Operating Revenue		
Scrap sales	188.2	214.1
Export Benefits	5.3	9.6
Revenue from Operations (Gross)	25,747.9	25,099.5
Less: Excise duty	(1,257.0)	(1,509.1)
Revenue from Operations (Net)	24,490.9	23,590.4

Details of Products Sold

Finished Goods Sold		
Electrical Cables	21,924.5	21,131.5
Communication Cables	2,376.6	2,264.1
Copper Rods	917.1	1,177.6
Others	168.5	195.9
	25,386.7	24,769.1
Traded Goods sold		
Others	167.6	106.7
Products Sold Total	25,554.4	24,875.8

Note 18 - Other Income

	(Rs. in million)	
	2015	2014
Interest on :		
Deposits	22.0	24.5
Others	28.5	76.4
Dividend from :		
Non-Current Investments	285.0	225.3
Current Investments	0.1	0.3
Profit on Sale of Assets	0.0	0.4
Net Gains on Redemption of Current Investments	185.6	118.6
Gain on Exchange Fluctuations (Net)	18.0	-
Reversal of Provisions for Doubtful Debts no longer required	-	1.40
Other Non Operating Income	45.4	36.6
	584.7	483.5



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Notes forming part of the Statement of Profit and Loss

Note 19 - Cost of Material Consumed

(Rs. in million)

	<u>2015</u>	<u>2014</u>
Raw Material :		
Inventory at the beginning of the year	652.1	644.2
Add : Purchases	17,405.5	17,452.4
	<u>18,057.6</u>	<u>18,096.6</u>
Less: Inventory at the end of the year	832.6	652.1
Cost of Raw Material Consumed	17,225.0	17,444.5
Packing Material Consumed	352.7	314.8
Total Cost of Material Consumed	<u>17,577.6</u>	<u>17,759.3</u>

Details of Raw Material Consumed

Copper	13,440.5	14,287.5
PVC	1,578.5	1,525.2
Polythene	401.7	351.2
Preform	127.6	120.6
Others	1,676.7	1,160.0
	<u>17,225.0</u>	<u>17,444.5</u>

Details of Inventory of Raw Materials

Copper	173.4	149.1
PVC	227.7	188.5
Polythene	92.9	78.6
Preform	63.8	78.6
Others	274.8	157.3
	<u>832.6</u>	<u>652.1</u>

Note 20 : Details of Purchase of Stock-in-Trade

Others (Includes Compact Fluorescent Lamps and Electrical Switches)	138.6	112.1
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Notes forming part of the Statement of Profit and Loss

Note 21 : (Increase) / Decrease in Inventories

(Rs. in million)

	<u>2015</u>	<u>2014</u>
Inventories at the end of the year (A)		
Work-in-Progress	817.7	785.4
Finished Goods	1,249.4	1,814.9
Stock-in-Trade	47.4	40.7
Scrap	38.8	39.6
	<u>2,153.2</u>	<u>2,680.6</u>
Inventories at the beginning of the year (B)		
Work-in-Progress	785.4	939.6
Finished Goods	1,814.9	1,497.1
Stock-in-Trade	40.7	18.4
Scrap	39.6	17.0
	<u>2,680.6</u>	<u>2,472.1</u>
Increase / (Decrease) in Inventories (B) - (A)	527.4	(208.5)
Adjustments for Captive Consumption	(6.8)	(6.8)
	<u>520.6</u>	<u>(215.3)</u>
Note 22 - Employee Benefit Expense		
Salaries, Wages, Bonus and Commission etc.	861.1	791.0
Contribution to Provident and other Funds	70.5	49.6
Workmen and Staff Welfare Expenses	4.6	4.7
Recruitment and Training Expenses	3.4	3.0
	<u>939.6</u>	<u>848.3</u>
Note 23 : Finance Costs		
Interest Expenses	129.2	134.0
Bank Charges	7.3	10.8
	<u>136.5</u>	<u>144.8</u>
Note 24 : Depreciation, Amortisation and Impairment Expenses		
Depreciation on Tangible Assets	562.9	484.3
Impairment of Tangible Assets #	76.7	-
	<u>639.7</u>	<u>484.3</u>

Refer note : 34



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Notes forming part of the Statement of Profit and Loss

Note 25 - Other Expenses

	(Rs. in million)	
	2015	2014
Consumption of Stores and Spares	181.7	204.1
Increase / (Decrease) in Excise duty on Closing Stock of Finished Goods	(4.7)	(13.1)
Processing Charges	3.9	3.9
Power and Fuel	308.4	370.7
Rent, Rates and Taxes	26.7	20.6
Insurance	9.0	9.1
Repairs and Maintenance :		
Building R & M	10.5	7.1
Machinery R & M	16.7	18.1
Other Assets R & M	28.1	21.9
Directors' Sitting Fees	1.4	1.1
Auditors' Remuneration :		
Audit Fees	4.1	3.3
Tax Audit Fees	0.8	0.8
Other Services	0.5	1.0
Reimbursement of Expenses	0.3	0.1
Travelling and Conveyance	75.0	76.2
Communication Expenses	11.8	12.6
Selling and Distribution Expenses :		
Sales Incentives	1,222.7	1,003.9
Freight Outward (Net)	316.3	340.9
Advertisement, Publicity etc.	164.3	98.8
Miscellaneous Expenses	192.9	249.9
Provision for Doubtful Debts	4.0	10.5
Non Recoverable Balances Written Off	4.2	4.7
"Provision for Diminution in value of Investments (Refer Note 35)"	122.9	75.3
Loss on Sale of Assets	1.3	1.0
Loss on Exchange Fluctuations (Net)	-	48.7
Donation (#)	13.9	32.9
	2,716.8	2,604.1

(#) Includes donation to Political Parties Rs 12.3 million. (Previous Year Rs 0.3 million) - as under
BJP Rs 3.3 million (Previous Year Rs 0.3 million),NCP Rs 7 million (Previous Year Nil),Congress Rs 2 million (Previous Year Nil).

Note 26 : Exceptional Items - Income/(Expenses)

Gain / (Losses) on Derivatives Contracts #	225.2	103.8
# represents gains on account of settlement of claims in respect of foreign exchange derivatives		

Note 27 : Earnings per Share (EPS) - Basic and Diluted

Profit After Tax for calculation of Basic and Diluted EPS (Rs. in Million)	1,986.6	2,076.8
No. of Shares used for calculation of Basic and Diluted EPS	152,939,345	152,939,345
Earning Per Share Basic and Diluted (Face Value Rs.2 each)	13.0	13.6

Notes forming part of the Accounts

28. Summary of Significant Accounting Policies

i) Basis of preparation of financial statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act, 2013('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or to an revision an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

ii) Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

iii) Fixed assets

a) Tangible assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation/amortization and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

b) Intangible assets

Costs incurred on acquisition, development or enhancement of intangible resources are recognised as intangible assets if these are identifiable, controlled by the Company and it is probable that future economic benefit attributable to the assets would flow to the Company. Intangible assets are stated at cost less accumulated amortisation and impairments, if any. Cost includes taxes, duties and other incidental expenses related to acquisition, development and enhancement.

c) Capital work in progress

Capital work-in-progress comprise of cost of fixed assets that are not yet ready for their intended use at the reporting date.

d) Borrowing costs

Borrowing costs directly attributable to acquisition, construction of qualifying asset are capitalised as part of the cost of those assets until such time as the assets are substantially ready for their intended use. Other borrowing costs are recognized as expense in the period in which they are incurred.

e) Depreciation and amortization

Tangible Assets

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II of the Companies Act 2013, or as assessed by the Management based on the technical evaluation of an independent valuer. Estimated useful life adopted on this basis is different from the useful life prescribed in Schedule II of the Companies Act 2013 in case of following assets:

Asset Class	Useful Life Adopted(Years)	Useful Life as per Schedule –II(Years)
Plant & Machinery	9.5	7.5
Solar Plant	25	7.5

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

Leasehold land is amortized over the primary period of the lease.



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Notes forming part of the Accounts

Depreciation for assets purchased / sold during the period is proportionately charged.

Intangible Assets

Intangible assets are amortized over the estimated useful lives of respective assets on a straight line basis, commencing from the date the assets is available to the Company for its use.

Estimate useful life of software is considered 4.75 years.

Impairment

The carrying amount of cash generating units / assets is reviewed at balance sheet date to determine whether there is any indication of impairment. In situations where any such indication exists, the recoverable amount is estimated as the higher of net selling price and value in use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Impairment loss is recognised whenever carrying amount exceeds the recoverable amount. Conversely, previously recognised losses are reversed when the estimated recoverable amount exceeds the carrying amount.

iv) Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at cost or fair value, whichever is lower, computed individually for each investment. In case of unquoted mutual funds, their net asset value on the reporting date is taken as their fair value.

Long-term investments are carried at cost. Provision for diminution, if any, in the value of investments is made to recognise a decline in the value of the investments, other than temporary.

v) Inventories:

Inventories are stated at lower of cost and net realisable value. Cost of raw materials, packing materials and consumables stores and spares is determined using the weighted average cost method. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost of finished goods and work in progress comprises cost of raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Scrap generated during the manufacturing process is valued at net realisable value.

vi) Foreign Currency Translation:

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on conversion/settlement of foreign currency monetary items are recognized as income or expenses in the period in which they arise. Exchange differences arising on long term foreign currency monetary items, related to acquisition of fixed assets are capitalised and depreciated over the remaining useful lives of the asset.

Forward exchange contracts covered by AS 11 "The effects of changes in Foreign Exchange rates"

The premium or discount arising at the inception of forward exchange contracts is amortized and is recognized as an expense/income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the reporting period.

vii) Revenue Recognition:

- a) Revenue from sale of goods is recognised on dispatches to customers which generally coincides with transfer of title, significant risk and rewards of ownership to customer. Sales are stated net of trade discounts, rebates, excise duty, sales tax and Value Added Tax.

Notes forming part of the Accounts

- b) Interest and other income are recognised on accrual basis.
- c) Income from export incentives such as premium on sale of import licences, duty drawback etc, are recognised on accrual basis to the extent the ultimate realization is reasonably certain.
- d) Dividend income is recognised when right to receive dividend is established.

viii) Employee Benefits:

a) Gratuity

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Funds managed by insurance companies and estimated terms of the defined benefit obligation. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise.

b) Superannuation

The Company's contribution to the Superannuation Scheme, a defined contribution scheme, administered by an insurance company is recognised as expense in the Statement of Profit and Loss, for the services rendered by the employees. The Company has no obligation to the Scheme beyond its annual contributions.

c) Leave encashment / Compensated absences

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The Company's liability is provided based on actuarial valuation at each balance sheet date and recognised as expense in Statement of Profit and Loss.

d) Provident fund

The Company contributes to the Provident Fund, a defined contribution scheme, which is administered by the Government. The rate at which the contributions are made as per the statutory requirements and is recognised as expense in the Statement of Profit and Loss, of the period in which the services are rendered by employees.

ix) Taxation:

- a) Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income Tax Act, 1961) over normal income-tax, is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- b) Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation. Other deferred tax assets are recognised only when there is a reasonable certainty of their realisation.

x) Provisions and Contingent Liabilities:

- a) A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the reporting date.
- b) Contingent Liabilities are disclosed in respect of:
 - i) Possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.
 - ii) Any present obligation, where it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligations or a reliable estimate of the amount of obligation cannot be made.

However, in situations where the likelihood of an outflow of resources is assessed to be remote, no disclosure is made as such items are not in the nature of Contingent liabilities.

Contingent Assets are not recognised or disclosed in the financial statements.

xi) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly



Notes forming part of the Accounts

liquid investments with original maturities of three months or less.

xii) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

xiii) Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products produced and sold, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the location of customers within India and outside India.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

xiv) Lease Rent

The Company has taken residential accommodation, office premises and warehouses on lease / rental basis. Lease period varies from one month to twelve months. These lease are cancellable in nature. Lease rentals recognised in the Statement of Profit and Loss is Rs 18.57 million (Previous Year Rs 12.66 million).

29. Contingent Liabilities and commitments

a) Contingent liabilities

Particulars	(Rs. in million)	
	2015	2014
I) Disputed Tax Matters		
Excise	145.3	141.3
Customs	13.4	13.4
Sales tax	959.3	944.5
Income tax	86.2	76.6
Appeals preferred by the authorities against Appellate decisions in favour of the Company		
Income tax	42.4	42.4
II) Guarantees given by Bankers on behalf of the Company, towards performance and other matters, (Secured by hypothecation of Stock in trade, Book Debts, Stores and Spares etc.)	1,142.1	1,212.1
Margin deposits against the above guarantee Nil (Previous Year Rs 29.7 million)		
III) Corporate counter guarantee given to J-Power Systems Corporation Japan, joint venture partner towards credit facilities from a bank availed by the Joint Venture company, Finolex J-Power Limited	-	245.0
IV) Claims against the Company by a bank not acknowledged as debts in respect of derivative transactions which are under dispute	-	175.0

Also Refer Note 35(b)

Notes forming part of the Accounts

b) Commitments

- i. The Company has imported capital goods under the Export Promotion Capital Goods (EPCG) scheme, of the Government of India, at concessional rates of duty on an understanding to fulfil quantified exports against which future obligation aggregates to **Rs. 1,057.3 million** (Previous year Rs. 1,211.7 million) over a period of six / eight years from the date of licence.
- ii. Estimated amount of contracts remaining to be executed on capital account (net of advances paid), not provided for **Rs. Nil million** (Previous year Rs. 77.0 million).

30 (a) Other Provisions:

- i Provision for derivatives as at the year-end is **Rs. Nil million** (Previous year Rs. 525.2 million) including provided during the year of **Rs. Nil million** (Previous year Rs. Nil million).
- ii Other provision for duties and taxes represents provision for disputed duties and taxes. Movements during the year are on account of payments / write back of provisions no longer required. Outflow on account of said provision depends on the settlement of the pending disputes.

(b) CSR EXPENSES

During the year the Company has incurred CSR expenses of **Rs. 1.1 Million** which is eligible under Section 135 of Companies Act, 2013 read with Schedule VII.

31. Foreign Exchange differences

- a. In terms of the circular issued by Ministry of Corporate Affairs ("MCA"), in respect of changes to Accounting Standard 11 and subsequent amendments thereto, the Company had in earlier years exercised the option of capitalising foreign exchange difference arising on long term foreign currency borrowings taken for acquisition of fixed assets. Accordingly, foreign exchange loss of **Rs 11.3 million** (Previous year: Rs 46.1 million) arising during the year has been added to the cost of fixed assets.

32. Taxes on Income

a) Deferred Tax:

Break-up of major components of deferred tax assets and liabilities is as below.

	(Rs. in million)	
Particulars	2015	2014
Deferred Tax Liabilities		
Depreciation	356.2	341.2
	(a) 356.2	341.2
Deferred Tax Assets		
Employee Benefits	28.7	15.8
Provision for doubtful debts	9.7	12.9
Others	17.3	17.3
	(b) 55.7	46.0
Deferred Tax Liabilities (Net) (a) – (b)	300.5	295.2

- b) MAT Credit entitlement of **Rs. Nil** (Previous Year Rs 166.5 million) represents prior year adjustments.

33. Dues to Micro, Small and Medium Enterprises:

- a) Outstanding to suppliers other than Micro and Small enterprises **Rs 695.4 million** (Previous Year Rs 526.7 million)
- b) Outstanding to Micro and Small enterprises **Rs 1.1 million** (Previous Year Rs 2.4 million)

	(Rs. in million)	
	2015	2014
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	1.0	2.4
Interest due on above	0.2	0.2
	1.2	2.6
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of payment made to suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.2	0.2



Finolex Cables Limited

Notes forming part of the Accounts

The identification of suppliers as Micro and Small Enterprises covered under the "MSMED Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company.

34. CFL Manufacturing Facility

During the year the Company carried out an impairment review of CFL manufacturing facilities and recognised impairment provision Rs 76 million in respect of low voltage segment plant which is impacted by rapidly changing shift over to LED bulbs. Depreciation, amortisation and impairment charge for the year includes aforesaid provision. (Refer Note 24)

35. Investment in Joint Venture entities

a) The Company has the following investments in jointly controlled entities, which are incorporated in India:

	Investment in Shares (Rs in millions)		Ownership interest (Percentage)	
	2015	2014	2015	2014
Finolex J-Power Systems Limited (Note (c) Below)	749.7	627.2	49%	49%
Corning Finolex Optical Fibre Private Limited	17.5	17.5	50%	50%

b) Company's share in Assets and Liabilities

The below mentioned figures for jointly controlled entities are provided based on the latest available un-audited accounts for the year end March 31, 2015. (Previous year's figures for the year ended March 31, 2014)

(Rs. in million)							
	Year	Assets	Liabilities	Income	Expenses	Contingent Liabilities	Capital & others Commitment
Finolex J-Power Systems Limited (FJPSSL)	2015	926.7	* 595.7	26.4	165.0	155.94	2.2
	2014	1064.7	717.6	266.6	384.6	141.65	0.5
Corning Finolex Optical Fibre Private Limited	2015	178.4	164.3	790.6	791.8	-	-
	2014	399.9	384.6	521.3	523.3	-	-

* Include Rs 145 million towards short terms credit facility availed from a bank. The Company has given its JV partner, an undertaking, to share any future liabilities to the bank in line with its shareholding in the JV, in the event JV fails to pay the amount borrowed.

c) The Company's investment in Finolex J Power Systems Ltd, (JV) is long term and strategic in nature. The JV is engaged in manufacturing and sale of high voltage power cables. The operations of the JV continued to be adversely impacted by economic slowdown and the JV has continued to incur losses, resulting its net worth being partially eroded. The management expects improvement in operations of the JV's upon revival of the economic environment and along with the Joint Venture partner, continues to support the JV operations by infusion of equity as required. Having regard to the uncertainty in the timing of economic revival, the management of the Company, on prudent basis, has made further provision of **Rs 126.6 million** (Previous year Rs 73.7 million) towards diminution in the value of investments.

36. Related Party Transactions (As per AS-18 on Related Party Disclosures Specified under Section 133 of the Companies Act, 2013):

a) Names of Related Parties:

Associate Companies	Finolex Industries Limited Finprop Advisory Services Limited Finolex Plasson Industries Private Limited
Joint Venture entities	Finolex J-Power Systems Limited Corning Finolex Optical Fibre Private Limited

b) Key management Personnel and Relatives

Key Management Personnel Mr. D. K. Chhabria Mr. Mahesh Viswanathan Mr. P. P. Chhabria Mr. R G D'Silva	Executive Chairman Executive Director and Chief Financial Officer Director Company Secretary & President (Legal)
Relatives Mr. K. P. Chhabria	Father of Executive Chairman and Brother of the Director

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Notes forming part of the Accounts

c) Enterprises over which Key Management Personnel and their relatives exercise significant influence:

Orbit Electricals Private Limited
 Finolex Infrastructure Limited
 Magnum Machines Technologies Limited

d) Transaction with Related Parties – Major Parties

(Rs in million)

Name of Transactions	2015	2014
Associate Companies / Joint Venture		
Sales, Services and Other Income		
1 Sale of goods		
Finolex Industries Limited	2.7	6.1
Finolex J-Power Systems Limited	-	368.1
Others	0.5	1.0
2 Sale of Other Material / Services		
Finolex J-Power Systems Limited	0.4	21.5
3 Recoveries		
Finolex Industries Limited	7.0	1.0
Finolex J-Power Systems Limited	2.2	2.3
Others	0.7	0.3
4 Dividend Received		
Finolex Industries Limited	281.3	221.1
Finolex Plasson Industries Private Limited	1.5	2.0
Purchase of Material / Assets		
1 Purchase of Raw Material and Components		
Finolex Industries Limited	-	11.8
Finolex J-Power Systems Limited	8.1	161.3
Corning Finolex Optical Fibre Private Limited	132.0	-
Others	1.6	2.9
2 Purchase of Fixed Assets		
Magnum Machines Technologies Limited	0.2	9.8
Others	-	1.7
3 Purchase of Investments		
Finolex J-Power Systems Limited		
- Allotment	122.5	147.0
Corning Finolex Optical Fibre Private Limited	-	17.0



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(Rs in million)

Name of Transactions	2015	2014
Expenses		
1 Services		
Finprop Advisory Services Limited	4.8	12.4
Others	0.8	-
2 Rent		
Orbit Electricals Private Limited	2.7	2.7
3 Reimbursement of Expenses Paid		
Finolex Industries Limited	11.9	12.3
Finprop Advisory Services Limited	2.9	3.5
Others	-	0.2
4 Dividend Paid		
Finolex Industries Limited	35.5	26.6
Amount Outstanding		
1 Creditors		
Finolex Industries Limited	5.7	1.4
Corning Finolex Optical Fibre Private Limited	10.9	-
Others	-	1.4
2 Debtors		
Finolex Industries Limited	5.2	1.8
Finolex J-Power Systems Limited	15.4	15.4
Others	-	1.0
3 Loans and Advances and Deposits		
Orbit Electricals Private Limited	2.5	2.5
Key Management Personnel		
Remuneration to Key Management Personnel		
Mr. D. K. Chhabria	73.3	66.2
Mr. Mahesh Viswanathan	16.6	14.0
Mr. P. P. Chhabria	-	15.1
Mr. R. G. D'Silva	2.37	-

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37. Foreign currency related disclosures

a) The Company has the following unhedged foreign currency exposures:

	(Rs. in million)	
	2015	2014
Long term borrowings	-	199.7
Trade payables	73.2	179.1
Trade receivables	50.3	68.3

b) The Company had in the previous year hedged exposures in respect of creditors and Buyer's credit by way of forward covers which were mostly USD – INR contracts. Forward covers to the extent of Rs.93.8 million were outstanding as at March 31, 2014 to hedge the exposures of equivalent value of the creditors and Buyers Credit.

38. Raw Material Consumed:

	2015		2014	
	Quantity (MT)	(Rs in million)	Quantity (MT)	(Rs in million)
Copper	28,777	13,440.5	28,414	14,287.5
PVC	15,909	1,578.5	18,721	1,525.2
Polythene	3,358	401.7	3,181	351.2
Preform	15	127.6	15	120.6
Others		1,676.7		1,160.0
Total		17,225.0		17,444.5

39. CIF Value of Imports

	(Rs. in million)	
	2015	2014
Raw Material	1,287.0	2,035.8
Spares and Components	8.8	20.9
Capital Goods	244.8	280.8
Total	1,540.5	2,337.5

40. Consumption of Raw Material:

	2015		2014	
	%	Rs in million	%	Rs in million
Imported	8.8	1,520.3	11.8	2,050.2
Indigenous	91.2	15,704.7	88.2	15,394.3
Total	100.0	17,225.0	100.0	17,445.5



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41. Consumption of Stores and Spares:

	2015		2014	
	%	Rs in million	%	Rs in million
Imported	7.7	13.9	8.6	17.6
Indigenous	92.3	167.8	91.4	186.5
Total	100.0	181.7	100.0	204.1

42. Expenditure in foreign Currency:

	(Rs. in million)	
	2015	2014
Travelling	1.8	2.1
Interest	4.4	10.5
Foreign Bank Charges	2.2	1.0
Export Sales Commission	1.1	1.9
Professional Fees	1.3	23.3
Others	0.3	1.2
	11.1	40.0

43. Earnings in foreign Currency: (on accrual basis):

	(Rs. in million)	
	2015	2014
FOB Value of Export	539.5	494.4

44. Dividends Remitted in foreign Currency:

	2015	2014
Number of Share holders	1	1
Number of Shares held	6,086,425	6,086,425
Year to which dividend relates	March 2014	March 2013
Amount remitted (Net of tax deducted at source) (Rs. in million)	9.7	7.3

45. Segment Reporting:

The Business segment has been considered as a primary segment for disclosure. The categories included in each of the reported business segment are as follows:

- i) Electrical Cables
- ii) Communication Cables
- iii) Copper Rods
- iv) Others

The above business segments have been identified considering

- i) The Nature of the product/services
- ii) The Related risks and returns
- iii) The Internal financial reporting systems

Revenue and expenses have been accounted for based on their relationship to the operating activities of the segment. Revenues and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocable Expenses". Assets and Liabilities which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocable Assets/Liabilities".

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46. A) Primary Segment Information for the year ended 31 March 2015

(Rs. in million)

	Electrical Cables		Communication Cables		Copper Rod		Others		Elimination		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
REVENUE												
External	21,918.9	21,328.8	2,445.4	2,271.6	973.3	1,186.8	410.3	312.3	-	-	25,747.9	25,099.5
Inter - segment (Net of Excise)	-	-	-	-	4,997.6	5,827.8	2,091.2	2,458.5	(7,088.8)	(8,286.3)	-	-
Less : Excise Duty	992.1	1,168.7	169.7	198.2	86.7	130.0	8.6	12.2	-	-	1,257.0	1,509.1
Total Revenue	20,926.8	20,160.1	2,275.7	2,073.4	5,884.2	6,884.6	2,493.0	2,758.6	(7,088.8)	(8,286.3)	24,490.9	23,590.4
RESULTS												
Segment Results	2,871.4	2,576.3	144.6	285.4	40.3	22.0	(150.6)	(65.0)	-	-	2,905.7	2,818.7
Other Unallocable expenditure (net)	-	-	-	-	-	-	-	-	-	-	(145.0)	(244.6)
Interest Expenses	-	-	-	-	-	-	-	-	-	-	129.2	134.0
Profit before Taxes	-	-	-	-	-	-	-	-	-	-	2,631.4	2,440.1
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	644.8	363.3
Profit after Tax	-	-	-	-	-	-	-	-	-	-	1,986.6	2,076.8
OTHER INFORMATION												
Segment Assets	4,887.7	6,431.1	1,804.2	2,410.2	312.8	329.8	9,333.0	6,468.6	-	-	16,337.6	15,639.7
Segment Liabilities	1,028.1	1,051.9	379.5	394.3	65.8	54.0	1,884.9	168.3	-	-	3,358.3	1,668.5
Capital Expenditure	111.7	530.6	212.9	130.1	3.2	3.9	35.9	404.9	-	-	363.7	1,069.5
Depreciation	302.5	263.2	132.5	131.3	13.6	20.5	191.1	69.3	-	-	* 639.7	484.3

* Includes Rs 61.5 million adjusted against retained earnings.

B) Secondary Segment Information (by Geographical Segment)

(Rs. in million)

Particulars	2015	2014
REVENUE (Net of Excise)		
Exports	544.8	501.1
Domestic	23,946.1	23,089.3
Total	24,490.9	23,590.4
DEBTORS		
Exports	52.9	46.2
Domestic	1,133.3	1,405.5
Total	1,186.1	1,451.7

Note :

Assets of the company except sundry debtors are not identified with the geographical segments as these are used interchangeably and are located in India.



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Notes forming part of the Accounts

47. Disclosure as per Accounting Standard 15 (Revised 2005)

The following table sets out the status of Gratuity Plans as required under AS 15 (Revised 2005).

(Rs. in million)

Statement showing changes in Present Value of obligations as on 31st March	2015	2014			
Present value of obligations at the beginning of the year	99.0	108.3			
Interest Cost	9.2	8.9			
Current service cost	7.0	7.6			
Benefits paid	(11.2)	(21.2)			
Actuarial (gain)/loss on obligations	17.5	(4.6)			
Present Value of obligations as at end of year	121.6	99.0			
Table showing changes in the fair value of plan assets as on 31st March					
Fair value of plan assets at the beginning of the year	97.0	105.1			
Expected return on plan assets	8.4	9.1			
Contributions	1.7	5.0			
Benefits paid	(11.2)	(21.2)			
Actuarial gain/(loss) on obligations	(0.4)	(1.0)			
Fair value of plan asset at end of year	95.6	97.0			
Funded status	100%	100%			
Amounts to be recognised in the Balance Sheet					
Present Value of obligations as at the end of the year	121.6	99.0			
Fair value of plan assets as at the end of the year	95.6	97.0			
Net Asset/(Liability) recognised in balance sheet	(26.0)	(2.0)			
Expenses Recognised in Statement of Profit & Loss					
Current Service Cost	7.0	7.6			
Interest Cost	9.2	8.9			
Expected return on plan assets	(8.4)	(9.1)			
Net Actuarial(gain)/Loss recognised in the year	17.9	(3.6)			
Expenses recognised in statement of Profit & Loss	25.8	3.8			
Table showing administration of plan assets	2015	2014			
Administered by LIC	93.7	95.2			
Administered by Birla Sun Life	1.9	1.8			
Total	95.6	97.0			
Actuarial Assumptions:					
Discounted Rate	8.0%	9.32%			
Rate on return on assets	8.0%	8.70%			
Salary escalation	7%	7%			
Attrition rate	15%	15%			
Mortality	Indian Assued Lives Mortality (2006-08) Ultimate				
	31st March				
	2015	2014	2013	2012	2011
Experience adjustments					
On plan liability gain/(loss)	(17.5)	4.6	(5.9)	4.7	(5.0)
On plan asset gain/(loss)	(0.4)	(1.0)	0.3	(0.2)	(0.1)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 21.4 million (previous year Rs. 9.0 million)

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Privileged leave (Compensated absence for employee) :

Amount recognised in Statement of Profit and Loss and movements in Net Liability :

	(Rs. in million)	
	2015	2014
Opening balance of compensated absences (a)	44.5	51.1
Present value of compensated absences as at the year end (b)	56.9	44.5
(Excess)/Unfunded liability of Compensated Absences recognised in Statement of Profit and Loss for the year (b-a)	12.4	(6.6)

The privileged leave liability is not funded

48. Previous year figures have been regrouped / reclassified to conform to current year's classification

As per our report of even date
For B. K. KHARE & COMPANY
Chartered Accountants
Firm Registration No. 105102W

Dr. H. S. Vachha
P. R. Rathi
S. B. Pandit
P. G. Pawar
A. J. Engineer

D. K. Chhabria
Executive Chairman
M. Viswanathan
*Executive Director &
Chief Financial Officer*

NARESH KUMAR KATARIA
Partner
Membership No. 37825

R.G.D'SILVA
*Company Secretary &
President (Legal)*

Pune: 12th May 2015

Pune: 12th May 2015



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NOTICE

NOTICE is hereby given that the Forty-Seventh Annual General Meeting of Members of Finolex Cables Limited will be held on Monday, 10th August, 2015 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D Mart, Chinchwad, Pune - 411019, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2015 and the reports of the Board of Directors' and Auditors' thereon.
2. To declare a dividend on equity shares for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Mr Mahesh Viswanathan (DIN: 02780987) who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, M/s. B. K. Khare & Co., Chartered Accountants, [Firm Registration No. 105102W], be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as shall be fixed by the Board of Directors of the Company (the "Board").

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts deeds, matters and things as may be deemed necessary, relevant, usual and/or expedient, for implementing and giving effect to this resolution."

SPECIAL BUSINESS

5. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mrs Namita Vikas Thapar [DIN: 05318899] who was appointed an Additional Director (Woman Director) by the Board of Directors of the Company (the "Board") with effect from 8th November 2014 and who holds office upto the date of this Annual General Meeting pursuant to the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company and, who is eligible for reappointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing her candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

6. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Audit Committee and subject to the applicable guidelines and approval of the Central Government in this regard, the Members of the Company hereby ratify a consolidated remuneration of Rs.4.50 Lakhs (Rupees Four Lakhs Fifty Thousand Only) plus taxes and out of pocket expenses, if any, chargeable extra on actual basis payable to M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240) who have been appointed as Cost Auditors by the Board of Directors of the Company (the "Board"), to conduct cost audit of the cost records of the Company for the financial year ending 31st March, 2016.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do or to authorize any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

7. To consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 including any modification(s) or reenactment thereof for the time being in force and subject to the provisions of the Articles of Association of the Company, approval of the Members of the Company (the "Members") be and is hereby accorded to the Board of Directors of the Company (the "Board") to offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches, aggregating up to Rs.150 Crores (Rupees One Hundred Fifty Crores only), on private placement basis, from such persons and on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company including as to when the said Debentures are to be issued, the consideration for the issue, the coupon rate(s) applicable, redemption period, utilisation of the issue proceeds and all matters connected with or incidental thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient to give effect to this resolution."

8. To approve related party transaction(s) with Corning Finolex Optical Fibre Private Limited and to consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

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“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 (VII) of the Listing Agreement and subject to such other approvals, consents, sanctions and permissions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include a Committee constituted by the Board or any person(s) authorized by the Board) to authorize the Management of the Company to carry out transaction(s) in its ordinary course of business for the purchase of optical fibre from Corning Finolex Optical Fibre Private Limited from time to time at a price to be agreed between the Company and Corning Finolex Optical Fibre Private Limited and on the existing terms and conditions set out in the Agreement dated 16th June, 2011 entered into between the Company and Corning Finolex Optical Fibre Private Limited and mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board, Audit Committee and the Management of the Company be and is hereby authorized as may be appropriate or relevant to implement and to give effect to this resolution, to take all steps whatsoever and to do all such acts, deeds, matters and things as each of them may consider necessary, relevant, usual, customary and/or expedient for giving effect to this resolution including finalizing the ancillary and incidental terms in relation to each transaction and to sign deeds, applications, documents and writings in relation thereto.

By Order of the Board of Directors

R.G. D'SILVA
Company Secretary
& President (Legal)

Place : Pune
Dated : 12th May, 2015

Registered Office:
26/27, Mumbai-Pune Road, Pimpri, Pune - 411 018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF NOT MORE THAN FIFTY MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER OF THE COMPANY.

2. The Statement setting out the material facts concerning each item of the special business mentioned under item Nos. 5 to 8 of the Notice as required under Section 102 of the Companies Act, 2013 is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 1st August, 2015 to Monday, 10th August, 2015 (both days inclusive) for the purpose of Annual General Meeting (AGM) and payment of Dividend.
4. The Board of Directors in their meeting held on 12th May, 2015 has recommended payment of Dividend of 90 % (Rs.1.80 per equity share) for the year 2014-15. The payment of dividend is to be approved by the Members at the AGM. The aforesaid dividend, if declared at the AGM, will be paid on or before 8th September, 2015 to those Members whose names appear in the Register of Members of the Company, as on the date of the AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details to be received from the Depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the same being as of close of their respective business hours on the date immediately preceding the aforesaid Book Closure period (i.e. as of Friday, 31st July, 2015).
5. The Members are requested to:
 - a) intimate to the Company (for shares held in physical form) and to their Depository Participant (DP) (for shares held in Dematerialised form) the changes, if any, in their registered address, ECS/LECS/NECS/ Bank account number/details, etc. at an early date;
 - b) quote Ledger Folio Numbers/DP Identity and Client Identity Numbers in all their correspondence;
 - c) approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - d) direct all correspondence to the Company's Registered Office at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 for the attention of the Secretarial Department;
 - e) get the shares transferred in joint names or make nomination in respect of their shareholding in the Company, if they are held in single name to avoid inconvenience;



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- f) bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting; and
 - g) intimate the Company/Depository Participant (DP) the Permanent Account Number (PAN) allotted by the Income Tax Authorities for incorporation in the records/TDS Certificates, as maybe applicable;
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company Secretary, so as to reach the Company at least seven working days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the extent possible.
7. **The Government in its concern for the environment has, as part of its green initiative permitted companies to serve requisite documents through electronic mode on their Members. Members are requested to support this worthy cause and inform the Company their personal email addresses and changes, if any, therein from time to time. This will also facilitate expeditious communication.**

Further the Companies Act, 2013 has also recognized serving of documents to any Member through electronic mode. In terms of the Circular No.NSDL/CIR/II/10/2012 dated 9th March, 2012 issued by National Securities Depository Limited, email addresses made available by the Depository for Member's respective Depository Participant accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be the concerned Member's registered email address for serving notices/ documents including those covered under Sections 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the underlying rules relating to transmission of documents in electronic mode. In light of the requirements prescribed by the aforesaid circulars, printed copies of the Notice of Annual General Meeting and Annual Report for the year ended 31st March, 2015 would be dispatched to the recorded addresses of only those Members whose Depository Participant accounts do not contain the details of their email address. **Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company quoting their folio number(s).**

For convenience of stakeholders the Notice of Annual General Meeting and the copies of audited financial statements, directors' report, auditors' report, etc. will also be displayed on the website www.finolex.com of the Company.

8. The Securities and Exchange Board of India ("SEBI") has vide its circulars Ref. No.MRD/DoP/Cir-05/2009 dated 20th May 2009 and Ref. No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated 7th January, 2010 specified that for securities market transactions and off - market/private transactions involving transfer/transmission of shares, deletion of name of deceased shareholder(s) and transposition of names in respect of shares held in physical form of listed companies, it shall be mandatory for the transferee(s)/shareholder(s) to furnish copy of PAN card to the Company/Registered Transfer Agents (RTAs) for registration of such transfer/transmission of shares or other requests, as aforesaid. All shareholder(s) desirous of lodging physical shares for any of the aforesaid should, therefore, invariably furnish copy of their PAN card at the time of lodging requests for such matters together with all requisite documents to the Company/RTA for necessary action, to avoid inconvenience.
9. Pursuant to Section 205A of the earlier Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ending 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrant for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, PMT Commercial Building, Deccan Gymkhana, Pune - 411004.

Further, pursuant to Section 205A of the earlier Companies Act, 1956, the amount of dividends for the financial years ended 31st March, 1996 to 31st March 2007, each of which were remaining unpaid or unclaimed for a period of seven years have, from time to time, been transferred to the Investor Education and Protection Fund of the Central Government (the "Fund") by the Company upon expiry of the period prescribed in this regard. Also pursuant to the provisions of Section 124 of the Companies Act, 2013 and applicable Rules made thereunder (the "Act"), the dividends remaining unpaid or unclaimed for the financial year ending 31st March, 2008 and thereafter shall similarly on expiry of the prescribed period of seven years also be transferred to the Fund.

The Company had individually informed the concerned Shareholders, at their last recorded addresses, and those Shareholders who have still not encashed the Dividend Warrants for the financial year ending 31st March, 2008 (which is to be transferred to the Fund within one month from 3rd September, 2015) or for any of the financial years subsequent thereto are therefore, requested to immediately forward the same to the Company for revalidation. **It may also please be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie against the Company in respect of the individual amounts which were unclaimed and unpaid for a period of seven years from the date that they first became due for payment and no payment shall be made by the Company in respect of any such claims.**

10. In order to provide protection against fraudulent encashment of dividend warrants, Members are requested to furnish their Bank account number with the name of the Bank/Branch, its address and quoting their folio number, etc so that the Bank account details are available for payment of dividend by ECS/LECS/NECS/can be printed on the dividend warrants. Similarly, Members holding shares in dematerialised form may please immediately inform changes, if any, in their Bank account details (with 9 Digit MICR Code) to their Depository Participant (DP) to enable the correct Bank account details to be made available to the Company by the DP for ECS/LECS/NECS/printing on the dividend warrants. **In any case, Members will appreciate that the Company will not be responsible for any loss arising out of fraudulently encashed dividend warrants.**

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11. Voting through electronic means (i.e. remote e-voting):

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted vide Notification F.No.01/34/2013-CL-V-Part-I dated 19th March, 2015 enacting the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide Members the facility to exercise their right to vote in respect of the business to be considered at the 47th Annual General Meeting (AGM) by electronic means and the business may be transacted from a place other than the venue of the AGM through remote e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for remote e-voting are as under:

- (A) Members whose shareholding is in dematerialized form and whose email addresses (IDs) are registered with the Company/ Depository Participants(s) will receive an email from NSDL informing the Member the User ID and Password:
- (i) Open email and open PDF file viz; "Finolex Cables Limited e-Voting.pdf" with your Client ID or Folio No. as password.
The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended to change the initial password and not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" (E-Voting Event Number) of Finolex Cables Limited.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote or cast your vote again even if you attend the AGM.
 - (xii) Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to e-voting@nsdl.co.in or forward the relevant documents to the Company's email ID i.e. investors@finolex.com with a copy marked to evoting@nsdl.co.in

- (B) For Members holding shares in dematerialized form whose email IDs are not registered with the Company/Depository Participants(s), all Members holding shares in physical form as well as those Members who have requested for physical copy of the Notice and Annual Report, the following instructions are to be noted:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) given in I(A) above, to cast your vote.
- II. (a) Please note the facility for voting by ballot or polling paper shall also be made available at the Meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting.
- (b) Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsd.com or contact NSDL on Toll Free No.1800-222-990 or by email at evoting@nsdl.co.in.

Please note login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event you will need to go through the option "Forgot Password" available on the site to reset the password.

- IV. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- V. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s). You may also enter the secret question and answer of your choice to retrieve your password in case you forget it



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- VI. The remote e-voting period commences on 7th August, 2015 (9:00 am) and ends on 9th August, 2015 (5:00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 3rd August, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- VII. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 3rd August, 2015.
- VIII. Members who have already exercised their right to vote through remote e-voting can attend the AGM but cannot vote again.
- IX. Any person, who acquires shares of the Company and becomes a Member after dispatch of the Notice and holding shares as on the cut-off date i.e. 3rd August, 2015 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.:1800-222-990.

- X. Mr. S. V. Deulkar, (C.P. No.965) Partner of M/s SVD & Associates, Company Secretaries, Pune has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XI. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Executive Chairman of the Company or a person authorized by him in writing who shall countersign the same.
- XII. After receipt of the consolidated Scrutinizer's Report the Executive Chairman of the Company or a person authorized by him in writing shall declare the results of the voting forthwith. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.finolex.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges i.e. National Stock Exchange Limited of India Limited and Bombay Stock Exchange Limited, where the shares of the Company are listed.
- XIII. The Company shall cause a requisite public notice by way of an advertisement to be published on or before 19th July, 2015 in Marathi language newspaper 'Loksatta', Pune edition and in English language newspaper 'The Financial Express', Pune edition.
12. All documents referred to in the accompanying Notice are open for inspection by Members at the Registered Office of the Company between 9.00 a.m. to 11.00 a.m. on any working day of the Company till 10th August, 2015.
13. Reappointment of Directors:

- (a) At the ensuing Annual General Meeting, Mr Mahesh Viswanathan retires by rotation and, being eligible, offers himself for reappointment. The information or details to be provided under the Code of Corporate Governance is set out hereinafter.

Mr Mahesh Viswanathan is aged 55 years and joined the services of the Company as Chief Financial Officer on 15th October, 2008. Mr. Mahesh Viswanathan is a Chartered Accountant having several years experience in industry including in Management, Finance and Taxation matters. He has worked in a number of leading companies in India and also has international experience in multinational companies.

Mr Mahesh Viswanathan was appointed as an Additional Director and a whole time Director designated as "Director – Finance & Chief Financial Officer by the Board of Directors of the Company (the "Board") at its meeting held on 23rd October, 2010 for a period of 5 years with effect from 1st November, 2010. Thereafter the Board at its meeting held on 30th April, 2013 appointed Mr Mahesh Viswanathan as a whole time Director designated as Executive Director & Chief Financial Officer of the Company for a period of 5 years with effect from 1st July, 2013. The said appointment was approved by the Members at the Annual General Meeting held on 28th June, 2013.

Mr Mahesh Viswanathan is the Company's Nominee Director on the Board of M/s Finolex J-Power Systems Limited (also Member of its Audit Committee, Nomination and Remuneration Committee and Share Allotment and Transfer Committee) as also on the Board of M/s Corning Finolex Optical Fibre Private Limited. Mr Mahesh Viswanathan does not hold any shares in the Company as on 31st March, 2015.

In terms of the Agreement executed between the Company and Mr Mahesh Viswanathan and pursuant to his reappointment as a Director on the Board of Directors of the Company by the Members at this meeting, Mr Mahesh Viswanathan shall continue as Executive Director and Chief Financial Officer of the Company for the remaining term of his office i.e. upto 30th June, 2018.

Mr Mahesh Viswanathan may be deemed to be concerned or interested in the ordinary business at item No.3 of the Notice, since it relates to his reappointment as a Director on the Board. None of the other Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested in the said item of business relating to reappointment of Mr Mahesh Viswanathan to the Board.

The Board recommends the reappointment of Mr Mahesh Viswanathan on the Board for continuing as Executive Director and Chief Financial Officer of the Company for the remaining period of his term, as aforesaid.

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Annual Report 2014-15

EXPLANATORY STATEMENT IN RESPECT OF ITEM NOS. 5 TO 8 OF THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 5

Mrs Namita Vikas Thapar [DIN: 05318899] was appointed with immediate effect as an Additional Director (Woman Director) by the Board of Directors of the Company (the "Board") at its meeting held on 8th November, 2014. Her appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Mrs Namita Vikas Thapar holds office of Director upto the date of this Annual General Meeting. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mrs Namita Vikas Thapar (i.e. Woman Director) as Director of the Company along with a deposit of Rupees One Lakh only which shall be refunded to the concerned member if Mrs Namita Vikas Thapar is elected as Director.

Mrs Namita Vikas Thapar, aged about 38 years holds qualifications of B.Com., C.A. and MBA from Duke University, USA. She is a whole time Director and Chief Financial Officer of Emcure Pharmaceuticals Limited and has about 15 years experience. She is also a Director on the Board of Zuventus Healthcare Limited. She does not hold any shares in the Company.

The Board recommends her appointment as a Director, in the capacity as woman director, on the Board of Directors of the Company and liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No.5 of the Notice.

Item No.6

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240), to conduct audit of the cost records of the Company for the financial year ending 31st March, 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Hence this resolution is put up for the consideration of the Members.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No.6 of the Notice.

Item No.7

Section 42 of the Companies Act, 2013 (the "Act") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement basis, a company shall obtain previous approval of its Members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. In this regard private placement means an offer of securities or invitation to subscribe securities to a select group of persons by a company (other than by way of public offer) through issue of a private placement offer letter and which satisfies the conditions specified in Section 42 of the Act.

In terms of the aforesaid provisions, the Members of the Company had, at the 46th Annual General Meeting held on 9th September, 2014, authorized the Board of Directors of the Company to offer or invite subscription for non-convertible debentures in one or more tranches aggregating upto an amount of Rs.100 Crores (Rupees One Hundred Crores only) on private placement basis on such terms and conditions including security as the Board may, from time to time, decide in the said year. It may please be noted that the Company had not made any private placement of non-convertible debentures pursuant to the authority accorded by the Members by the resolution passed on 9th September, 2014.

The Company may however require to augment its long term resources for financing, its planned or ongoing capital expenditure and for general corporate purposes and the Company may offer or invite subscription for secured or unsecured redeemable non-convertible debentures, in one or more series or tranches on a private placement basis, issuable or redeemable at par.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 to enable the Company to offer or invite subscription for NCDs on a private placement basis, in one or more tranches during the period of one year from the date of passing the resolution at Item No.7 within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Board recommends the Special Resolution set out at Item No.7 of the Notice for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No.7 of the Notice.

Item No.8

The Company and Corning Ventures France SAS (a French subsidiary of Corning Incorporated, USA) entered into a joint venture under the name "Corning Finolex Optical Fibre Private Limited" (CFOFPL). Pursuant to the approval of the Board of Directors of the Company



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at its meeting held on 8th February, 2011 an Agreement dated 16th June, 2011 ("JV Agreement") was entered into between the Company and CFOFPL in order for the Company to purchase optical fibre from CFOFPL (the "Transaction"). The business of CFOFPL is to purchase optical fibre produced by Corning Technologies India Private Limited and sell the same to merchant cablers in India.

The particulars of the Transaction in terms of Clause 3 of the Explanation to Rule 15 sub-rule (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1	Name of the related party	Corning Finolex Optical Fibre Private Limited ("CFOFPL")
2	Name of the Directors or key managerial personnel who is related, if any	Mr D K Chhabria Mr Mahesh Viswanathan
3	Nature of relationship	Nominee Directors of the Company on the Board of CFOFPL and Mr D K Chhabria is now also the Non Executive Chairman of CFOFPL.
4	Nature of material terms, monetary value and particulars of the contract or arrangement	Annual purchase value at current prices is estimated at Rs.40 Crores or 1 Million KM Fibre quantity whichever is higher; normal credit period applicable is 30 days.
5	Any other information relevant of important for the Members to take a decision on the proposed resolution: Advantages for the Company by virtue of being a JV partner in CFOFPL are as under: (a) The Company would have confirmed long term source of supply for its fibre requirements as and when its requirement of fibre exceeds its own manufacturing capacity. (b) From time to time, cable customers specify or mandate that their cable should be made with a specific brand of fibre. Where such specification requires the use of only Corning branded fibre, this JV Agreement allows the Company to procure fibre without entering into protracted negotiations. (c) The JV Agreement further provides that for a similar volume of fibre, the Company would get the lowest price in India from CFOFPL as compared to any of its other customers. (d) Finally, the Company would participate equally in the profits that would accrue to CFOFPL via its operations. Being primarily a trading company, the investment in CFOFPL is not expected to be large and hence the returns would be attractive in the long run. (e) The JV Agreement also provides for safeguards in such a manner that operating losses, if any, would be reimbursed by Corning Ventures France SAS to the JV company i.e. CFOFPL.	

The Transaction is entered into in the ordinary course of business of the Company. The Ministry of Corporate Affairs has vide its General Circular No. 30 / 2014 dated July 17, 2014 clarified that contracts entered into by companies, after making necessary compliances under Section 297 of the Companies Act, 1956, which already came into effect before the commencement of Section 188 of the Companies Act, 2013, that is, 1st April, 2014, will not require fresh approval under Section 188 till the expiry of the original term of such contracts, except where any modification in such contract is made on or after 1st April, 2014. However, for ensuring better corporate governance and as a matter of abundant caution, the approval of the Members is being sought by way of a special resolution.

The Board resolution dated 8th February, 2011 and the JV Agreement entered into between the Company and Corning Finolex Optical Fibre Private Limited are available for inspection by the Members at the Registered Office of the Company between 9.00 am to 11.00 am on any working day of the Company till 10th August, 2015.

It is in the interest of the Company to pass the special resolution. The Board has recommended the resolution and the Audit committee has approved the proposed resolution which is being placed before the Members for their approval.

Mr D K Chhabria, Executive Chairman and Mr Mahesh Viswanathan, Executive Director and Chief Financial Officer of the Company are the nominees of the Company on the Board of Directors of CFOFPL, and Mr D K Chhabria is also the non Executive Chairman of CFOFPL. Accordingly, they may be deemed to be concerned or interested in this Special Resolution. Mr D K Chhabria and Mr Mahesh Viswanathan do not hold any shares or have any pecuniary interest in CFOFPL. No other Director or Key Managerial Personnel or their respective relatives are concerned or interested financially or otherwise in the resolution set out at Item No.8 of this Notice.

By Order of the Board of Directors

R.G. D'SILVA
Company Secretary
& President (Legal)

Place : Pune
Dated : 12th May, 2015

Registered Office:
26/27, Mumbai-Pune Road, Pimpri, Pune - 411 018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com

FINOLEX CABLES LIMITED

Regd. Office: 26-27, Mumbai – Pune Road, Pimpri, Pune – 411 018

[CIN: L31300MH1967PLC016531]

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____
 Registered Address : _____
 E-Mail ID : _____
 Folio No. / Client ID : _____
 DP ID : _____

I/We, being the member(s) holding _____ shares of the above named Company, hereby appoint: (1) Mr/Mrs/
 Ms _____ residing at _____

E-Mail ID: _____ or failing him/her (2) Mr/Mrs/Ms _____ residing
 at _____ E-Mail ID: _____

or failing him/her (3) Mr/Mrs/Ms _____ residing at _____

E-Mail ID: _____

whose signatures are appended below, as my/our proxy to attend and vote (on a poll) for me/our behalf at the 47th Annual General Meeting of the Company, to be held on Monday the 10th day of August, 2015 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D'Mart, Chinchwad, Pune – 411019 and at any adjournment thereof in respect of such resolution as are indicated below:

Sr. No.	Resolution	Vote (Optional see Note 3)*	
		For	Against
	ORDINARY BUSINESS		
1	Adoption of financial statement of the Company for the financial year ended 31st March, 2015 and the reports of the Board of Directors' and Auditors' thereon.		
2	Declaration of dividend @ 90% on equity shares for the financial year ended 31st March, 2015.		
3	Appointment of Mr Mahesh Viswanathan (DIN: 02780987), who retires by rotation at this meeting, and being eligible, offers himself for reappointment.		
4	Appointment of Auditors and fixing their remuneration.		
	SPECIAL BUSINESS		
5	Appointment of Mrs Namita Vikas Thapar (DIN: 05318899) as Woman Director of the Company liable to retire by rotation.		
6	Approval of remuneration of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240) as Cost Auditor of the Company for the financial year 2015-16.		
7	To offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches, aggregating upto Rs.150 Crores (Rupees One Hundred Fifty Crores Only) on private placement basis.		
8	Approval for the Company to continue to purchase optical fibre from Corning Finolex Optical Fibre Private Limited as set out at item No.8 of the Notice.		

Signed this _____ day of _____ 2015

Affix
Rs.1/-
Revenue
Stamp

Signature of Shareholder

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For details of the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 47th Annual General Meeting.
3. *It is optional to indicate your preference. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

TEAR HERE

FINOLEX CABLES LIMITED

Regd. Office: 26-27, Mumbai – Pune Road, Pimpri, Pune – 411 018

[CIN: L31300MH1967PLC016531]

47TH ANNUAL GENERAL MEETING – MONDAY, 10th AUGUST, 2015

ATTENDANCE SLIP

(To be handed over at the entrance of the venue of the Meeting)

Folio No. : _____ No. of Shares _____

DP ID : _____

Client ID : _____

Name of the attending member (in block letters)

Name of the Proxy (in block letters)

(to be filled by the Proxy attending instead of the member)

I hereby record my presence at the 47th Annual General Meeting held on Monday the 10th day of August, 2015 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D Mart, Chinchwad, Pune – 411019.

Member's/Proxy's Signature

Notes: 1) Interested joint members may obtain attendance slips from the Registered Office of the Company.

2) Members/Joint members/proxies are requested to bring the duly filled in attendance slip with them. Duplicate slips will not be issued at the entrance of the Auditorium.

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